

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-01**

RESOLUTION REAPPOINTING DAVID BORING, BART BARRINGER, TOM SLATER, AND LAUREN TREVINO TO THE DOWNTOWN IMPROVEMENT DISTRICT ADVISORY BOARD

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Downtown Improvement District Board of Directors are recommending the reappointments of David Boring, Bart Barringer, Tom Slater, and Lauren Trevino to a term ending January 2022 to the Downtown Improvement District Advisory Board.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto as follows:

SECTION 1. David Boring, Bart Barringer, Tom Slater, and Lauren Trevino are hereby reappointed to the Downtown Improvement District Advisory Board.

SECTION 2. The City Clerk is hereby directed to transmit a copy of this Resolution to the reappointed members of Downtown Improvement District Advisory Board, and as Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-02**

**RESOLUTION ACCEPTING THE RESIGNATION OF JON RODGRIUEZ
FROM THE BOARD OF BUILDING APPEALS**

WHEREAS, Jon Rodriguez was appointed to serve as a member of the Board of Building Appeals on December 3, 2013, and

WHEREAS, Jon Rodriguez has tendered his resignation from the Board of Building Appeals.

NOW, THEREFORE, BE IT RESOLVED, that the resignation of Jon Rodriguez from the Board of Building Appeals is hereby accepted.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-03**

**RESOLUTION APPROVING A PURCHASE AGREEMENT FOR 20
MOTOROLA APX8000XE DUAL BAND PORTABLE RADIOS,
PIGGYBACKING FROM A COMPETITIVELY BID CONTRACT WITH LA
COUNTY, TO MOTOROLA SOLUTIONS, INC. VIA DELTA WIRELESS, INC.
OF STOCKTON, CA, FOR AN ESTIMATED TOTAL COST OF \$150,536, AND
AUTHORIZING THE PURCHASING MANAGER TO ISSUE THE AGREEMENT**

WHEREAS, radios in place today were discontinued by Motorola in 2014 and therefore new replacements are not available, and

WHEREAS, Motorola services radios 5 years past the end of life or as long as parts are available, and

WHEREAS, while there are 2 years remaining for radios to be sent in for repair, the City is no longer guaranteed the availability of parts, and

WHEREAS, the Fire Department needs equipment that will operate on the new 800 MHz system currently utilized by the Police Department, Stanislaus County Sheriff's Office, Ceres Police Department and Turlock Police Department, and

WHEREAS, Fire Department staff in charge of the radio program recommended the Motorola APX8000XE dual band portable radio as the replacement of the current portable radios, and

WHEREAS, staff took into consideration the exposure to water and heat these radios are subjected to in the field, and

WHEREAS, the Interim City Manager authorized the issuing of a formal Request for Bid (RFB) for the purchase of dual band radios, and

WHEREAS, the Purchasing Division recommended "piggybacking" off an existing, competitively bid contract for LA County in which the exact specification of portable radio is listed, and

WHEREAS, LA County conducted a competitive bid process for the purchase of portable radios and issued Master Purchase Agreement (MPA) MA-IA-1740313 which is dated 07/01/2017 and valid through 06/30/2020, and

WHEREAS, the most responsive and responsible bidder that met the bid specifications was Motorola Solutions, Inc. via Delta Wireless, Inc., of Stockton, CA, and

WHEREAS, “piggybacking” from a competitively bid contract with LA County, to Motorola Solutions, Inc. via Delta Wireless, Inc. of Stockton, CA conforms to the Modesto Municipal Code (MMC) Section 8-3.203, MMC Section 8-3.202(h) and MMC Section 8-3.204(d), as this purchase will result in the lowest competitive price commensurate with the desired quality and would be in the best interest of the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it would be in the best interests of the City to piggyback from a competitively bid contract with LA County.

BE IT FURTHER RESOLVED that the Council hereby authorizes a Purchase Agreement for 20 Motorola APX8000XE dual band portable radios, to Motorola Solutions, Inc. via Delta Wireless, Inc. of Stockton, CA for an estimated total cost of \$150,536.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

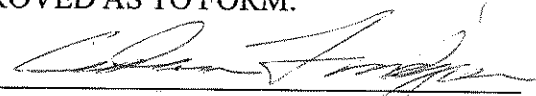
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-04**

**RESOLUTION APPROVING THE FEDERAL FISCAL YEAR 2018-2023
AIRPORT CAPITAL IMPROVEMENT PLAN (ACIP) AS SUBMITTED BY THE
AIRPORT AND APPROVED BY THE FEDERAL AVIATION
ADMINISTRATION (FAA)**

WHEREAS, the Modesto City-County Airport (Airport) is a federally obligated airport, and is eligible for federal funding, and

WHEREAS, as Airport sponsor, the City is eligible for discretionary funding from the Federal Airport Improvement Program (AIP), and

WHEREAS, the FAA requires that the City submit a revised ACIP annually covering at least the next five years to maintain eligibility for future project funding, and

WHEREAS, in addition to updating cost estimates, the ACIP annual update is intended to reflect ongoing changes in City priorities, airport needs, and/or federal mandates, and

WHEREAS, keeping the ACIP current helps the FAA plan for the Airport's long-term funding needs and better distribution of funds on a priority rating, and

WHEREAS, CalTrans Aeronautics uses the ACIP submission to develop the State Capital Improvement Plan (SCIP), and

WHEREAS, the Airport CIP update will be focusing on mandated safety and compliance issues, current infrastructure needs and planning for future Airport needs and,

WHEREAS, the total package of capital improvements submitted to the FAA for 2018-2023 is estimated to cost \$4,746,092, and

WHEREAS, funding for projects that are approved will be funded 90% by the FAA with the Airport Fund providing the remaining 10% (\$474,609 total), and

WHEREAS, the County Aircraft Tax Fund will generate most of the revenue for the 10% match, and

WHEREAS, on November 16, 2017, the Airport Advisory Committee recommended the forwarding of this item to Council for consideration of approval, and

WHEREAS, on December 14, 2017, this item was also presented to the Finance Committee for their acceptance and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Federal Fiscal Year 2018 – 2023 Airport Capital Improvement Plan (ACIP), **attached** hereto as **Exhibit A**.

MODESTO Airport Capital Improvement Plan (ACIP) 2018 - 2025																					
PROJECT	Total Cost	Federal Share	City Share	FAA 2014	CITY 2018	FAA 2019	CITY 2019	FAA 2020	CITY 2020	FAA 2021	CITY 2021	FAA 2022	CITY 2022	FAA 2023	CITY 2023	FAA 2024	CITY 2024	FAA 2025	CITY 2025		
1 Reconstruct Taxiway E/D (PMS Priority 1 & 2)																					
REPA (Calfix 2014)	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -										
Admin	\$ 36,440	\$ 72,796	\$ 3,644					\$ 16,398	\$ 1,822	\$ 16,398	\$ 1,822										
Design Fall F/Y 2018 (Funded in 2015 with A, IP Grant #33)	\$ -	\$ -	\$ -					\$ -	\$ -	\$ -	\$ -										
Construction	\$ 1,822,000	\$ 1,639,800	\$ 182,200					\$ 819,900	\$ 91,100	\$ 819,900	\$ 91,100										
Construction Admin	\$ 182,200	\$ 182,200	\$ 18,220					\$ 81,990	\$ 9,110	\$ 81,990	\$ 9,110										
TOTAL	\$ 2,000,640	\$ 1,822,000	\$ 200,640					\$ 918,288	\$ 102,032	\$ 918,288	\$ 102,032										
2 Property Acquisition Schedule 1 - Environmental - NEPA																					
Admin	\$ 3,000	\$ 2,700	\$ 300							\$ 2,700	\$ 300										
Environmental - NEPA	\$ 100,000	\$ 90,000	\$ 10,000							\$ 90,000	\$ 10,000										
TOTAL	\$ 103,000	\$ 92,700	\$ 10,300							\$ 92,700	\$ 10,300										
3 Property Acquisition Schedule 2 - Purchase Reimbursed																					
Admin	\$ 33,500	\$ 12,150	\$ 1,350											\$ 12,150	\$ 1,350						
Acquisition & Relocation	\$ 450,000	\$ 405,000	\$ 45,000											\$ 405,000	\$ 45,000						
TOTAL	\$ 483,500	\$ 417,150	\$ 46,350											\$ 417,150	\$ 46,350						
4 Property Acquisition Schedule 3 - Demo & Tree Removal																					
Admin	\$ 3,000	\$ 2,700	\$ 300																		
Design and Engineering	\$ 55,000	\$ 49,500	\$ 5,500																		
Demolition and tree removal	\$ 100,000	\$ 90,000	\$ 10,000																		
TOTAL	\$ 158,000	\$ 142,200	\$ 15,800																		
5 Design - Reconstruct Taxiway C (PMS Priority 3)																					
REPA (Assumes Calfix - due to RA A by June)	\$ 4,932	\$ 4,149	\$ 483																		
Design	\$ 231,600	\$ 208,440	\$ 23,160																		
TOTAL	\$ 236,532	\$ 212,609	\$ 23,643																		
6 Reconstruct Taxiway C (PMS Priority 3)																					
Admin	\$ 46,820	\$ 41,888	\$ 4,632																		
Construction	\$ 1,544,000	\$ 1,389,600	\$ 154,400																		
Construction Admin	\$ 158,400	\$ 138,960	\$ 15,440																		
TOTAL	\$ 1,744,720	\$ 1,570,248	\$ 174,472																		
Total Funding to be requested	\$ 4,746,092	\$ 4,271,483	\$ 474,609							\$ 918,288	\$ 102,032	\$ 1,016,988	\$ 102,332	\$ 417,150	\$ 46,350	\$ 142,200	\$ 15,800	\$ 232,609	\$ 23,623	\$ 1,570,248	\$ 174,472

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-05**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH LARRY KILLIAN AND ANGELINA MARY KILLIAN, TRUSTEES OF THE KILLIAN FAMILY TRUST, AND LENORE CATHERINE SETLIFF CHLADEK, TRUSTEE OF THE ERNEST BAXTER SETLIFF, JR. TESTAMENTARY TRUST, AND LENORE CATHERINE SETLIFF CHLADEK AND ALAN SMITH, TRUSTEES OF THE GLADYS C. SETLIFF REVOCABLE TRUST, AND ARNOLD W. SETLIFF AND KATHERINE L. SETLIFF, TRUSTEES OF THE NORMA SETLIFF FAMILY TRUST, FOR A 0.52 ACRE PORTION OF A PARCEL OF LAND IN FEE, LOCATED AT 7121 MCHENRY AVENUE (APN 004-102-003), IN THE AMOUNT OF \$21,600 FOR THE DEL RIO REPLACEMENT WELL 271 PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE PURCHASE AND SALE AGREEMENT AND ALL RELATED DOCUMENTS REQUIRED TO COMPLETE THE SALE AND CLOSE ESCROW

WHEREAS, on July 12, 1995, the City of Modesto acquired the former Del Este Water Company, and

WHEREAS, a part of the Del Este Water Company included the water service system of the Del Rio Community, and

WHEREAS, in January 2005, a Technical Memorandum prepared by West Yost & Associates identified certain capital improvements to maintain existing water service levels and to provide additional service for anticipated new development, and

WHEREAS, in July 2005, in a settlement agreement with the Del Rio Community Association, the City of Modesto agreed to implement the capital improvements identified in the West Yost & Associates Technical Memorandum, and

WHEREAS, Well 271 was identified for replacement in the 2010 Water Systems Engineer's Report to meet the needs of the existing Del Rio Water System, and

WHEREAS, staff identified a 0.52-acre parcel for sale located at 7121 McHenry Avenue in the Del Rio service area to for Replacement Well 271, and

WHEREAS, the Project was analyzed in the Del Rio Tank and Wells Project EIR and that EIR certified by the City Council in Resolution No. 2017-347, approved at its September 5, 2017 meeting; (2) A Notice of Determination was properly filed with the Stanislaus County Clerk and with the State Clearing House as Number 2015072055, in compliance with Section 21108 or 21152 of the Public Resources Code on September 6, 2017 for the Del Rio Tank and Wells Project; (3) The impacts of this action are analyzed in that EIR and no further environmental review is required under CEQA, and

WHEREAS, a Purchase and Sale Agreement is needed for the acquisition of the property, and

WHEREAS, the property owner's requested that the Agreement contain a special condition that would allow them to connect into the City's Water System, and

WHEREAS, the City informed the property owner's that a promissory Will-Serve Letter would be supplied and be effective upon the City providing sufficient water and storage capacity to meet the demands of the existing and buildout water system as described in the 2010 Water System's Report.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Purchase and Sale Agreement, in a for approved by the City Attorney, with Larry Killian and Angelina Mary Killian, Trustees of the Killian Family Trust, and Lenore Catherine Setliff Chladek, Trustee of the Ernest Baxter Setliff, Jr. Testamentary Trust, and Lenore Catherine Setliff Chladek and Alan Smith, Trustees of the Gladys C. Setliff Revocable Trust, and Arnold W. Setliff and Katherine L. Setliff, Trustees of the Norma Setliff Family Trust, for a 0.52-acre parcel of land in fee, located

at 7121 McHenry Avenue (APN 004-102-003), in the amount of \$21,600 for the Del Rio Replacement Well 271 Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, and all related documents required to complete the sale and close of escrow and staff is hereby directed to file a Notice of Determination with the County Clerk of Stanislaus County pursuant to Section 21108 or 21152 of the Public Resources Code.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Councilmembers:	Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-06**

RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE CERTIFICATE OF ACCEPTANCE FOR THE GRANT DEED FOR THE ACQUISITION OF PROPERTY LOCATED AT 7121 MCHENRY AVENUE, OWNED BY LARRY KILLIAN AND ANGELINA MARY KILLIAN, TRUSTEES OF THE KILLIAN FAMILY TRUST, AND LENORE CATHERINE SETLIFF CHLADEK, TRUSTEE OF THE ERNEST BAXTER SETLIFF, JR. TESTAMENTARY TRUST, AND LENORE CATHERINE SETLIFF CHLADEK AND ALAN SMITH, TRUSTEES OF THE GLADYS C. SETLIFF REVOCABLE TRUST, AND ARNOLD W. SETLIFF AND KATHERINE L. SETLIFF, TRUSTEES OF THE NORMA SETLIFF FAMILY TRUST, (APN 004-102-003) TO BE PURCHASED BY THE CITY OF MODESTO FOR THE DEL RIO REPLACEMENT WELL 271 PROJECT

WHEREAS, Section 27281 of the Government Code requires a public agency to accept real property prior to the recordation of a deed or adopt a resolution accepting real property, and

WHEREAS, the City of Modesto desires to acquire a 0.52-acre portion of a parcel located at 7121 Mc Henry Avenue in Del Rio, owned by Larry Killian and Angelina Mary Killian, Trustees of the Killian Family Trust, and Lenore Catherine Setliff Chladek, Trustee of the Ernest Baxter Setliff, Jr. Testamentary Trust, and Lenore Catherine Setliff Chladek and Alan Smith, Trustees of the Gladys C. Setliff Revocable Trust, and Arnold W. Setliff and Katherine L. Setliff, Trustees of the Norma Setliff Family Trust (APN 004-102-003), to be purchased by the City of Modesto for the Del Rio Replacement Well 271 Project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Interim City Manager, or his designee, is hereby authorized to sign the Certificate of Acceptance for the Grant Deed for the acquisition of property located at 7121 McHenry Avenue owned by Larry Killian and Angelina Mary Killian, Trustees of the

Killian Family Trust, and Lenore Catherine Setliff Chladek, Trustee of the Ernest Baxter Setliff, Jr. Testamentary Trust, and Lenore Catherine Setliff Chladek and Alan Smith, Trustees of the Gladys C. Setliff Revocable Trust, and Arnold W. Setliff and Katherine L. Setliff, Trustees of the Norma Setliff Family Trust, (APN 004-102-003) to be purchased by the City of Modesto for the Del Rio Well Replacement Well 271 Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-07**

**RESOLUTION APPROVING A PURCHASING AGREEMENT AND TWO
SPECIAL WASTE SERVICES AGREEMENTS WITH REPUBLIC SERVICES,
INC., FORWARD LANDFILL, OF MANTECA, CA, FOR NON-HAZARDOUS
WASTE DISPOSAL FOR AN ESTIMATED ANNUAL COST NOT TO EXCEED
\$60,000, AND NOT TO EXCEED \$180,000 OVER THREE YEARS AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
ISSUE THE PURCHASING AGREEMENTS AND EXECUTE THE SPECIAL
WASTE SERVICES AGREEMENTS**

WHEREAS, the City uses Republic Services, Inc., Forward Landfill (Forward), to dispose of Wastewater Screening and Grit and Sewer Spoils, and

WHEREAS, Forward is located in Manteca, CA, and is the closest landfill to the City that is approved to accept wastewater solids by the Central Valley Regional Water Quality Control Board, and

WHEREAS, there are two other landfills that are able to receive Grit and/or Sewer Spoils, however, these facilities are undesirable due to their distance and would result in higher hauling costs, exceeding any savings in tipping fees, and

WHEREAS, prior to dumping at Forward, the City must perform testing on the grit and sewer spoils and report those findings to Forward before the grit and sewer spoils are accepted for disposal, and

WHEREAS, once cleared for disposal, they will prepare a Special Waste Service Agreement for signature, and

WHEREAS, the Purchasing Agreement is based on the costs identified on the Special Waste Agreement from Republic Services, and

WHEREAS, the Special Waste Agreement from Republic Services represents an agreement for them to dispose of our wastes only, and

WHEREAS, the Special Waste Services Agreement for Non-Hazardous Wastes for grit is at a cost of \$31.50 per ton, \$2.16 per ton County Fee, \$16.25 per load Environmental Fee, and annual increases effective one year from the approval date which is an increase of \$1.50 per ton and \$1.25 per load, and

WHEREAS, the Special Waste Services Agreement for Non-Hazardous Wastes for sewer spoils is at a cost of \$25.00 per ton, \$2.16 per ton County Fee, \$16.50 per load Environmental Fee, and annual increases effective one year from the approval date which is a decrease of \$5.00 per ton and an increase of \$3.50 per load.

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, however, there are exceptions to the rule set forth in the Modesto Municipal Code, and

WHEREAS, one exception, MMC Section 8-3.204(c), is available where the Purchasing Manager, in her discretion, determines that calling for bids on a competitive basis as set forth in Section 8-3.203 is undesirable due to exigent circumstances, and

WHEREAS, the Purchasing Manager invoked that exception for this purchase due to the limited resources for disposal available, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Purchasing Agreement and two Special Waste Services Agreements with Republic Services, Inc., Forward Landfill, of Manteca, CA, for sole source non-hazardous waste disposal for an estimated annual cost not to exceed \$60,000, and not to exceed \$180,000 over three years.

BE IT FURTHER RESOLVED that the Interim City Manager or his designee is hereby authorized to issue the Purchasing Agreement and execute the Special Waste Services Agreements, in a form approved by the City Attorneys.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-08**

RESOLUTION APPROVING THE SOLE SOURCE AGREEMENT WITH HSQ TECHNOLOGY, HAYWARD, CA, FOR REMOTE TERMINAL UNITS AND ALL ASSOCIATED CIRCUIT BOARDS AND PARTS FOR THE MISER SUPERVISOR CONTROL AND DATA ACQUISITION SYSTEM, FOR A TWO-YEAR AGREEMENT, WITH THREE ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY, FOR AN ESTIMATED ANNUAL COST NOT TO EXCEED \$60,000 AND FOR A TOTAL COST NOT TO EXCEED \$300,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the Wastewater and Water Divisions utilize HSQ Technology (HSQ) Remote Terminal Units (RTU's) to transmit and receive operational data from over 200 remotely located facilities such as wells, storage tanks, sewer lift stations, storm stations, and the Sutter, Jennings and Tertiary Treatment Plants as part of the HSQ Miser SCADA System, and

WHEREAS, other RTU's are not compatible with the HSQ SCADA System, and

WHEREAS, the RTU's and the associated circuit boards and parts ensure that there is no interruption of service in the transmission of this operational data, and

WHEREAS, HSQ has providing service for over 20 years and has provided technical support on approximately \$4,000,000 worth of equipment, and

WHEREAS, On October 23, 2017, staff went to the Finance Committee with an agreement with EMA, Inc., Tucson, AZ, for consultant services for the planning of the SCADA System replacement for Water and Wastewater Utility Operations, and

WHEREAS, until the City has replaced the HSQ SCADA System, staff will need to keep the systems functioning properly to avoid catastrophic failure of the water and/or wastewater systems, and

WHEREAS, this agreement will allow staff to purchase the parts needed and once the new SCADA System is installed and operating, this agreement will not be renewed or extended.

WHEREAS, the Purchasing Manager has determined that the purchase of RTUs should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) since HSQ is the sole provider of these parts, and

WHEREAS, MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirements where the Purchasing Agency's requirements can be met solely by a single article or process, therefore, this purchase qualifies for exemption from formal bidding for that reason.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sole source agreement with HSQ Technology, Hayward, CA for Remote Terminal Units and all associated circuit boards and parts for the Miser Supervisor Control and Data Acquisition System for a two-year agreement, with three one-year extension options at the sole discretion of the City, for an estimated annual cost not to exceed \$60,000 and a total cost not to exceed \$300,000 over five years.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember

Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-09**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE LITT ROAD IMPROVEMENTS PROJECT, ACCEPTING THE BID, AND AWARDING A CONSTRUCTION CONTRACT TO MCFADDEN CONSTRUCTION, INC., OF STOCKTON, CA, IN THE AMOUNT OF \$1,533,584, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the Litt Road Improvements Project, and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the Litt Road Improvements Project were publicly opened at 11:00 a.m. on November 28, 2017, pursuant to Modesto Municipal Code 8-3.403, and

WHEREAS, Staff recommend that the bid of \$1,533,584 received from McFadden Construction, Inc., be accepted as the lowest responsible and responsive bid and the construction contract be awarded to McFadden Construction, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for the Litt Road Improvements Project, accepts the bid of \$1,533,584 and awards McFadden Construction, Inc., of Stockton, CA the construction contract for the Litt Road Improvements Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-10**

**RESOLUTION APPROVING THE PRE-QUALIFIED CONSULTANT LIST FOR
CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR
VARIOUS CAPITAL IMPROVEMENT (CIP) PROJECTS FOR A PERIOD OF
ONE YEAR, WITH TWO ONE-YEAR EXTENSIONS AT THE WRITTEN
APPROVAL OF THE UTILITIES DEPARTMENT DIRECTOR**

WHEREAS, the Construction Administration Division for the City of Modesto is housed within the Utilities Department, but is responsible for construction management and inspection services for nearly all capital projects over \$50,000, emergency projects, and inspection of all encroachment permits issued by the City, and

WHEREAS, from time to time, project workload and permit workload requires more resources than the City has available internally, and

WHEREAS, retaining a pre-qualified list and on-call agreements with consultants allows the Utilities Department to have accelerated access to specific construction management and inspection services, and

WHEREAS, in accordance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, which is in compliance with State of California Government Code, Sections 4526-4529, staff solicited and formally advertised an combined Request for Qualifications (RFQ) and Request for Proposal (RFP) through PlanetBids website, and

WHEREAS, staff received Statements of Qualifications (SOQs) and Proposals from eight firms, three of which were considered local firms, and

WHEREAS, after careful review of the proposals and qualifications it was determined that each of the firms exhibited unique strengths in the different fields of construction management, and

WHEREAS, since assistance can be needed in any of these types of construction work, and since all eight firms are being placed on the Pre-qualified List, and

WHEREAS, these firms are NV5, Inc., Consolidated CM Inc., Vali Cooper and Associates, Inc., 4Leaf, Inc., Drake Haglan and Associates, Inc., Black Water Consulting Engineers, Structure Groups, CMPROS, Inc., and

WHEREAS, when construction management and inspection are required for a particular project, an RFP with a specific scope of work will be issued to either all or select firms from the List, depending on the strengths of the firm and the needs of the project, and

WHEREAS, following proposal evaluation, interviews may be conducted to select the most qualified firm, and

WHEREAS, an agreement for construction management and inspection services will then be presented to City Council for approval, if the total amount of the agreement exceeds \$50,000, and

WHEREAS, the Prequalified Consultant List will be active for one year from the date of Council approval, after which the List may be extended via two additional one-year extensions at the written approval of the Director of Utilities, and

WHEREAS, in the event the firms listed are deemed to lack experience or expertise for specific projects, the City may recruit other consultants for individual projects and not be restricted to only using the approved List, and

WHEREAS, the Director will have the authority to request a separate solicitation process and add more firms to this list of pre-qualified firms through a formal selection procedure per Administrative Directive 3.1.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Pre-qualified Consultant List for Construction Management and Inspection Services for various Capital Improvement Program (CIP) Projects for a period of one year, with two additional one-year extensions at the written approval of the Utilities Department Director.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-11**

**RESOLUTION APPROVING AN ON-CALL AGREEMENT WITH NV5, INC.,
OF MANTECA, CA FOR CONSTRUCTION MANAGEMENT AND
INSPECTION SERVICES FOR VARIOUS CAPITAL IMPROVEMENT
PROGRAM (CIP) PROJECTS, IN AN AMOUNT NOT TO EXCEED \$75,000 PER
YEAR, WITH TWO ONE-YEAR EXTENSIONS AT THE WRITTEN
APPROVAL OF THE UTILITIES DEPARTMENT DIRECTOR, AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, the Construction Administration Division for the City of Modesto is housed within the Utilities Department, but is responsible for construction management and inspection services for nearly all capital projects over \$50,000, emergency projects, and inspection of all encroachment permits issued by the City, and

WHEREAS, from time to time, project workload and permit workload requires more resources than the City has available internally, and

WHEREAS, retaining a pre-qualified list and on-call agreements with consultants allows the Utilities Department to have accelerated access to specific construction management and inspection services, and

WHEREAS, in accordance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, which is in compliance with State of California Government Code, Sections 4526-4529, staff solicited and formally advertised an combined Request for Qualifications (RFQ) and Request for Proposal (RFP) through PlanetBids website, and

WHEREAS, staff received Statements of Qualifications (SOQs) and Proposals from eight firms, three of which were considered local firms, and

WHEREAS, after careful review of the proposals and qualifications, NV5, Inc. was selected as the most qualified, and

WHEREAS, when construction management and inspection are required on an “as-needed” basis, staff will negotiate a scope, cost, and schedule to complete the specific tasks.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an On-call Agreement with NV5 Inc., of Manteca, CA for Construction Management and Inspection Services for various Capital Improvement Program (CIP) Projects, in an amount not to exceed \$75,000 per year, with two additional one-year extensions at the written approval of the Utilities Department Director.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-12**

**RESOLUTION APPROVING AN ON-CALL AGREEMENT WITH
CONSOLIDATED CM INC., OF OAKLAND, CA, FOR CONSTRUCTION
MANAGEMENT AND INSPECTION SERVICES FOR VARIOUS CAPITAL
IMPROVEMENT PROGRAM (CIP) PROJECTS, IN AN AMOUNT NOT TO
EXCEED \$75,000 PER YEAR, WITH TWO ONE-YEAR EXTENSIONS AT THE
WRITTEN APPROVAL OF THE UTILITIES DEPARTMENT DIRECTOR, AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, the Construction Administration Division for the City of Modesto is housed within the Utilities Department, but is responsible for construction management and inspection services for nearly all capital projects over \$50,000, emergency projects, and inspection of all encroachment permits issued by the City, and

WHEREAS, from time to time, project workload and permit workload requires more resources than the City has available internally, and

WHEREAS, retaining a pre-qualified list and on-call agreements with consultants allows the Utilities Department to have accelerated access to specific construction management and inspection services, and

WHEREAS, in accordance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, which is in compliance with State of California Government Code, Sections 4526-4529, staff solicited and formally advertised an combined Request for Qualifications (RFQ) and Request for Proposal (RFP) through PlanetBids website, and

WHEREAS, staff received Statements of Qualifications (SOQs) and Proposals from eight firms, three of which were considered local firms, and

WHEREAS, after careful review of the proposals and qualifications, Consolidated CM Inc., was selected as the most qualified, and

WHEREAS, when construction management and inspection are required on an “as-needed” basis, staff will negotiate a scope, cost, and schedule to complete the specific tasks.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an On-call Agreement with Consolidated CM, Inc., of Oakland, CA for Construction Management and Inspection Services for various Capital Improvement Program (CIP) Projects, in an amount not to exceed \$75,000 per year, with two additional one-year extensions at the written approval of the Utilities Department Director.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

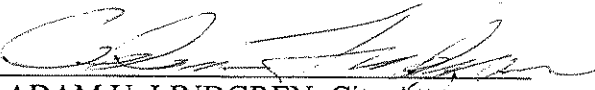
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-13**

RESOLUTION APPROVING AN ON-CALL AGREEMENT WITH VALI COOPER AND ASSOCIATES, OF EMERYVILLE, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR VARIOUS CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS, IN AN AMOUNT NOT TO EXCEED \$75,000 PER YEAR, WITH TWO ONE-YEAR EXTENSIONS AT THE WRITTEN APPROVAL OF THE UTILITIES DEPARTMENT DIRECTOR, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Construction Administration Section for the City of Modesto is housed within the Utilities Department, but is responsible for construction management and inspection services for nearly all capital projects over \$50,000, emergency projects, and inspection of all encroachment permits issued by the City, and

WHEREAS, from time to time, project workload and permit workload requires more resources than the City has available internally, and

WHEREAS, retaining a pre-qualified list and on-call agreements with consultants allows the Utilities Department to have accelerated access to specific construction management and inspection services, and

WHEREAS, in accordance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, which is in compliance with State of California Government Code, Sections 4526-4529, staff solicited and formally advertised an combined Request for Qualifications (RFQ) and Request for Proposal (RFP) through PlanetBids website, and

WHEREAS, staff received Statements of Qualifications (SOQs) and Proposals from eight firms, three of which were considered local firms, and

WHEREAS, after careful review of the proposals and qualifications, Vali Cooper and Associates, Inc., was selected as the most qualified, and

WHEREAS, when construction management and inspection are required on an “as-needed” basis, staff will negotiate a scope, cost, and schedule to complete the specific tasks.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an On-call Agreement with Vali Cooper and Associates, Inc., of Emeryville, CA for Construction Management and Inspection Services for various Capital Improvement Program (CIP) Projects, in an amount not to exceed \$75,000 per year, with two additional one-year extensions at the written approval of the Utilities Department Director.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

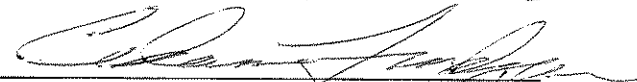
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-14**

**RESOLUTION ACCEPTING THE CODONI TRANSMISSION MAINS
PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO
FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES AND
PAYMENTS TOTALING \$2,748,357.47 TO D.A. WOOD CONSTRUCTION, INC.,
OF MODESTO, CA**

WHEREAS, the Codoni Transmission Mains Project has been completed by D.A. Wood Construction, Inc., of Modesto, CA in accordance with the contract agreement dated November 1, 2016,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Codoni Transmission Mains Project is hereby accepted as complete from said contractor, D.A. Wood Construction, Inc., of Modesto, CA, and that the City Clerk is authorized to complete all necessary steps to file a Notice of Completion with the County Recorder, release securities and payments totaling \$2,748,357.47, as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

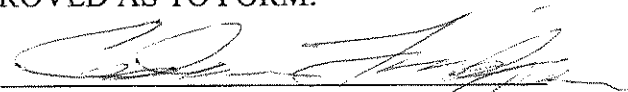
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-15**

RESOLUTION APPROVING THE FISCAL YEAR 2017-18 MAINTENANCE OF EFFORT (MOE) TO FUND BOTH MEASURE L AND THE CALIFORNIA ROAD REPAIR ACCOUNTABILITY ACT-ROAD MAINTENANCE AND REHABILITATION ACCOUNT AND AMEND THE FISCAL YEAR 2017-18 OPERATING BUDGET IN THE AMOUNT OF \$1,538,605 TO BE FUNDED WITH FISCAL YEAR 2016-17 GENERAL FUND CARRYOVER FUNDS

WHEREAS, on November 6, 2016, the County voters approved Measure L, enacting a half-cent sales tax for 25 years to fund transportation improvements, and

WHEREAS, Section 9.03.01 of Measure L includes a Maintenance of Effort (MOE) requirement whereby local jurisdictions must contribute no less than its three-year average of annual expenditures from its general fund during the prior three fiscal years, and

WHEREAS, On April 28, 2017, the Governor approved Senate Bill No. 1, known as the Road Repair and Accountability Act of 2017, and

WHEREAS, the Act establishes a new Road Maintenance and Rehabilitation Account and a percentage of this new funding will be apportioned to eligible cities and counties for basic road maintenance, rehabilitation, and critical safety projects on local streets and roads systems, and

WHEREAS, the Act requires a local agency to meet the MOE requirement in order to receive funding and states that a city must maintain general fund spending for street, road, and high purposes at no less than the average of 2009-10, 2010-11, and 2011-12 fiscal years, and

WHEREAS, the City has confirmed with Stanislaus Council of Governments (StanCOG) regarding the Measure L MOE and confirmed the required amount for FY 2017-18 is \$521,505 to meet the MOE requirement, and

WHEREAS, the City has confirmed with the State Controller's Office regarding the Road Repair Accountability Act-Road Maintenance and Rehabilitation Account MOE and confirmed the required amount for FY 2017-18 is \$1,538,605 to meet the MOE requirement, and

WHEREAS, the Fiscal Year 2017-2018 Operating budget must be amended to appropriate and transfer \$1,538,605 from FY 2016-17 General Fund carryover funds to meet both the Measure L and Road Repair Accountability Act-Road Maintenance and Rehabilitation Account Maintenance of Effort FY 2017-18 requirement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Fiscal Year 2017-18 Maintenance of Effort (MOE) to fund both Measure L and the Road Repair Accountability Act-Road Maintenance and Rehabilitation Account and amends the Fiscal Year 2017-18 operating budget to appropriate and transfer \$1,538,605 from FY 2016-17 General Fund carryover funds.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 16th day of January, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-16**

RESOLUTION ACCEPTING THE COMPLETED PORTION OF PUBLIC IMPROVEMENTS FOR HILLGLEN PARKS SUBDIVISION, LOCATED AT THE INTERSECTION OF HILLGLEN AVENUE AND CADEN DRIVE

WHEREAS, NHC Holdings, LLC, a California limited liability company (“Subdivider”), is the subdivider of a tract of land situated in the City of Modesto, consisting of 10.56 acres, known as the HILLGLEN PARKS SUBDIVISION (“Subdivision”), and

WHEREAS, the Public Works Department has verified that a portion of the required public improvements for this project have been satisfactorily completed and all inspection fees have been paid on that portion of the project, and

WHEREAS, the Public Works Department will not assume maintenance responsibilities until all of the public improvements for the entire subdivision have been completed and accepted by City Council, and

WHEREAS, pursuant to the Subdivision Agreement, Subdivider has filed Faithful Performance Bonds in the amount of \$189,444 for Hillglen Parks, and

WHEREAS, pursuant to the Subdivision Agreement, Subdivider has filed Payment Bonds in the amount of \$94,722 for Hillglen Parks, and

WHEREAS, pursuant to the Subdivision Agreement, Subdivider will file Warranty Bonds in the amount of \$170,870 for all required public improvements for Hillglen Parks after all public improvements have been completed, and

WHEREAS, the developer has requested that the completed portion of the improvements be accepted and the Bonds be reduced to the amount required for the remaining improvements only, and

WHEREAS, the Public Works Director has indicated that it would be appropriate for the City Council to accept said public improvements,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the completed portion of public improvements for Hillglen Parks Subdivision, located at the intersection of Hillglen Avenue and Caden Drive, constructed by the Subdivider are hereby accepted.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

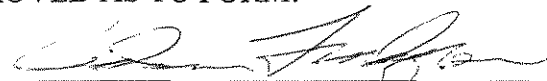
NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-17**

**RESOLUTION APPROVING THE FINAL MAP OF HILLGLEN PARKS
SUBDIVISION, AUTHORIZING THE INTERIM CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE A SUBDIVISION AGREEMENT WITH NHC
HOLDINGS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND
AUTHORIZING THE CITY CLERK TO CERTIFY THE FINAL MAP AND
RECORD IT WITH THE STANISLAUS COUNTY RECORDER'S OFFICE**

WHEREAS, NHC HOLDINGS, LLC, a California limited liability company ("Subdivider"), is in possession of a tract of land situated in the City of Modesto, County of Stanislaus, consisting of 10.56 acres, known as the HILLGLEN PARKS SUBDIVISION ("Subdivision"), in the Village One specific plan and the precise plan number 15, and

WHEREAS, a tentative map of said tract was approved by the Planning Commission of the City of Modesto on January 27, 2014 with conditions of approval as noted in Planning Commission resolution Number 2014-04, and

WHEREAS, the Secretary of the Planning Commission of the City of Modesto and the City Engineer have certified that the final map of said tract substantially conforms to the approved tentative map, and

WHEREAS, the project is currently under construction and 90% of the public improvements have been completed as determined by the City, and

WHEREAS, as required by Section 4-4.605 of the Modesto Municipal Code, the Subdivider has executed a Subdivision Agreement, and

WHEREAS, the City Engineer of the City of Modesto has certified that the final map of said Subdivision meets all of the provisions of the California Subdivision Map

Act and the provisions of the Modesto Municipal Code relating to subdivisions, and the City Surveyor has determined that the map is technically correct, and

WHEREAS, the Subdivider has furnished securities for improvements that have not been built, as set forth in Section 4-4.605 of the Modesto Municipal Code, and which shall secure the obligations set forth in Section 66499.3 of the Government Code of the State of California. Said securities are in forms acceptable to the City Attorney and in the amounts required by the City Engineer,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Final Map of Hillglen Parks Subdivision; that the dedications for public streets and easements as shown thereon within the boundaries of said tract be accepted on behalf of the public for public use.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is authorized to execute the Subdivision Agreement, in a form approved by the City Attorney.

BE IT FURTHER RESOLVED that the City Clerk is hereby authorized to certify the map of said tract on behalf of the City of Modesto after the fees and deposits required by the Modesto Municipal Code in amounts determined by the City Engineer have been paid.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-18**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS,
ACCEPTING THE BID, AND AWARDING THE CONSTRUCTION CONTRACT
TO CAZADORO CONSTRUCTION, INC. OF SAN FRANCISCO, CA IN THE
AMOUNT OF \$735,115 FOR THE RIGHT TURN LANE AT PRESCOTT ROAD
AND PLAZA PARKWAY PROJECT, AND AUTHORIZING THE INTERIM
CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE CONTRACT**

WHEREAS, the City is ready to construct the Right Turn Lane at Prescott Road and Plaza Parkway project, and

WHEREAS, the original timeline for construction of this project was for construction to begin in June, 2013 and be complete by December, 2013, and

WHEREAS, in late October, 2016 all dry utility relocation work was completed by the outside agencies, and

WHEREAS, the project was advertised for bids on November 8, 2016, bids were opened on December 6, 2016, only two bids were received, the apparent low bidder was 55.10% above the engineer's estimate and the second bidder was 101.96% above engineer's estimate, and

WHEREAS, on January 24, 2017, by Resolution 2017-27, Council rejected all bids for this project with the intention of having staff make some modifications to the scope and rebid the project with the hope of attracting a higher number of contractors, and

WHEREAS, staff made modifications to the scope of the project, and

WHEREAS, the project was re-advertised for bids on June 26, 2017, bids were publicly opened on July 18, 2017 pursuant to Modesto Municipal Code 8-3.403 and

Charter Section 1307 and only one responsive bid was received from Cazadoro Construction, Inc. of San Francisco, California, and

WHEREAS, the proposed award of bid to Cazadoro Construction, Inc., of San Francisco, CA conforms to Modesto Municipal Code section 8-3.403 and Modesto Charter Section 1307 and Cazadoro Construction Inc., is the lowest responsive and responsible bidder, and

WHEREAS, with this project having been advertised twice, the relatively few contractors that have bid on the project, the Interim City Manager and staff have determined that it would be in the best interest of the City to move forward with the project and recommend approving the plans and specifications, accept the bid, and award the construction contract to Cazadoro Construction, Inc., of San Francisco, CA.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications, accepts the bid, and awards the construction contract to Cazadoro Construction, Inc. of San Francisco, CA in the amount of \$735,115 for the Right Turn Lane at Prescott Road and Plaza Parkway Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-19**

RESOLUTION ACCEPTING THE REGIONAL SURFACE TRANSPORTATION PROGRAM GRANT IN THE AMOUNT OF \$125,000 FOR THE RIGHT TURN LANE AT PRESCOTT ROAD AND PLAZA PARKWAY PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL NECESSARY GRANT DOCUMENTS

WHEREAS, the City is ready to construct the Right Turn Lane at Prescott Road and Plaza Parkway project, and

WHEREAS, the original timeline for construction of this project was for construction to begin in June, 2013 and be complete by December, 2013, and

WHEREAS, the project was advertised for bids on November 8, 2016, bids were opened on December 6, 2016, only two bids were received, the apparent low bidder was 55.10% above the engineer's estimate and the second bidder was 101.96% above engineer's estimate, and

WHEREAS, on January 24, 2017, by Resolution 2017-27, Council rejected all bids for this project with the intention of having staff make some modifications to the scope and rebid the project with the hope of attracting a higher number of contractors, and

WHEREAS, staff made modifications to the scope of the project, and

WHEREAS, the project was re-advertised for bids on June 26, 2017, bids were opened on July 18, 2017, only one bid was received, the apparent low bidder was 30.39% above the engineer's estimate, and

WHEREAS, staff worked with Caltrans and the Stanislaus Council of Governments (StanGOC) staff to receive approval for an additional \$125,000 in Regional Surface Transportation Program (RSTP) funds to be added to this project.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Regional Surface Transportation Program grant in the amount of \$125,000 for the Right Turn Lane at Prescott Road and Plaza Parkway project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute all necessary grant documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-20**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL
IMPROVEMENT PROGRAM BUDGET, PROJECT #100633 IN THE AMOUNT
OF \$125,000 FOR THE RIGHT TURN LANE AT PRESCOTT ROAD AND
PLAZA PARKWAY PROJECT**

WHEREAS, the City is ready to construct the Right Turn Lane at Prescott Road and Plaza Parkway project, and

WHEREAS, certain budgetary transactions are necessary in the amount of \$125,000 in order to fund construction, contingency, construction administration, and engineering/design support during construction plus City staff support for the Right Turn Lane at Prescott Road and Plaza Parkway project, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget, PROJECT #100633 must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-2018 Capital Improvement Program Budget, project #100633 in the amount of \$125,000 for the Right Turn Lane at Prescott Road and Plaza Parkway project as shown in **Exhibit A, attached** hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

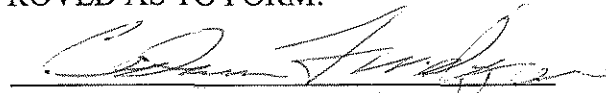
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**LOCAL TRANSPORTATION FUNDS - REGIONAL
TRANSIT CLAIM
FISCAL YEAR 2018/19**

TO: Stanislaus Council of Governments
1111 I Street, Suite 308
Modesto, CA 95354

FROM: Applicant: City of Modesto

Address: P.O. Box 642

City: Modesto Zip: 95353

Contact Person: Adam Barth / Maria Garnica Phone: 577-5298/577-5249

E-mail Address: abarh@modestogov.com Fax: 341-2939

The City of Modesto hereby requests, in accordance with the Transportation Development Act and applicable rules and regulations, that its annual transit claim be approved in the amount of \$ 1,181,147 for fiscal year 2017/18 to be drawn from the Transportation Development Act Fund as follows:

Local Transportation Fund	<u>\$ 1,181,147</u>
State Transit Assistance Fund	<u> </u>
Total	<u>\$ 1,181,147</u>

When approved, please transmit this claim to the County Auditor for payment. Approval of the claim and payment by the County Auditor to this applicant is subject to such monies being on hand and available for distribution, and to the provisions that such monies will be used only in accordance with the terms contained in the approving resolution to the Stanislaus Council of Governments.

The claimant certifies that this Transportation Development Act Fund claim and the financial information contained herein is reasonable and accurate to the best of my knowledge and conforms with the requirements of the Transportation Development Act and applicable rules and regulations.

Submitted by: _____

Title: Joseph P. Lopez, Acting City Manager

Date: _____

StanCOG Board of Directors:

Date of approval: _____

Resolution #: _____

StanCOG Approving Authority

**TRANSIT CLAIM
FISCAL YEAR 2018/19
OPERATIONS**

	2016/17 Actual	2017/18 Estimated	2018/19 Proposed Budget
A. OPERATING REVENUE			
401 Passenger Fares			
402 Special Transit Fares			
403 School Bus Service			
404 Freight Tariffs			
CEMA - Prop. 1B			
406 Auxiliary (inc. Advertising)			
407 Nontransportation (inc. Interest)	62,419	105,593	107,551
408 Local taxes			
409 LTF - Carryover from last completed fiscal year			
LTF - Carryover from fiscal year 2008/09			
LTF - New claim	518,083	519,987	529,926
410 Local Special Fare Assistance			
411 STA - Carryover from last completed fiscal year			
STA - New claim			
412 State Special Fare Assistance			
413 Federal Operating Grants	124,764	103,496	115,643
TOTAL REVENUES	705,266	729,076	753,120

B. OPERATING EXPENSE			
501 Labor			
502 Fringe Benefits			
503 Services	659,013	693,116	718,280
504 Materials & Supplies		8,000	4,322
505 Utilities	22,917	24,694	27,250
506 Casualty & Liability	3,266	3,266	3,268
507 Taxes			
508 Purchase Transportation Services			
509 Misc Expenses	20,070		
510 Expense Transfers			
511 Interest Expense			
512 Leases & Rentals			
Contingencies			
TOTAL EXPENDITURES	705,266	729,076	753,120

Account numbers above refer to account numbers in the State Controller's Uniform System of Accounts for Public Transit Operators

<p>Approved by Operator's Chief Financial Officer or CPA _____</p>
--

Note: Any operating cost item for 2018/19 which exceeds 2017/18 by more than 15% must be justified in a statement attached to this claim.

**TRANSIT CLAIM
FISCAL YEAR 2018/19
OPERATIONS**

	2016/17 Actual	2017/18 Estimated	2018/19 Proposed Budget
A. OPERATING REVENUE			
401 Passenger Fares			
402 Special Transit Fares			
403 School Bus Service			
404 Freight Tariffs			
405 Charter Service			
406 Auxiliary (inc. Advertising)			
407 Nontransportation (inc. Interest)			
408 Local taxes			
409 LTF - Carryover from last completed fiscal year			
LTF - Carryover from fiscal year 2008/09			
LTF - New claim	128,050	84,955	101,221
410 Local Special Fare Assistance			
411 STA - Carryover from last completed fiscal year			
STA - New claim			
412 State Special Fare Assistance			
413 Federal Operating Grants	18,614	57,115	31,400
TOTAL REVENUES	146,664	142,070	132,621

B. OPERATING EXPENSE			
501 Labor			
502 Fringe Benefits			
503 Services	116,181	111,883	99,511
504 Materials & Supplies	238	350	350
505 Utilities	28,388	27,980	30,900
506 Casualty & Liability	1,857	1,857	1,860
507 Taxes			
508 Purchase Transportation Services			
509 Misc Expenses			
510 Expense Transfers			
511 Interest Expense			
512 Leases & Rentals			
Contingencies			
TOTAL EXPENDITURES	146,664	142,070	132,621

Account numbers above refer to account numbers in the State Controller's Uniform System of Accounts for Public Transit Operators

<p>Approved by Operator's Chief Financial Officer or CPA _____</p>
--

Note: Any operating cost item for 2018/19 which exceeds 2017/18 by more than 15% must be justified in a statement attached to this claim.

**TRANSIT CLAIM
FISCAL YEAR 2018/19
CAPITAL**

C. CAPITAL REVENUES	2016/17 Actual	2017/18 Estimated	2018/19 Proposed Budget
FTA (Section 5307, 5307, 5311)			
CMAQ			
Other Federal			
Proposition 1B - Regional share			
Proposition 1B - Direct share			
STA - Carryover from last completed fiscal year			
STA - New claim			
LTF - Carryover from last completed fiscal year			
LTF - New claim			550,000
Other claimant			
Other local			
TOTAL REVENUES	0	0	550,000

D. CAPITAL EXPENDITURES			
<u>South Parking Lot at Amtrak Station</u>			400,000
<u>Restroom Renovation - bringing up to ADA regulations</u>			150,000

TOTAL EXPENDITURES	0	0	550,000

Approved by Operator's
Chief Financial Officer
or CPA _____

Note: Any operating cost item for 2018/19 which exceeds 2017/18 by more than 15% must be justified in a statement attached to this claim.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-21**

RESOLUTION APPROVING A SECOND AMENDMENT TO AGREEMENT TO ENTER AND CONSTRUCT IMPROVEMENTS WITH AUTOZONE, INC. FOR THE PROPERTY LOCATED AT 1901 PRESCOTT ROAD (PARCELS A & B OF 47-PM-2, APN 005-082-037); AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE SECOND AMENDMENT AND ALL RELATED DOCUMENTS

WHEREAS, the Congestion Mitigation Air Quality (CMAQ) CML 5059 (187) – Prescott Road and Plaza Parkway project involves the expansion of Prescott Road to include a southbound right turn lane at the northwest corner of Prescott Road and Plaza Parkway, and

WHEREAS, on March 1, 2012, Caltrans determined this project to be a categorical exclusion pursuant to the National Environmental Policy Act (NEPA) and all other applicable federal environmental laws, regulations and executive orders, and

WHEREAS, the project is consistent and is in conformance to the General Plan Master E.I.R. and no additional California Environmental Quality Act clearance is needed, and

WHEREAS, the City of Modesto desires to construct a portion of the required improvements for a right turn lane at 1901 Prescott Road (Parcels A & B of 47-PM-2, APN 005-082-037) owned by AutoZone, Inc., and

WHEREAS, on February 5, 2013, by Resolution 2013-48, Council approved an Agreement to Enter and Construct Improvements with AutoZone, Inc. located at 1901 Prescott Road (Parcels A & B of 47-PM-2, APN 005-082-037), and

WHEREAS, the City had not yet commenced construction of the project and the completion deadline of thirty-six (36) months was February 5, 2016, and

WHEREAS, on March 8, 2016, by Resolution 2016-90, Council approved an Amendment to the Agreement to Enter and Construct Improvements with AutoZone, Inc. located at 1901 Prescott Road (Parcels A & B of 47-PM-2, APN 005-082-037), which extended the deadline for completion of the project from thirty-six (36) months to fifty-four (54) months, and

WHEREAS, City of Modesto and AutoZone, Inc. must enter into a Second Amendment to extend the completion deadline from fifty-four (54) months to seventy-two (72) months,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Second Amendment to Agreement to Enter and Construct located at 1901 Prescott Road (Parcels A & B of 47-PM-2, APN 005-082-037) owned by AutoZone, Inc.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Second Amendment and all related documents, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-22**

RESOLUTION APPROVING A SECOND AMENDMENT TO AGREEMENT TO ENTER AND CONSTRUCT IMPROVEMENTS WITH CAROL CORCORAN WILLIAMS AND PATRICK C. CORCORAN, AS TRUSTEES FOR THE CORCORAN 2004 LIVING TRUST, FOR THE PROPERTY LOCATED AT 1901 PRESCOTT ROAD (PARCEL C OF 47-PM-2, APN 005-082-036); AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE SECOND AMENDMENT AND ALL RELATED DOCUMENTS

WHEREAS, the Congestion Mitigation Air Quality (CMAQ) CML 5059 (187) – Prescott Road and Plaza Parkway project involves the expansion of Prescott Road to include a southbound right turn lane at the northwest corner of Prescott Road and Plaza Parkway, and

WHEREAS, on March 1, 2012, Caltrans determined this project to be a categorical exclusion pursuant to the National Environmental Policy Act (NEPA) and all other applicable federal environmental laws, regulations and executive orders, and

WHEREAS, the project is consistent and is in conformance to the General Plan Master E.I.R. and no additional California Environmental Quality Act clearance is needed, and

WHEREAS, the City of Modesto desires to construct a portion of the required improvements for a right turn lane at 1901 Prescott Road (Parcel C of 47-PM-2, APN 005-082-036), and

WHEREAS, on February 5, 2013, by Resolution 2013-49, Council approved an Agreement to Enter and Construct Improvements with Patrick G. Corcoran located at 1901 Prescott Road (Parcel C of 47-PM-2, APN 005-082-036), and

WHEREAS, the City had not yet commenced construction of the Project and the completion deadline of thirty-six (36) months was February 5, 2016, and

WHEREAS, there was a change in trustee of the Corcoran 2004 Living Trust, to name Carol Corcoran Williams and Patrick C. Corcoran as trustees, and

WHEREAS, on March 8, 2016, by Resolution 2016-91, Council approved an Amendment to the Agreement to Enter and Construct Improvements with Carol Williams Corcoran and Patrick C. Corcoran located at 1901 Prescott Road (Parcel C of 47-PM-2, APN: 005-082-036), which extended the deadline for completion of the project from thirty-six (36) to fifty-four (54) months, and

WHEREAS, City of Modesto, Carol Corcoran Williams and Patrick C. Corcoran must enter into a Second Amendment to extend the completion deadline from fifty-four (54) months to seventy-two (72) months,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Second Amendment to Agreement to Enter and Construct located at 1901 Prescott Road (Parcel C of 47-PM-2, APN 005-082-036) owned by the Corcoran 2004 Living Trust.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Second Amendment and all related documents, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

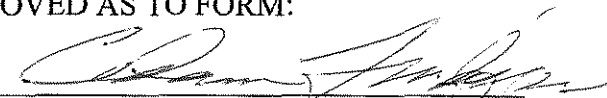
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-23**

RESOLUTION APPROVING A CAPITAL FACILITIES FEES PUBLIC IMPROVEMENT REIMBURSEMENT AGREEMENT BETWEEN THE CITY OF MODESTO AND VALLEY CHILDREN'S MEDICAL GROUP, FOR PUBLIC IMPROVEMENTS IDENTIFIED IN THE CAPITAL FACILITIES FEES PROGRAM, THAT THE DEVELOPER WILL CONSTRUCT IN CONNECTION WITH THE VALLEY CHILDREN'S MEDICAL CENTER, AT PELANDALE AVENUE IN AN AMOUNT NOT TO EXCEED \$204,210 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, in May 2013, By Resolution No. 2013-177, Council adopted the Capital Facilities Fees Policies and Procedures and

WHEREAS, the policy allows developers to install public improvements and be reimbursed for the work if certain parameters are met, and

WHEREAS, in April 2017, Valley Children's Medical Group (Applicant) submitted a building application to develop a new 63,167 square foot Children's Specialty Medical Clinic at 3525 Pelandale Avenue, and

WHEREAS, as a condition of the Development Plan Review, the developer was instructed to construct, a center concrete median on Pelandale Avenue which will allow left turns into the driveway but will prohibit left turns out of the driveway, and

WHEREAS, the public improvements are identified in the Capital Facilities Fees Program, and therefore reimbursable to the developer, and

WHEREAS, a Capital Facilities Fees Public Improvement Reimbursement Agreement between the City of Modesto and Valley Children's Medical Group, (CFF Agreement) must be executed prior to commencement of work in order for the Applicant to be reimbursed for the public improvement costs associated with the project, and

WHEREAS, the proposed CFF Agreement has maximum reimbursement amount of \$204,210, reimbursement will be based upon actual expenses incurred, and

WHEREAS, in no event will reimbursement exceed the maximum reimbursement amount. Reimbursement is strictly limited to funds from the Capital Facilities Fees – Streets Fund.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Capital Facilities Fees Public Improvement Reimbursement Agreement between the City of Modesto and Valley Children’s Medical Group, for public improvements identified in the Capital Facilities Fees program that the developer will construct in connection with the new Valley Children’s Medical Center at Pelandale Avenue in an amount not to exceed \$204,210.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-24**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$204,210 TO
CREATE PROJECT 101067 AND ESTABLISH THE BUDGET IN ORDER TO
FUND THE DEVELOPER REIMBURSEMENTS FOR THE PUBLIC
IMPROVEMENTS ON PELANDALE AVENUE**

WHEREAS, a Capital Facility Fees Public Improvement Reimbursement Agreement with Valley Children's Medical Group for public improvements identified in the Capital Facilities Fees program is being approved, and

WHEREAS, certain budgetary transactions are necessary in the amount of \$204,210, to create project 101067 and establish the budget, in order to fund the developer reimbursements for the Pelandale public improvements for the new Valley Children Medical Center, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be increased in the amount of \$204,210,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-2018 Capital Improvement Program Budget in the amount of \$204,210 to create project 101067 and establish the budget in order to fund the developer reimbursements for the public improvements on Pelandale Avenue.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-25**

**RESOLUTION ACCEPTING THE *DESTINATION MODESTO* REPORT FOR
THE FIRST QUARTER OF FISCAL YEAR 2017-18**

WHEREAS, in 2015, the City absorbed the functions of the Convention & Visitor's Bureau within the Community & Economic Development Department and a *Destination Modesto* Task Force was created to promote travel, tourism and entertainment,

WHEREAS, the *Destination Modesto* report for the convention and tourism activity are periodically submitted to the City Council for their consideration, and

WHEREAS, subsequent *Destination Modesto* reports have been expanded to also include activity from the McHenry Mansion, McHenry Museum, all three (3) City-owned golf courses, and City parks, and

WHEREAS, the *Destination Modesto* Report – Third and Fourth Quarter Fiscal Year 2016-17 reflected activity from all *Destination Modesto* assets in addition to second quarter Convention & Tourism activity that was not included in earlier reports,

WHEREAS, the *Destination Modesto* Report – First Quarter Fiscal Year 2017-18 reflects activity from all *Destination Modesto* assets in addition to groups visiting Modesto,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the *Destination Modesto* Report – First Quarter Fiscal Year 2017-18.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-26**

**RESOLUTION APPROVING THE SUBMITTAL OF AN APPLICATION FOR
THE 2017 ASSISTANCE TO FIREFIGHTERS GRANT IN AN AMOUNT THAT
WILL EXCEED \$100,000, WITH A 10% LOCAL MATCH FOR THE
PROCUREMENT OF RADIO COMMUNICATIONS EQUIPMENT AND
SOURCE CAPTURE EXHAUST SYSTEMS**

WHEREAS, the Department of Homeland Security (DHS), Federal Emergency Management Agency's (FEMA) Grant Program Directorate implements and administers the Assistance to Firefighters Grant (AFG) program, and

WHEREAS, the purpose of the AFG program is to enhance the safety of the public and firefighters with respect to fire and fire-related hazards by providing direct financial assistance to eligible fire departments for critically needed resources to equip and train emergency personnel to recognized standards, enhance operational efficiencies, foster interoperability, and support community resilience, and

WHEREAS, the Notice of Funding Opportunity was posted on grants.gov on Tuesday, December 19, 2017, and

WHEREAS, the application period opened on December 26, 2017, and will close on February 2, 2018, and

WHEREAS, the Modesto Fire Department is seeking authorization to submit grant applications for the 2017 AFG program in an amount that will exceed \$100,000 and requires a 10% local match of funds, and

WHEREAS, these known variables meet the threshold outlined in Administrative Directive 7.2 Grant Management that requires the department to seek pre-approval to apply for the grant from the Finance Director, City Manager and City Council, and

WHEREAS, if awarded the grant, the Fire Department is required to come before Committee and Council for approval to accept the grant, and

WHEREAS, the department intends to apply for the replacement of the remaining phases needed to update the aging radio communications equipment (portable radios, base radios, etc.) as well as installing source capture exhaust systems in fire stations where we do not have adequate systems for apparatus.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the submittal of an application for the 2017 Assistance to Firefighters Grant in an amount that will exceed \$100,000, with a 10% local match for the procurement of radio communications equipment and source capture exhaust systems.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to submit the application.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-27**

RESOLUTION APPROVING AN AMENDMENT TO THE CITY'S ANTI-DRUG PROGRAM/ALCOHOL MISUSE PROGRAM TO ENSURE CONTINUED COMPLIANCE WITH THE REGULATIONS ESTABLISHED BY THE FEDERAL DEPARTMENT OF TRANSPORTATION

WHEREAS, the Omnibus Transportation Employee Testing Act of 1991 requires drug and alcohol testing of safety-sensitive transportation employees in transportation industries, and

WHEREAS, the City of Anti-Drug/Alcohol Misuse Program and Procedure is governed by both the Federal Motor Carrier Safety Administration and the Federal Transit Administration, and

WHEREAS, the Anti-Drug/Alcohol Misuse Program has been amended on January 10, 2012 by Resolution No. 2012-10, on September 2, 2014 by Resolution No. 2014-318 , and on May 24, 2016 by Resolution No. 2016-211, and

WHEREAS, there is a need to revise the current City's Anti-Drug/Alcohol Misuse Program to incorporate language referring to opioids to ensure compliance with the Federal regulations of the Department of Transportation, and

WHEREAS, the City of Modesto's Anti-Drug/Alcohol Misuse Program will be updated vis-à-vis the Table of Contents, Prohibited Substances subsection, and the Opiate Fact Sheet to include opioid language in compliance with the DOT Final Rule No. 52229.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the amendment to the City's Anti-Drug/Alcohol Misuse Program, **attached** hereto, is

hereby approved to ensure continued compliance with the regulations established by the Federal Department of Transportation.

BE IT FURTHER RESOLVED, that this resolution shall be effective as of January 1, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

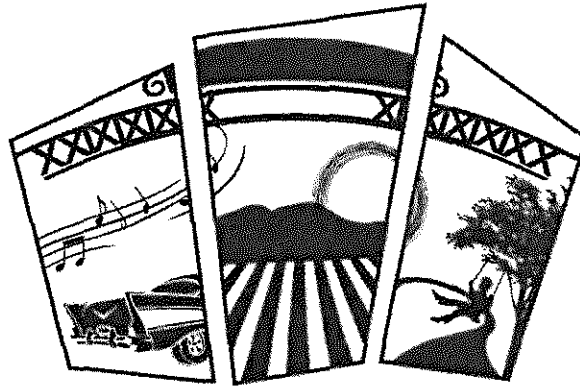
ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



MODESTO
C A L I F O R N I A

City of Modesto
ANTI-DRUG PROGRAM/ALCOHOL MISUSE
PROGRAM

As required by the Department of
Transportation

Adopted and approved by Modesto City Council
January 23, 2018

City of Modesto
1010 Tenth Street
PO Box 642
Modesto, CA 95353
Phone 209-577-5446 • Fax 209-576-7069

Please Note:

The following policy contains information in regards to the City's federally mandated drug and alcohol misuse policy for commercial license holders and safety sensitive positions covered by these regulations.

Employees and supervisors should be aware that there are other rules and policies that pertain to the subject of drug and alcohol use and this policy should not be considered a sole source for direction in all circumstances.

Additional related information may be found in the following documents as well as other sources not listed:

- Employee Handbook
- Personnel Rules
- City Alcohol and Drug Abuse Policy
- Memorandums of Understanding

Please contact Human Resources for guidance and questions.

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1. Purpose of Policy

This policy complies with 49 CFR Part 655, as amended, 49 CFR Part 40, as amended, and 49 CFR Part 382, as amended. All drug and alcohol testing is conducted in accordance with these regulations.

Copies of Parts 382, 655 and 40 are available in the Anti-Drug Program/Alcohol Misuse Program Manager's office and can be found on the internet at the Office of Drug & Alcohol Policy & Compliance's website <http://www.dot.gov/ost/dapc/index.html>.

The City of Modesto has written and implemented its Anti-Drug/Alcohol Misuse Program to ensure compliance with Federal Regulations of the Department of Transportation. This program is implemented in addition to the City's Drug-Free Workplace Program. This policy and these procedures are adjunct to the City of Modesto's Alcohol and Drug Abuse Policy, dated October 7, 2009. In the event that Federal Regulations conflict with the City's Drug-Free Workplace Program, the Federal Regulations shall prevail. In the event that Federal Regulations fail to provide language for a particular situation, the employee shall be subject to this policy, the City's 2009 Drug-Free Workplace Program or other applicable City Policies.

It is the goal of the City of Modesto to attract and maintain a work force that is free of alcohol or drugs that impair judgment, impact job performance or result in accident or injury to employees or the general public. For the purpose of this program an employee who tests positive on a drug test, as defined by DOT, shall be considered impaired.

2. Statement of Philosophy

A. City Philosophy

As stated in the City of Modesto's Alcohol and Drug Abuse Policy, employees shall not utilize or be impaired by alcohol or drugs while in City vehicles, at work locations, or while on duty or paid standby; shall not possess alcohol or drugs while on duty, or in City vehicles; shall not sell or provide or participate in or arrange for the selling or provision of prescription or illegal drugs to any other employee or to any person while such employee is on duty or paid standby; nor have their ability to work impaired as a result of the use of alcohol or drugs. Employees must be able to perform their duties safely and efficiently, in the interest of the public and their fellow workers, as well as themselves. The influence of drugs and alcohol on employees is not consistent with this objective.

The City will act to eliminate any substance abuse. Examples include alcohol, illegal drugs, prescription drugs, or any other substance which could impair an employee's ability to perform safely and effectively the functions of the particular job that increases the potential for accidents, absenteeism, substandard performance, poor employee morale, or damage to the City's reputation.

3. Scope

A. Covered Employees

This policy applies to every employee whose position requires the possession of a commercial driver's license (CDL); every employee performing a "safety-sensitive function" as defined herein, and any employee applying for such positions. Compliance with all required testing is a condition of employment.

Under Federal Motor Carrier Safety Administration (**FMCSA**), an employee is performing a safety-sensitive function if they are:

- Driving a commercial motor vehicle which requires the driver to have a commercial driver's license (CDL),
- Inspecting, servicing, or repairing any commercial motor vehicle,
- Waiting to be dispatched to operate a commercial motor vehicle,
- Performing all other functions in or upon a commercial motor vehicle,
- Loading or unloading a commercial motor vehicle, supervising or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle, or in giving or receiving receipts for shipment being loaded or unloaded,
- Performing driver requirements associated with an accident, or
- Repairing, obtaining assistance, or remaining in attendance upon a disabled commercial motor vehicle.

Under Federal Transportation Authority (**FTA**), you are a safety-sensitive employee if you perform any of the following:

- Operation of a revenue service vehicle, whether in or out of revenue service,
- Operation of a non-revenue vehicle requiring a CDL,
- Controlling movement or dispatch of a revenue service vehicle,
- Security personnel who carry firearms,
- Maintenance (including repairs, overhaul and rebuilding) of a revenue service vehicle or equipment being used on revenue service, or
- Contract employees that stand in the shoes of Transit System employees who have to comply.

Covered employee means a person, including an applicant or transferee, who performs or will perform a safety-sensitive function. A volunteer is a covered employee if: (1) The volunteer is required to hold a commercial driver's license to operate the vehicle; or (2) The volunteer performs a safety-sensitive function for an entity subject to CFR 49 Part 655, 40 or 382 and receives remuneration in excess of his or her expenses incurred while engaged in the volunteer activity.

See Attachment A and B for a list of covered positions by job title.

B. Contact

For questions regarding the City's anti-drug use and alcohol misuse program, please contact the Risk & Loss Control Coordinator at 209-577-5446.

4. Prohibited Substances

- Marijuana
- Cocaine
- Amphetamines
- Opiates & Opioids
- Phencyclidine (PCP)

Use of these five substances is prohibited at all times and a covered employee may be tested for these drugs any time while on duty.

5. Prohibited Behavior- Alcohol

Each covered employee is prohibited from consuming alcohol while performing safety-sensitive job functions or while on-call to perform safety-sensitive job functions. If an on-call employee has consumed alcohol, they must acknowledge the use of alcohol at the time that they are called to report to duty. If the covered employee claims ability to perform his or her safety-sensitive function despite prior consumption of alcohol, they must take an alcohol test, with a negative result, before being allowed to work.

No department shall permit any covered employee to perform or continue to perform safety-sensitive functions if it has actual knowledge that the employee is using alcohol.

Each covered employee is prohibited from reporting to work or remaining on duty requiring performance of safety-sensitive functions while having an alcohol concentration of 0.04 or greater regardless of when the alcohol was consumed.

No covered employee shall consume alcohol for eight (8) hours following involvement in an accident or until he/she submits to the post-accident drug/alcohol test, whichever occurs first.

No covered employee shall consume alcohol within four (4) hours prior to the performance of safety-sensitive job functions.

6. Testing Procedure

Testing shall be conducted in a manner to assure a high degree of accuracy and reliability using techniques, equipment and laboratory facilities which have been approved by the U.S. Department of Health and Human Services (HHS). All testing will be conducted consistent with the procedures as required in 49 CFR Part 40 (as amended). The following types of tests and testing protocols apply:

A. Pre-Employment Testing

Pre-employment tests are conducted after making a conditional offer of employment or transfer that is subject to the employee passing the pre-employment test.

FTA Procedures: A negative pre-employment drug test result is required before an employee can first perform safety-sensitive duties.

A pre-employment test, with a verified negative result, is required for covered employees who are away from work for more than 90 consecutive calendar days, are removed from the random testing pool, during that time, and plan to return to a safety-sensitive function.

When a covered employee or applicant has previously failed or refused a DOT pre-employment drug and/or alcohol test, the employee must provide proof of having successfully completed a referral, evaluation and treatment plan meeting DOT requirements.

FMCSA Procedures: A negative pre-employment drug test result is required before an employee can first perform safety-sensitive duties. An employer is required to administer a pre-employment controlled substances test if:

- (1) The driver has participated in a controlled substances testing program that meets the requirements of this part within the previous 30 days; and
- (2) While participating in that program, either:
 - a) Was tested for controlled substances within the past six months (from the date of application with the City of Modesto), or
 - b) Participated in the random controlled substances testing program for the previous twelve months (from the date of application with the City of Modesto); and
- (3) The City of Modesto ensures that no prior employer of the driver (of whom the City of Modesto has knowledge) has records of a violation of this part or the controlled substances use rule of another DOT agency within the previous six months.
- (4) A pre-employment test, with a verified negative result, is required for covered employees who are away from work for more than 30 consecutive calendar days, are removed from the random testing pool during that time, and plan to return to a safety-sensitive function.

B. Reasonable Suspicion Testing

As currently provided in the City of Modesto's Alcohol and Drug Abuse Policy, the City shall conduct a drug and/or alcohol test when the City has reasonable suspicion to believe that the covered employee has used a prohibited drug and/or engaged in alcohol misuse.

The determination that reasonable suspicion exists shall be based on specific, contemporaneous, objective observations concerning the appearance, behavior, speech, or body odors of the covered employee. A supervisor or other City official, trained in detecting the signs and symptoms of drug use and alcohol misuse, must make the required observations and document them in writing on the form provided. (Attachment D)

The City allows you to ask to have a representative with you prior to being tested for non-DOT reasons. We will provide access to a telephone to contact a representative. Your representative must be present within one and one half hours of the time we directed you to take the test. If the representative cannot be present or is not present within that time, we may allow additional time at our discretion or we may choose to have you undergo the evaluation and/or testing without your representative being present.

The City of Modesto may direct a covered employee to undergo DOT reasonable suspicion testing for alcohol only while the employee is performing safety-sensitive functions, just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such functions. However, all City employees (DOT and non-DOT) can be tested under the City's Alcohol and Drug Abuse Policy for reasonable suspicion.

If an alcohol test is not administered within two (2) hours following the determination to conduct a reasonable suspicion test, the supervisor shall prepare and maintain on file a record stating the reasons the alcohol test was not promptly administered. If an alcohol test is not administered within eight (8) hours following the determination to test, the City shall cease attempts to administer an alcohol test and update the record with the reasons for not administering the test in a timely manner.

Where there is reasonable suspicion that the employee is impaired by alcohol or drugs, the manager or supervisor should arrange for the employee to be safely transported home after the employee has undergone testing. The employee shall be placed on paid administrative leave pending the outcome of the test.

C. Post-Accident Testing

FMCSA and FTA Procedures: Covered employees shall be subject to post-accident alcohol and controlled substances testing under the following circumstances:

Fatal Accidents: As soon as possible following an accident involving the loss of human life, DOT drug and alcohol tests are conducted on all surviving covered employees. In addition, any other covered employee whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision, is tested.

Non-Fatal Accidents: Post-accident testing is required if one of the following conditions is met,

- An accident results in injuries requiring immediate medical treatment away from the scene, and the covered employee may have contributed to the accident,
- or
- One or more vehicles receive disabling damage and have to be towed from the scene, and the covered employee may have contributed to the accident.

In addition, any other covered employee whose performance could have contributed to the accident, as determined by the employer using the best information available at the time of the decision, is tested.

Disabling damage means damage which prevented the departure of any vehicle from the scene of the occurrence in its usual manner in daylight after simple repairs.

Disabling damage includes damage to vehicles that could have been operated but would have been further damaged if so operated, but does not include damage which can be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without other damage even if no spare tire is available, or damage to headlights, tail lights, turn signals, horn, or windshield wipers that makes them inoperative.

If an alcohol test is not administered within two hours following the time of the accident, the supervisor shall prepare and maintain on file a record stating the reasons the alcohol test was not promptly administered. If an alcohol test is not administered within eight hours following the determination to test, the City shall cease attempts to administer an alcohol test and update the record with the reasons for not administering the test in a timely manner. The drug test should be taken as soon as possible. Attempts to conduct the drug test shall cease after 32 hours.

Any decision not to administer a drug and/or alcohol test under this section shall be based on the City's determination, using the best available information at the time of the determination that the employee's performance could not have contributed to the accident. Such a decision must be documented in detail, including the decision-making progress used to reach the decision not to test (Attachment C).

Nothing in this section shall be construed to require the delay of necessary medical attention for the injured following an accident or to prohibit a covered employee from leaving the scene of an accident for the period necessary to obtain assistance in responding to the accident or to obtain necessary emergency medical care.

D. Random Testing

Random drug and alcohol tests are unannounced and unpredictable, and the dates for administering random tests are spread reasonably throughout the calendar year. Random testing must be conducted at all times of the day when safety-sensitive functions are performed.

Testing rates will meet or exceed the minimal annual percentage rate set each year by the DOT Administrator. The current year testing rates can be viewed on line at <http://www.dot.gov/ost/dapc/rates.html>. The FMCSA minimum testing requirement is to annually perform drug tests on 50% and alcohol tests on 10% of the average number of commercial driver positions. The FTA minimum testing requirement is to annually perform drug tests on 25% and alcohol tests on 10% of the average number of safety-sensitive employees. If a given agency or driver is subject to random alcohol or controlled substances testing under the random alcohol or controlled substances testing of more than one DOT agency for the same employer, the drivers shall be subject to random alcohol and/or controlled substances testing at the annual percentage rate established for the calendar year by the DOT agency regulating more than 50 percent of the driver's function.

The selection of employees for random drug and alcohol testing shall be made by a scientifically valid method, such as a random number table or a computer-based random number generator that is matched with employees' Social Security numbers, payroll identification numbers, or other comparable identifying numbers. Under the selection process used, each covered employee shall have an equal chance of being tested each time selections are made.

Each employee selected for testing shall be tested during the selection period. A covered employee shall only be randomly tested for alcohol misuse while the employee is performing safety-sensitive functions; just before the employee is to perform safety-sensitive functions; or just after the employee has ceased performing such functions. A covered employee may be randomly tested for prohibited drug use anytime while on duty.

Each covered employee who is notified of selection for random drug or random alcohol testing shall proceed to the test site immediately.

E. Test Refusal

You have refused to take a test if you:

1. Fail to provide a breath or urine sample,
2. Provide an insufficient volume without valid medical explanation,
3. Fail to appear within a reasonable time,
4. Leave the scene of an accident without just cause,
5. Fail to permit an observed or monitored collection when required,

6. For an observed collection, fail to follow the observer's instructions to raise your clothing above the waist, lower clothing and underpants, and to turn around to permit the observer to determine if you have any type of prosthetic or other device that could be used to interfere with the collection process,
7. Possess or wear a prosthetic or other device that could be used to interfere with the collection process,
8. Admit to the collector or MRO that you adulterated or substituted the specimen. Fail to take a second test when required,
9. Fail to undergo a medical examination when required,
10. Fail to cooperate with any part of the testing process,
11. Fail to sign Step 2 of alcohol test form,
12. Once test is underway, fail to remain at site and provide a specimen, or
13. The MRO verifies that you provided an adulterated/substituted sample.

For pre-employment tests only, failure to appear, aborting the collection before the test commences, or failure to remain at site prior to commencement of test is NOT a test refusal.

F. Shy Bladder

If an employee is unable to provide at least 45 milliliters of urine, collection site personnel shall direct the individual to drink not more than 40 ounces of fluids and, after a period up to three (3) hours time, attempt to provide a complete sample. If employee is still not able to give an adequate sample the MRO shall refer the individual for a medical evaluation to determine if the individual's inability to provide a sample is a genuine medical condition or constitutes a refusal to test. An employee's refusal to be examined by a physician shall be regarded as a refusal to test.

G. Dilute Samples

In instances where the employee produces a dilute negative specimen, he or she must undergo a second test. Dilute negative results of 2-5 mg/dl require an immediate recollection under direct observation (see §40.155(c)). The result of the second test is the result of record.

H. Split Sample

Any covered employee who questions the results of a required drug test under this policy may request that the split sample be analyzed. The analysis must be conducted on the split sample that was provided by the employee at the time of the primary specimen. The employee's request must be made to the Medical Review Officer within 72 hours of notice of the verified results from the original sample. Requests after 72 hours will only be accepted at the discretion of the MRO. The split specimen test will be sent to a different DHHS-certified laboratory to analyze for presence of the drug(s) for which a positive result was obtained in the test of the primary specimen. The split specimen analysis will be at the employee's expense if it confirms the original result.

I. Consequences

Following a positive drug or alcohol (BAC at or above 0.04) test result or test refusal, the employee is immediately removed from safety-sensitive duties, referred to a substance abuse professional (SAP), and put on administrative leave pending disciplinary action.

FTA Procedures: Following a BAC of 0.02 or greater, but less than 0.04, the employee is immediately removed from safety-sensitive duties for at least eight hours unless a retest results in the employee's alcohol concentration of less than 0.02.

FMCSA Procedures: Following a BAC of 0.02 or greater, but less than 0.04, the employee is immediately removed from safety-sensitive duties until the start of the driver's next regularly scheduled duty period, but not less than 24 hours following administration of the test.

J. Return to Duty Testing

Any employee who is allowed to return to duty after a refusal to submit to a test or failing an alcohol and/or drug test, must first be evaluated by a substance abuse professional (SAP), and provide a negative drug, alcohol (or both) return-to-duty test result.

K. Follow-Up Testing

Employees returning to duty following a leave for substance abuse rehabilitation will be required to undergo unannounced follow-up alcohol and/or drug testing as directed by the SAP. The number and frequency of such follow-up testing shall be directed by the SAP. The employee will be subject to follow-up testing for a period of 1 to 5 years as determined by the SAP. All testing will be conducted in accordance with 49 CFR Part 40, subpart O.

L. Compensation

Time spent in conjunction with pre-duty (first test to add into the Random pool), post-accident, random and reasonable suspicion testing shall be considered as paid time. The City shall also pay for the cost of these tests, pre-employment tests and the initial evaluation by the SAP. Cost of SAP-required treatment and testing, time spent while testing for return to duty, and time spent on follow-up testing shall be borne by the employee.

7. Employee admission of alcohol and controlled substances use

All employees are encouraged to make use of the available resources for treatment for alcohol misuse and illegal drug use problems. Under the City of Modesto's policy, any employee who **voluntarily discloses** a substance abuse problem **before a disciplinary matter develops and/or before notification for a required test**, will be subject to return-to-duty and follow-up testing under the City of Modesto's authority (using non-DOT testing paperwork). The purpose of the return to duty testing is to provide a degree of assurance that the employee is drug and alcohol free and that the employee is able to return to work without undue concern of continued drug abuse or alcohol misuse.

The employee must be referred to EAP and evaluated by a substance abuse counselor and pass a non-DOT return-to-duty test. The non-DOT return-to-duty test must include both drug and alcohol testing as well as meet other return-to-duty requirements. The employee must have a verified negative drug test result and a breath alcohol test result of less than 0.02 before returning to his/her safety-sensitive functions. Once returned and as a condition of ongoing employment, the employee must follow the recommended frequency and duration of follow-up testing from the EAP/substance abuse counselor. **Any employee who refuses or fails to comply with requirements for treatment, after care, or return-to-duty shall be subject to disciplinary action, up to and including termination.** The cost of any treatment or rehabilitation services will be paid for directly by the employee or their insurance provider.

Employees will be allowed to take accumulated sick leave and vacation leave to participate in the prescribed rehabilitation program.

Any follow-up testing will be apart from and in addition to participation in the random testing program.

8. Prescription Drug Use

The appropriate use of legally prescribed drugs and non-prescription medication is not prohibited. It is however, the employee's responsibility to explain to their physician their job duties and ask their physician, or other health care professional, whether or not the prescribed drug may impair their job performance or mental or motor function. It is the responsibility of the employee to remove themselves from service if they are unfit for duty due to prescription drug use.

The City requires employees to report the use of medically authorized drugs or other substances that may create a direct threat by impairing performance of safety-sensitive functions to his/her supervisor, and to provide written medical authorization to work from a physician.

Failure to report the use of such drugs or failure to provide proper evidence of medical authorization to work may result in disciplinary action, up to and including termination.

9. Over-The-Counter Medications

The City requires its employees, when selecting an over-the-counter medication, to read all warning labels before selecting medications for use while performing safety-sensitive function. Medications known to affect mental function, motor skills or judgment should not be selected. The advice of a pharmacist, if available at the purchase site may be helpful in making a selection that is appropriate for the safety-sensitive functions. If no alternate medication is available for the condition, the employee should seek professional assistance from a pharmacist or physician. Ultimately, the employee may be the best judge of how a substance is impacting him/her. It is the responsibility of the employee to refrain from using any over-the-counter medication that may cause altering side effects inconsistent with doing their job.

10. Evaluation/Rehabilitation

The Substance Abuse Professional (SAP) must be a licensed physician (medical doctor or doctor of osteopathy), licensed or certified psychologist, social worker, employee assistance professional; or an addiction counselor certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or the International Certification Reciprocity Consortium/Alcohol and other Drug Abuse.

The SAP will perform responsibilities and retain confidential records as required by 49 CFR Part 40 (as amended).

An employee who fails a drug test, alcohol test (0.02 or greater), or refuses to be tested will be referred to a substance abuse professional who shall determine what assistance the employee needs in resolving problems associated with alcohol misuse or drug use. Applicants not hired and employees who are to be disciplined as a result of a violation of this policy shall also be referred to the SAP. Each employee identified as needing assistance in resolving problems associated with alcohol misuse or drug use shall be evaluated by a substance abuse

professional to determine if the employee has properly followed a rehabilitation program and shall be subject to unannounced follow-up alcohol and controlled substance testing.

Participation in rehabilitation through the SAP will not result in disciplinary action. However, successful completion of the prescribed program, if it is determined that participation in such a program is needed, will be required for the employee to continue in the employment of the City of Modesto. The employee shall be placed on sick leave, vacation leave, or leave without pay if sick or vacation leave is not available, in order to enter into an approved rehabilitation program.

Participation in rehabilitation through the SAP will not prevent or prohibit disciplinary action where warranted for violations of rules and regulations.

Return to duty will be conditioned upon agreement to substance/alcohol retesting as determined by the SAP for a time period not to exceed 60 months. City policy states that positive results on a follow-up test or other evidence of relapse will be grounds for disciplinary action, up to and including termination.

The SAP's determination that an employee is medically qualified to be returned to duty will not prevent or prohibit disciplinary action for violation of rules and regulations.

Employees who have been determined to need treatment to resolve an alcohol misuse or drug use problem shall be referred to the City's Employee Assistance Program.

11. Employee and Supervisor Training

Every safety-sensitive employee will receive a copy of this policy and will have ready access to the corresponding federal regulations including 49 CFR Part 40 and Part 655 (as amended) on the City's Intranet, by contacting the Program Manager, or by contacting the Risk & Loss Control Coordinator.

All covered employees will undergo a minimum of 60 minutes of initial training on the signs and symptoms of drug use including the side effects and consequences of drug use on personal health, safety, and the work environment. Follow-up training will be done as regulations and requirements change. The initial training also includes manifestations and behavioral cues that may indicate prohibited drug use. Upon completion of the training, employees will sign and date the Employee Acknowledgement Form to confirm receiving the document and the training. Training forms will be forwarded to Human Resources for retention.

All supervisory and management personnel who are in a position to determine employee fitness for duty will receive a minimum of 60 minutes of reasonable suspicion training on the physical, behavioral, and performance indicators of probable drug use and 60 minutes of additional reasonable suspicion training on the physical, behavioral, speech, and performance indicators of probable alcohol misuse. Follow-up training will be done as regulations and requirements change.

Information on the signs, symptoms, health effects, and consequences of substance abuse is found in Attachment G of this policy.

12. Medical Review Officer (MRO)

The MRO must be a licensed physician or doctor of osteopathy who is responsible for receiving laboratory results generated by the drug testing program and who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's

confirmed positive test result together with his/her medical history and any other relevant biomedical information.

The MRO will perform responsibilities, perform notifications, and retain confidential records as required by 49 CFR Part 40 as amended.

13. Testing Laboratory

The City shall use a drug testing laboratory certified under HHS Mandatory Guidelines for Federal Workplace Drug Testing Programs; 53 FR 11970, April 11, 1988 and subsequent amendments.

The testing laboratory will comply with all methods and procedures of 49 CFR Parts 40, 382, and 655 (as amended). The laboratory shall have a qualified individual to assume professional, organizational, educational, and administrative responsibilities for the laboratory's urine drug testing facility.

14. Reporting of Anti-Drug/Alcohol Testing Results

The City shall prepare and maintain an annual calendar year summary of the results of its alcohol and controlled substances testing programs. By March 15 of each year, the City shall complete the annual summary covering the previous calendar year.

If the City is notified, during the month of January, of a request by the FMCSA and/or FTA to report the employer's annual calendar year summary information, the City shall prepare and submit the report to FMCSA and/or FTA by March 15 of that year. The report shall be in the form and manner prescribed by FMCSA and/or FTA in their requests. When the report is submitted to FMCSA and/or FTA by mail or electronic transmission, the information requested shall be typed, except for the signature of the certifying official.

Each annual calendar year, a summary containing information on controlled substances and alcohol screening test results shall include all informational elements as required by the FTA.

15. Confidentiality

Each individual's record of testing and results under this policy will be maintained as private and confidential. Except as provided by law or expressly authorized by DOT regulations, the results of individual drug/alcohol tests will not be released to anyone without the specific, written consent of a safety-sensitive employee authorizing release of the information to an identified person. Prior to testing, the individual will be informed about who will receive test data (e.g., testing laboratory, MRO, Program Manager, or Department Administrator if removal from safety-sensitive function is necessary).

All written records will be stored in locked containers or in a secure location with access available only by the Program Manager and DOT upon request. Drug and alcohol testing and/or rehabilitation records shall only be released to subsequent DOT covered employers upon written consent from the covered employee. Under these circumstances, only the specific information requested by the employee shall be released.

Terms and Definitions

Accident – The types of accidents requiring testing can be found under Post-Accident Testing.

Air Blank – A reading by an Evidential Breath Testing Device (EBT) of ambient air containing no alcohol.

Alcohol – The intoxicating agent in beverage alcohol, ethyl alcohol, or other low molecular weight alcohol including methyl and isopropyl alcohol.

Alcohol Concentration – The alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath as indicated by an evidential breath testing device.

Alcohol Use – The consumption of any beverage, mixture, or preparation, including any medication, containing alcohol.

Blind Sample or Blind Performance Test – A urine specimen submitted to a laboratory for quality control testing purposes, with a fictitious identifier, so that the laboratory cannot distinguish it from employee specimens. This specimen is spiked with known quantities of specific drugs or can be blank, containing no drugs.

Breath Alcohol Technician – An individual who instructs and assists individuals in the alcohol testing process and operates an EBT.

Canceled or Invalid Test – In drug testing, a drug test that has been declared invalid by a Medical Review Officer. A canceled test is neither a positive nor a negative test. A sample that has been rejected for testing by a laboratory is treated the same as a canceled test. In alcohol testing, a test that is deemed to be invalidated under §40 Subpart N – Problems in Alcohol Testing is considered canceled or invalid.

Certification – A recipient's (of federal funds) written statement, authorized by the organization's governing board or other authorizing official, that the recipient has complied with the provisions of this part (FTA).

Chain of Custody – Procedures to account for the integrity of each urine specimen by tracking its handling and storage from point of specimen collection to final disposition of the specimen. These procedures shall require that an appropriate drug testing custody form from a Department of Health & Human Services (DHHS) certified laboratory be used from time of collection to receipt by the laboratory.

Collection Site – A place designated by the employer where individuals present themselves for the purpose of providing a specimen of their urine to be analyzed for the presence of drugs.

Collection Site Person – A person who instructs and assists individuals at a collection site and who receives and makes a screening examination of the urine specimen provided by those individuals.

Commercial Motor Vehicle (CMV) – means a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the motor 1) Has a gross combination weight rating of 26,001 or more pounds inclusive of a towed unit with a gross vehicle weight of more than 10,000 pounds; or 2) Has a gross vehicle weight rating of 26,001 pounds; or 3) Is designed to transport 16 or more passengers, including the driver; or 4) Is of any size and is used in the transportation of materials found to be hazardous for the purposes of the Hazardous

Materials Transportation Act and which require the motor vehicle to be placarded under the Hazardous Materials Regulation (49 CFR Part 172, subpart F).

Confirmation Test – For alcohol testing this means a second test, following a screening test with a result of 0.02 or greater, which provides quantitative data of alcohol concentration. For controlled substances testing this means a second analytical procedure to identify the presence of a specific drug or metabolite which is independent of the screen test and which uses a different technique and chemical principle from that of the screen test in order to ensure reliability and accuracy.

Covered Position (Safety-Sensitive position) – A duty position or job category that requires the performance of safety-sensitive (covered) function(s).

Covered Function (Safety-Sensitive Function) (1) FMCSA: operation of a commercial motor vehicle. (2) FTA: (a) Operating a revenue service vehicle, including when not in service; (b) Operating a non-revenue service vehicle, when required to be operated by a holder of a Commercial Driver's License; (c) Maintaining a revenue service vehicle or equipment used in revenue service; (d) Carrying a firearm for security purposes; (e) Controlling the movement or dispatch of a revenue service vehicle.

Dilute Specimen – A specimen with creatinine and specific gravity values that are lower than expected for human urine.

DOT Agency – An agency of the United States Department of Transportation administering regulations related to drug or alcohol testing. The Federal Motor Carrier Safety Administration and Federal Transit Administration are DOT agencies.

Drug Metabolite – The specific substance produced when the human body metabolizes a given drug as it passes through the body and is excreted in the urine.

Drug Test – The laboratory analysis of urine specimen collected in accordance with 49 CFR part 40 and analyzed in a DHHS-approved laboratory.

Education – Efforts that include the display and distribution of informational materials, a telephone number for employee assistance, and the City's policy regarding drug use in the workplace.

Employee Assistance Program (EAP) – A program provided to assist employees in dealing with drug or alcohol dependency and other personal problems. Rehabilitation and reentry to the work force are usually arranged through the EAP.

Employer or operator – (1) FMCSA: means any person who owns or leases a commercial motor vehicle or assigns persons to operate such a vehicle. (2) FTA: A recipient or other entity that provides mass transportation service or which performs a safety-sensitive function for such recipient or other entity.

Evidential breath testing device (EBT) – A device approved by the National Highway Traffic Safety Administration (NHTSA) for evidential testing of breath and placed on NHTSA's conforming products list of evidential breath measurement devices (CPL), and identified on the CPL as conforming to the model specifications available from the National Highway Traffic Safety Administration, Office of Alcohol and State Programs.

Federal Motor Carrier Safety Administration (FMCSA) – The DOT operating authority that regulates commercial motor vehicles.

Large Operator – 1) FMCSA: an employer who has more than 50 covered employees, 2) FTA: A recipient or sub-recipient primarily operating in an area of 200,000 or more in population.

Medical Review Officer (MRO) – A licensed physician (medical doctor or doctor of osteopathy) responsible for receiving laboratory results generated by an employer's drug testing program who has knowledge of substance abuse disorders and has appropriate medical training to interpret and evaluate an individual's confirmed positive test result together with his or her medical history and any other relevant biomedical information.

Performing a Covered Function: An employee is considered to be performing a covered function during any period in which he or she is actually performing, ready to perform, or immediately available to perform such covered functions.

Permanent Employee – An employee hired for a period of more than 120 days

Post-Accident Test – A drug test administered to an employee when an accident has occurred and the employee performed a safety-sensitive function that either contributed to the accident, or cannot be completely discounted as a contributing factor in the accident.

Pre-Employment Test – A drug test given to an applicant or employee who is being considered for a safety-sensitive position. The applicant or employee must be informed of the purpose for the urine collection prior to actual collection.

Prohibited Drug – Marijuana (including all hemp products), cocaine, opiates & opioids, phencyclidine (PCP), and amphetamines.

Random Test – A drug test of safety-sensitive employees who are selected on a scientifically defensible random and unannounced basis. The number of tests performed is based on a percentage of safety-sensitive employees as directed by DOT.

Reason to Believe – Objective information indicating that a particular individual may alter or substitute a urine specimen.

Recipient – FTA: An entity receiving Federal financial assistance under Section 3, 9, or 18, of the FT Act, or under Section 103(e)(4) of Title 23 of the United States Code.

Refuse to Submit to Test – means, among other things, that a covered employee (1) Fails to provide adequate breath for testing without a valid medical explanation after he/she has received notice of the requirement for breath testing; (2) Fails to provide adequate urine for controlled substances testing without a valid medical explanation after he/she has received notice of the requirement for urine testing; or (3) Engages in conduct that clearly obstructs the testing process.

Return to Duty Test – An initial drug or alcohol test prior to return to duty and additional unannounced drug tests (Follow-up Tests) given to employees performing in safety-sensitive functions who previously tested positive, or refused a drug/or alcohol test and are returning to safety-sensitive positions.

Revenue Service Vehicle – A vehicle used to transport passengers, including a bus, van, car, railcar, locomotive, trolley car, trolley bus, ferry boat, or a vehicle used on a fixed guideway or inclined plane.

Screening Test (Initial Test) - In alcohol testing, it means an analytical procedure to determine whether a covered employee may have a prohibited concentration of alcohol in his/her system.

In controlled substances testing, it means an immunoassay screen to eliminate “negative” urine specimens from further consideration.

Specimen Bottle – The bottle that, after being labeled and sealed, is used to transmit a urine sample to the laboratory.

Split Specimen – An additional specimen collected with the original specimen, to be tested in the event the original specimen tests positive for drugs.

Substance Abuse Professional (SAP) – The Substance Abuse Professional for this program must be a 1) licensed physician (medical doctor or doctor of osteopathy), licensed or certified psychologist, social worker, employee assistance professional; or 2) an addiction counselor certified by the National Association of Alcoholism and Drug Abuse Counselors Certification Commission or the International Certification Reciprocity Consortium/Alcohol and other Drug Abuse.

Training – Providing information about the effects and consequences of drug use on personal health, safety, and the work environment; and about manifestations and behavioral clues that may indicate drug use or abuse.

Verified Positive (Drug Test Result) – A drug test result reviewed by a Medical Review Officer and determined to have evidence of prohibited drug use.

Volunteer – A permanent, temporary, or part-time worker who is not compensated for his/her service. Volunteers are included in the requirements of FTA drug and alcohol regulations if a CDL is required to operate the vehicle.

ATTACHMENT A

Classifications covered by the DOT Drug & Alcohol Testing Policy - FMCSA

Incumbents in the following Classifications are "covered employees" if they perform "safety sensitive functions" as described in Section C of the DRUG AND ALCOHOL TESTING POLICY.

Airport Maintenance Crewleader
Airport Maintenance Worker
Electrician Assistant I/II/III
Electrician-Traffic & Buildings
Equipment Mechanic
Equipment Mechanic Crewleader
Equipment Service Technician
Equipment Operator
Heavy Equipment Mechanic
Heavy Equipment Mechanic Crewleader
Maintenance Worker I (only when hired with a Class B)
Maintenance Worker II
Operations Crewleader
Parks Maintenance Mechanic
Parks Maintenance Crewleader
Plant Mechanic I/II
Senior Equipment Operator
Senior Utilities Plant Operator
Senior Utilities Services Worker
Tree Trimmer
Tree Trimmer Crewleader
Utilities Plant Operator I/II
Utilities Services Worker I/II/III
Water Meter Technician

Exempt Classifications

Building Maintenance Technician
Compost Heavy Equipment Mechanic
Cross Connection Specialist
Custodian I/II
Electrical and Instrumentation Technician
Environmental Compliance Inspector I/II
Environmental Compliance Technician
Fire Engineers
Fleet Procurement Technician
Groundskeeper (3522)
Head Groundskeeper (3522)
Laboratory Analyst I/II/III
Parking Facilities Crewleader
Production Technician
Senior Utilities Plant Operator
Traffic Operations Crewleader
Utilities Plant Operator I/II
Water Conservation Specialist
Welder/Fabricator

ATTACHMENT B

Classifications covered by the DOT Drug & Alcohol Testing Policy - FTA

Incumbents in the following Classifications are "covered employees" if they perform "safety sensitive functions" as described in Section C of the DRUG AND ALCOHOL TESTING POLICY.

Bus Fueler
Equipment Mechanic
Equipment Mechanic Crewleader
Equipment Service Technician
Equipment Operator
Fire Equipment Mechanic
Heavy Equipment Mechanic
Heavy Equipment Mechanic Crewleader
Maintenance Worker I (when working at Bus Facility)
Senior Equipment Operator
Senior Fire Equipment Mechanic

Exempt Classifications

Police Transit Center Duty
Police Command Unit

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ATTACHMENT C

DOT Post-Accident Drug and Alcohol Testing Decision and Documentation Form

Accident Information:

Date of Accident _____ Time of Accident _____ a.m./p.m.

Employee Name _____ Location of Accident _____

Covered under _____ FTA or _____ FMCSA ?

Decision Questions:

Was there a fatality? Yes _____ No _____ (If yes, DOT drug and alcohol testing required)

If there was NO fatality, answer the following questions:

Did any individual involved in the accident suffer bodily injury and immediately receive medical treatment away from the scene of the accident?

Yes _____ (If yes, drug and alcohol testing required) No _____

Did the commercial vehicle or any other vehicle involved in the accident sustain disabling damage* requiring any of the vehicles to be transported away from the scene by a tow truck or other vehicle?

Yes _____ (If yes, drug and alcohol testing required) No _____

If there was No fatality AND you checked YES for either or both of the answers above, a DOT Post-Accident DRUG and ALCOHOL test is required unless you determine, using the best information available at the time of the decision, that the employee's performance can be completely discounted as a contributing factor in the accident. Any reason for discounting the employee's performance as a contributing factor to the accident MUST be documented on page two of this form.

Could the actions of any other safety-sensitive employee have contributed to the accident (e.g., mechanic)?

Yes _____ (If yes, contact the employee's supervisor to report the testing requirement)

No _____

*DISABLING DAMAGE is damage that precludes the departure of any vehicle from the scene of an accident in its usual manner in daylight hours after simple repairs. Disabling damage includes: damage to vehicles that could have been operated, but would have caused further damage if so operated. Disabling damage does not include: damage that could be remedied temporarily at the scene of the occurrence without special tools or parts, tire disablement without

other damage even if no spare tire is available, or damage to headlights, taillights, turn signals, horn, or windshield wipers that makes them inoperable.

If ALCOHOL testing is not conducted within 2 hours after the accident, document the reason for the delay on page two of this form. If no alcohol test is administered within 8 hours, cease all efforts to have the test administered and update the documentation.

If DRUG testing is not conducted within the first 8 hours after the accident, document the reason for the delay on page two of this form. If no drug test is administered within 32 hours, cease all efforts to have the test administered and update the documentation.

DOT Alcohol Testing Location: _____

DOT Alcohol Testing Time: _____

DOT Urine Drug Testing Location: _____

DOT Urine Drug Testing Time: _____

If testing is delayed, document the reasons below:

Reason the ALCOHOL test was not conducted within 2 hours after the accident. Update this statement if no test conducted within 8 hours.

Reason the DRUG test was not conducted within 8 hours after the accident. Update this statement if no test conducted within 32 hours.

Reason the employee's performance was completely DISCOUNTED as a contributing factor to the accident and therefore, FTA post-accident testing was not conducted.

_____(Supervisor Initial) I have evaluated the employee and determined that there is no reasonable suspicion to believe that the employee was under the influence of drugs and alcohol. If reasonable suspicion exists, document per Reasonable Suspicion Test Memorandum (Attachment D)

Supervisor Signature: _____

ATTACHMENT D

CITY OF MODESTO

Reasonable Suspicion Test Memorandum

Date: _____

Time: _____

TO: _____

FROM: _____

_____ (Department Director or designee or designated city management staff) is directing you to submit to a drug or alcohol screening test and/or a medical evaluation. You are being directed to submit to the screening and/or evaluation because I suspect you have misused alcohol or drugs so that your ability to perform the functions of your job efficiently and safely is impaired. I observed or have information regarding the following:

- ___ Odor of alcoholic beverage on breath
- ___ Slurred and/or thick speech
- ___ Staggered gait (Unsteady walking and movement)
- ___ Vertical and/or horizontal nystagmus (involuntary eye movement)
- ___ Abnormally constricted pupils (below 2.5 mm), which are non-responsive to light
- ___ Abnormally dilated pupils (above 6.5 mm), which are non-responsive to light
- ___ Loss of attention span under controlled conditions
- ___ Inability to comprehend under controlled conditions
- ___ Hallucinating
- ___ An accident involving City property, where there is reason to believe that employee impairment may have been a factor
- ___ Possession of alcohol on the job
- ___ Possession of an illegal drug
- ___ Possession of a prescription drug without a valid prescription
- ___ Objective symptoms of drug usage identified by a trained medical practitioner or law enforcement officer
- ___ Other _____

This/these were observed by _____ at _____

You will be transported to _____

Anti-Drug Program/Alcohol Misuse Program

Reasonable Suspicion Test Memo

Page 2

There you may be evaluated by professional health care staff. At the site, you may also be required to provide a sample for drug and/or alcohol testing. If you refuse to submit to the testing, you may be disciplined, up to and including termination. If you leave the worksite or testing site without my permission or the permission of _____ prior to testing or evaluation, you may be disciplined. Because I believe your ability to drive may be impaired, I may arrange for you to be transported home at an appropriate time.

You may ask to have a representative with you prior to being tested. We will provide access to a telephone to contact a representative. Your representative must be present within one and one half hours of the time we directed you to take the test. If the representative cannot be present or is not present within that time, we may allow additional time at our discretion or we may choose to have you undergo the evaluation and/or testing without your representative being present.

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ATTACHMENT E

Alcohol Fact Sheet

Alcohol is a socially acceptable drug that has been consumed throughout the world for centuries. It is considered a recreational beverage when consumed in moderation for the enjoyment and relaxation during social gatherings. However, when consumed primarily for its physical and mood-altering effects, it is a substance of abuse. As a depressant, it slows down physical responses and progressively impairs mental functions.

Signs and Symptoms of Use

- Dulled mental processes
- Lack of coordination
- Odor of alcohol on breath
- Possible constricted pupils
- Sleepy or stupor like condition
- Slowed reaction rate
- Slurred speech

(Note: Except for the odor, these are general signs and symptoms of any depressant substance.)

Health Effects

The chronic consumption of alcohol (average of three servings per day of beer [12 ounces/serving], whiskey [1 ounce/serving], or wine [6 ounce/serving]) over time may result in the following health hazards:

- Decreased sexual functioning
- Dependency (up to 10 percent of all people who drink alcohol become physically and/ or mentally dependent on alcohol and can be termed "alcoholic")
- Fatal liver diseases
- Pancreatitis
- Spontaneous abortion and neonatal mortality
- Ulcers
- Birth defects (up to 54 percent of all birth defects are alcohol related).

Social Issues

- Two-thirds of all homicides are committed by people who drink prior to the crime.
- Two to three percent of the driving population is legally drunk at any one time. This rate is doubled at night and on weekends.
- Two-thirds of all Americans will be involved in an alcohol-related vehicle accident during their lifetimes.
- The rate of separation and divorce in families with alcohol dependency problems is 7 times the average.
- Forty percent of family court cases are alcohol problem related.
- Alcoholics are 15 times more likely to commit suicide than are other segments of the population.
- More than 60 percent of burns, 40 percent of falls, 69 percent of boating accidents, and 76 percent of private aircraft accidents are alcohol related.

The Annual Toll

- 24,000 people will die on the highway due to the legally impaired driver.
- 16,000 more will die on the highway due to the alcohol-affected driver.
- 15,800 will die in non-highway accidents.
- 30,000 will die due to alcohol-caused liver disease.
- 15,000 will die due to alcohol-induced brain disease or suicide.
- Up to another 125,000 will die due to alcohol-related conditions or accidents.

Workplace Issues

- It takes one hour for the average person (150 pounds) to process one serving of an alcoholic beverage from the body.
- Impairment in coordination and judgment can be objectively measured with as little as two drinks in the body.
- A person who is legally intoxicated is 6 times more likely to have an accident than a sober person.

Amphetamine Fact Sheet

Amphetamines are central nervous system stimulants that speed up the mind and body. The physical sense of energy at lower doses and the mental exhilaration at higher doses are the reasons for their abuse. Although widely prescribed at one time for weight reduction and mood elevation, the legal use of amphetamines is now limited to a very narrow range of medical conditions. Most amphetamines that are abused are illegally manufactured in foreign countries and smuggled into the U.S. or clandestinely manufactured in crude laboratories.

Description

- Amphetamine is sold in counterfeit capsules or as white, flat, double-scored "mini-bennies." It is usually taken by mouth.
- Methamphetamine is often sold as a creamy white and granular powder or in lumps and is packaged in aluminum foil wraps or sealable plastic bags. Methamphetamine may be taken orally, injected, or snorted into the nose.
- Trade/street names include Biphetine, Delcobese, Desotyn, Detedrine, Chetrol, Ritalin, Speed, Meth, Crank, Crystal, Monster, Black Beauties, and Rits.

Signs and Symptoms of Use

- Hyper-excitability, restlessness
- Dilated pupils
- Increased heart rate and blood pressure
- Heart palpitations and irregular beats
- Profuse sweating
- Rapid respiration
- Confusion
- Panic
- Talkativeness
- Inability to concentrate
- Heightened aggressive behavior

Health Effects

- Regular use produces strong psychological dependence and increasing tolerance to drug.
- High doses may cause toxic psychosis resembling schizophrenia.
- Intoxication may induce a heart attack or stroke due to spiking of blood pressure.
- Chronic use may cause heart and brain damage due to severe constriction of capillary blood vessels.
- The euphoric stimulation increases impulsive and risk-taking behaviors, including bizarre and violent acts.
- Withdrawal from the drug may result in severe physical and mental depression.

Workplace Issues

Since amphetamines alleviate the sensation of fatigue, they may be abused to increase alertness because of unusual overtime demands or failure to get rest.

Low-dose amphetamine use will cause a short-term improvement in mental and physical

functioning. With greater use or increasing fatigue, the effect reverses and has an impairing effect. Hangover effect is characterized by physical fatigue and depression, which may make operation of equipment or vehicles dangerous.

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Cocaine Fact Sheet

Cocaine is used medically as a local anesthetic. It is abused as a powerful physical and mental stimulant. The entire central nervous system is energized. Muscles are tenser, the heart beats faster and stronger, and the body burns more energy. The brain experiences an exhilaration caused by a large release of neurohormones associated with mood elevation.

Description

The source of cocaine is the coca bush, grown almost exclusively in the mountainous regions of northern South America. Cocaine Hydrochloride "snorting coke" is a white to creamy granular or lumpy powder that is chopped into a fine powder before use. It is snorted into the nose, rubbed on the gums, or injected in veins. The effect is felt within minutes and lasts 40 to 50 minutes per "line" (about 60 to 90 milligrams). Common paraphernalia include a single-edged razor blade and a small mirror or piece of smooth metal, a half straw or metal tube, and a small screw cap vial or folded paper packet containing the cocaine. Cocaine Base is a small crystalline rock about the size of a small pebble. It boils at a low temperature, is not soluble in water, and is up to 90 percent pure. It is heated in a glass pipe and the vapor is inhaled. The effect is felt within seven seconds. Common paraphernalia includes a "crack pipe" (a small glass smoking device for vaporizing the crack crystal) and a lighter, alcohol lamp, or small butane torch for heating. Trade/street names include Coke, Rock, Crack, Free Base, Flake, Snow, Smoke, and Blow.

Signs and Symptoms of Use

- Financial problems
- Frequent and extended absences from meetings or work assignment
- Increased physical activity and fatigue
- Isolation and withdrawal from friends and normal activities
- Secretive behaviors, frequent non-business visitors, delivered packages, phone calls
- Unusual defensiveness, anxiety, agitation
- Wide mood swings
- Runny or irritated nose
- Difficulty in concentration
- Dilated pupils and visual impairment
- Restlessness
- Formication (sensation of bugs crawling on skin)
- High blood pressure, heart palpitations, and irregular rhythm
- Hallucinations
- Hyper-excitability and overreaction to stimulus
- Insomnia
- Paranoia and hallucinations
- Profuse sweating and dry mouth
- Talkativeness

Health Effects

Research suggests that regular cocaine use may upset the chemical balance of the brain. As a result, it may speed up the aging process by causing irreparable damage to critical nerve cells. The onset of nervous system illnesses such as Parkinson's disease could also occur. Cocaine use causes the heart to beat faster and harder and rapidly increases blood pressure. In addition, cocaine causes spasms of blood vessels in the brain and heart. Both effects lead to ruptured vessels causing strokes or heart attacks. Strong psychological dependency can occur

with one "hit" of crack. Usually, mental dependency occurs within days (crack) or within several months (snorting coke). Cocaine causes the strongest mental dependency of any known drug. Treatment success rates are lower than for other chemical dependencies. Cocaine is extremely dangerous when taken with depressant drugs. Death due to overdose is rapid. The fatal effects of an overdose are not usually reversible by medical intervention. The number of cocaine overdose deaths has tripled in the last four years. Cocaine overdose was the most common drug emergency.

Workplace Issues

- Extreme mood and energy swings create instability. Sudden noises can cause a violent reaction.
- Lapses in attention and ignoring warning signals greatly increase the potential for accidents.
- The high cost of cocaine frequently leads to workplace theft and/or dealing.
- A developing paranoia and withdrawal create unpredictable and sometimes violent behavior.
- Work performance is characterized by forgetfulness, absenteeism, tardiness, and missed assignments.

Cannabinoids (Marijuana) Fact Sheet

Marijuana is one of the most misunderstood and underestimated drugs of abuse. People use marijuana for the mildly tranquilizing and mood- and perception-altering effects it produces.

Description

Usually sold in plastic sandwich bags, leaf marijuana will range in color from green to light tan. The leaves are usually dry and broken into small pieces. The seeds are oval with one slightly pointed end. Less prevalent, hashish is a compressed sometimes tar-like substance ranging in color from pale yellow to black. It is usually sold in small chunks wrapped in aluminum foil. It may also be sold in an oily liquid. Marijuana has a distinctly pungent aroma resembling a combination of sweet alfalfa and incense. Cigarette papers, roach clip holders, and small pipes made of bone, brass, or glass are commonly found. Smoking "bongs" (large bore pipes for inhaling large volumes of smoke) can easily be made from soft drink cans and toilet paper rolls. Trade/street names include Marinol, THC, Pot, Grass, Joint, Reefer, Acapulco Gold, Sinsemilla, Thai Sticks, Hash, and Hash Oil.

Signs and Symptoms of Use

- Reddened eyes (often masked by eye drops)
- Slowed speech
- Distinctive odor on clothing
- Lackadaisical "I don't care" attitude
- Chronic fatigue and lack of motivation
- Irritating cough, chronic sore throat

Health Effects

- When marijuana is smoked, it is irritating to the lungs. Chronic smoking causes emphysema-like conditions.
- One joint causes the heart to race and be overworked. People with undiagnosed heart conditions are at risk.
- Marijuana is commonly contaminated with the fungus *Aspergillus*, which can cause serious respiratory tract and sinus infections.
- Marijuana smoking lowers the body's immune system response, making users more susceptible to infection. The U.S. government is actively researching a possible connection between marijuana smoking and the activation of AIDS in positive human immunodeficiency virus (HIV) carriers.

Pregnancy Problems and Birth Defects

The active chemical, tetrahydrocannabinol (THC), and 60 other related chemicals in marijuana concentrate in the ovaries and testes. Chronic smoking of marijuana in males causes a decrease in sex hormone, testosterone, and an increase in estrogen, the female sex hormone. The result is a decrease in sperm count, which can lead to temporary sterility. Occasionally, the onset of female sex characteristics including breast development occurs in heavy users. Chronic smoking of marijuana in females causes a decrease in fertility and an increase in testosterone. Pregnant women who are chronic marijuana smokers have a higher than normal incidence of stillborn births, early termination of pregnancy, and higher infant mortality rate during the first few days of life. In test animals, THC causes birth defects, including malformations of the brain, spinal cord, forelimbs, and liver and water on the brain and spine.

Offspring of test animals who were exposed to marijuana have fewer chromosomes than normal, causing gross birth defects or death of the fetus. Pediatricians and surgeons are concluding that the use of marijuana by either or both parents, especially during pregnancy, leads to specific birth defects of the infant's feet and hands. One of the most common effects of prenatal cannabinoid exposure is underweight newborn babies. Fetal exposure may decrease visual functioning and causes other ophthalmic problems.

Mental Function

Regular use can cause the following effects:

- Delayed decision-making
- Diminished concentration
- Impaired short-term memory, interfering with learning
- Impaired signal detection (ability to detect a brief flash of light), a risk for users who are operating machinery
- Impaired tracking (the ability to follow a moving object with the eyes) and visual distance measurements
- Erratic cognitive function
- Distortions in time estimation
- Long-term negative effects on mental function known as "acute brain syndrome," which is characterized by disorders in memory, cognitive function, sleep patterns, and physical condition

Acute Effects

- Aggressive urges
- Anxiety
- Confusion
- Fearfulness
- Hallucinations
- Heavy sedation
- Immobility
- Mental dependency
- Panic Paranoid reaction
- Unpleasant distortions in body image

Workplace Issues

The active chemical, THC, stores in body fat and slowly releases over time. Marijuana smoking has a long-term effect on performance. A 500 to 800 percent increase in THC concentration in the past several years makes smoking three to five joints a week today equivalent to 15 to 40 joints a week in 2008. In 2009 over 16.7 million Americans admitted to using marijuana at least once a month. Combining alcohol or other depressant drugs and marijuana can produce a multiplied effect, increasing the impairing effect of both the depressant and marijuana.

Opiates & Opioids (Narcotics) Fact Sheet

Opiates & semi-synthetic opioids (also called narcotics) are drugs that alleviate pain, depress body functions and reactions, and, when taken in large doses, cause a strong euphoric feeling.

Description

Varieties of opiates/opioids include natural and natural derivatives—opium, morphine, codeine, and heroin as well as synthetics such as meperidine (Demerol), oxymorphone (Numorphan), oxycodone (Percodan), hydrocodone (Acetaminophen), and hydromorphone. Some common names for semi-synthetic opioids include OxyContin®, Percocet®, Vicodin®, Lortab®, Norco®, Dilaudid®, and Exalgo®. Opiates/opioids may be taken in pill form, smoked, or injected, depending upon the type of narcotic used. Trade/street names include Smack, Horse, Emma, Big D, Dollies, Juice, Syrup, and China White.

Signs and Symptoms of Use

- Mood changes
- Impaired mental functioning and alertness
- Constricted pupils
- Depression and apathy
- Impaired coordination
- Physical fatigue and drowsiness
- Nausea, vomiting, and constipation
- Impaired respiration

Health Effects

IV needle users have a high risk for contracting hepatitis and AIDS due to the sharing of needles. Narcotics increase pain tolerance. As a result, people could more severely injure themselves or fail to seek medical attention after an accident due to the lack of pain sensitivity. Narcotics' effects are multiplied when used in combination with other depressant drugs and alcohol, causing increased risk for an overdose.

Social Issues

There are over 600,000 heroin addicts in the U.S., most of whom are IV needle users. An even greater number of medicinal narcotic-dependent persons obtain their narcotics through prescriptions. Because of tolerance, there is an ever-increasing need for the narcotic to produce the same effect. Strong mental and physical dependency occurs. The combination of tolerance and dependency creates an increasing financial burden for the user. Costs for heroin can reach hundreds of dollars a day.

Workplace Issues

Unwanted side effects such as nausea, vomiting, dizziness, mental clouding, and drowsiness place the legitimate user and abuser at higher risk for an accident. Narcotics have a legitimate medical use in alleviating pain. Workplace use may cause impairment of physical and mental functions.

Phencyclidine (PCP) Fact Sheet

Phencyclidine (PCP) was originally developed as an anesthetic, but the adverse side effects prevented its use except as a large animal tranquilizer. Phencyclidine acts as both a depressant and a hallucinogen, and sometimes as a stimulant. It is abused primarily for its variety of mood-altering effects. Low doses produce sedation and euphoric mood changes. The mood can change rapidly from sedation to excitation and agitation. Larger doses may produce a coma-like condition with muscle rigidity and a blank stare with the eyelids half closed. Sudden noises or physical shocks may cause a "freak out" in which the person has abnormal strength, extremely violent behavior, and an inability to speak or comprehend communication.

Description

PCP is sold as a creamy, granular powder and is often packaged in one-inch square aluminum foil or folded paper "packets." It may be mixed with marijuana or tobacco and smoked. It is sometimes combined with procaine, a local anesthetic, and sold as imitation cocaine. Trade/street names include Angel Dust, Dust, and Hog.

Signs and Symptoms of Use

- Impaired coordination
- Severe confusion and agitation
- Extreme mood shifts
- Muscle rigidity
- Nystagmus (jerky eye movements)
- Dilated pupils
- Profuse sweating
- Rapid heartbeat
- Dizziness.

Health Effects

The potential for accidents and overdose emergencies is high due to the extreme mental effects combined with the anesthetic effect on the body. PCP is potentiated by other depressant drugs, including alcohol, increasing the likelihood of an overdose reaction. Misdiagnosing the hallucinations as LSD induced, and then treating with Thorazine, can cause a fatal reaction. Use can cause irreversible memory loss, personality changes, and thought disorders. There are four phases to PCP abuse. The first phase is acute toxicity. It can last up to three days and can include combativeness, catatonia, convulsions, and coma. Distortions of size, shape, and distance perception are common. The second phase, which does not always follow the first, is a toxic psychosis. Users may experience visual and auditory delusions, paranoia, and agitation. The third phase is a drug-induced schizophrenia that may last a month or longer. The fourth phase is PCP-induced depression. Suicidal tendencies and mental dysfunction can last for months.

Workplace Issues

PCP abuse is less common today than in recent years. It is also not generally used in a workplace setting because of the severe disorientation that occurs. However, use in the workplace can expose the user and others to extreme safety hazards.

ATTACHMENT G

**COPY OF MODESTO CITY COUNCIL RESOLUTION AUTHORIZING THE
ADOPTION OF THE ANTI-DRUG PROGRAM/ALCOHOL MISUSE PROGRAM.**

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ATTACHMENT H

City of Modesto Employee Acknowledgement Form

Name: _____

Date: _____

Job Title: _____

In accordance with the City's Department of Transportation's Anti-Drug/Alcohol Misuse Program, please be advised that you have been placed in the pool of employees subject to the drug/alcohol testing procedures as mandated by the Federal Department of Transportation.

Attached is a copy of the Anti-Drug/Alcohol Misuse Program, version dated January 23, 2018. Your signature below certifies that you have received the Program. Please sign and return this form to the DOT Program Manager. Contact the Program Manager at 209-571-5134 if you have any questions.

Signature of Employee

DRAFT

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-28**

**RESOLUTION APPROVING THE SUBMISSION OF THE CITY'S LOCAL
TRANSPORTATION FUND (LTF) FY 2017/18 CLAIM FOR NON-MOTORIZED
PURPOSES IN THE AMOUNT OF \$167,572 TO THE STANISLAUS COUNCIL
OF GOVERNMENTS (STANCOG)**

WHEREAS, the Stanislaus Council of Governments (StanCOG) has informed the City that Local Transportation Funds (LTF) funds have been apportioned by StanCOG for allocation to the City, and

WHEREAS, this Claim for Non-motorized Purposes is the formal request by the City to StanCOG to release its apportionment of LTF funds for non-motorized purposes during the current fiscal year, and

WHEREAS, LTF funds provide the required local match for Federal funds received for the purpose of non-motorized projects (bicycle and pedestrian pathways), and

WHEREAS, two percent (2%) of all LTF funds available to StanCOG are designated to be used for bicycle and pedestrian projects, and

WHEREAS, the City has prepared its LTF Claim for Fiscal Year 2017-2018 pursuant to Articles 4 and 8 of Chapter 4 of Part 11, Division 10 of the California Public Utilities Code, and

WHEREAS, Council action authorizing submission of the claim is required by the rules and regulations governing the Transportation Development Act Funds, including StanCOG's approved Transit Cost Sharing Procedures before any LTF funding can be released to the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the City's Local Transportation Fund Claim for

Fiscal Year 2017-2018 Non-motorized Funds, in the amount of \$167,572, to the Stanislaus Council of Governments.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-29**

**RESOLUTION APPROVING THE RALSTON TOWER PARK MASTER PLAN
AS DEVELOPED BY O'DELL ENGINEERING OF MODESTO, CA**

WHEREAS, Ralston Tower Park is a 0.3 acre City owned park at the corner of Downey Avenue and I Street, and

WHEREAS, the park is ideally suited for use by all residents, especially senior residents of the City and the park is in need of renovation, and

WHEREAS, the planned renovation has been partially funded by HUD funds and the design was completed by O'Dell Engineering of Modesto, CA following a series of public meetings, and

WHEREAS, the Master Plan emphasizes quality value engineered design methods, ADA accessibility, security elements and utilization of energy and water saving technologies, and

WHEREAS, the design includes an open, hardscape area for activities such as Tai Chi, multiple durable low-impact exercise events, formal seating areas, drinking fountain, trash cans, pathway lighting, perimeter fencing, water efficient site landscaping and a small play structure, and

WHEREAS, the project meets the needs of the HUD annual action plan and has a current estimated cost of approximately \$1,100,000 for which the Parks Planning and Development Division will be working toward obtaining grant funding to leverage the funding that is anticipated to be provided for this project from Community Development Block Grant funding over the next couple years.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Ralston Tower Park Master Plan as developed by O'Dell Engineering of Modesto, CA.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvoid

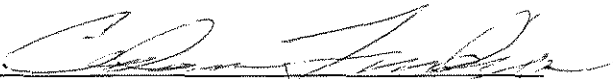
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-30**

RESOLUTION APPROVING THE SUBMITTAL OF A GRANT APPLICATION TO THE LAND AND WATER CONSERVATION FUND PROGRAM IN AN AMOUNT OF \$550,000 TO FUND DEVELOPMENT AND CONSTRUCTION OF THE RALSTON TOWER PARK RENOVATION PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, AS AGENT TO CONDUCT ALL NEGOTIATIONS AND TO EXECUTE AND SUBMIT ALL DOCUMENTS WHICH MAY BE NECESSARY FOR THE COMPLETION OF THE PROJECT

WHEREAS, the Congress under the Land and Conservation Water Act Fund of 1965, Public Law 88-578 has authorized the establishment of a federal Land and Water Conservation Fund Grant-In-Aid program, providing matching funds to the State of California and its political subdivisions for acquiring lands and developing Facilities for public outdoor recreation purposes, and

WHEREAS, the California Department of Parks and Recreation is responsible for administration of the program in the State, setting up necessary rules and procedures governing applications by local agencies under the program, and

WHEREAS, the applicant is required to certify by resolution the approval of the application and the availability of eligible matching funds prior to submission of the application to the State, and

WHEREAS, this grant opportunity does require a fifty percent (50%) match that is anticipated to be provided by Community Development Block Grant funding over the next couple years in an estimated total amount of \$550,000, and

WHEREAS, it is not anticipated that any General Fund money will be needed for this project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby:

1. Approves the filing of an application for Land and Water Conservation Fund assistance for the proposed Ralston Tower Park Renovation Project.
2. Agrees to abide by section 6(f)(3) of Public Law 88-578 which states “No property acquired or developed with assistance under this section shall, without the approval of the National Secretary of the Interior, be converted to other than public outdoor recreation uses. The Secretary shall approve such conversion only if he finds it to be in accord with the then existing comprehensive statewide outdoor recreation plan and only upon such conditions as he deems necessary to assure the substitution of other recreation properties of at least equal fair market value and of reasonably equivalent usefulness and location.”
3. Certifies that said agency has matching funds from eligible source(s) and can finance 100 percent of the Project, which up to half may be reimbursed; and
4. Appoints the city manager as agent of the applicant to conduct all negotiations and execute and submit all documents, including, but not limited to, applications, contracts, amendments, payment requests, and compliance with all applicable current state and federal laws which may be necessary for the completion of the aforementioned project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

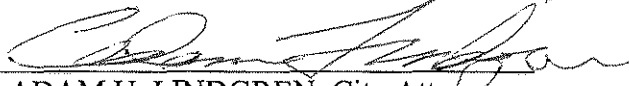
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-31**

**RESOLUTION APPROVING AN AMENDMENT TO A SOLE SOURCE
CONTRACT FOR THREE YEARS AND TEN MONTHS WITH REMIX
SOFTWARE, INC., SAN FRANCISCO, CA, FOR THE TRANSIT PLANNING
AND SCHEDULING SOFTWARE UTILIZED BY MODESTO AREA EXPRESS,
FOR A TOTAL COST OF \$194,160 AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT
AMENDMENT**

WHEREAS, on October 14, 2016, the City entered into an Agreement with Remix Software, Inc., for the transit planning software system for the Modesto Area Express bus system, and

WHEREAS, City staff has been very satisfied with the software and would like to continue using the Remix software for transit planning and analysis, and

WHEREAS, Remix has developed new functionality that allows users to convert the planning work in Remix software to timetables, blocking, run cuts and paddles, and

WHEREAS, Modesto would like to create efficiencies in the work product by using the Remix software as a tool to better plan new routes and modify existing routes, and

WHEREAS, based on the findings that Remix Software, Inc. is the only vendor qualified to perform this service, staff finds that the justification meets the City's sole source criteria as required under the Modesto Municipal Code 8-3.204(b) and 8-3.204 (d). The planning module of the software is unique and not available from other suppliers. The scheduling modules of the software is not unique and can be supplied by other vendors, however the integration between planning and scheduling that exist enable to quick transition in functionality. If two different software was used for the process, the

labor and potential for error in transferring the information manually from the planning to the scheduling software would not be efficient, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance and the Committee recommended forwarding to Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Amendment for three years and ten months with Remix Software, Inc. in the amount of \$194,160 for transit planning and scheduling software.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract amendment.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-32**

RESOLUTION APPROVING AN AMENDMENT TO THE AGREEMENT WITH COMPLETE COACH WORKS, RIVERSIDE, CA, FOR THE REFURBISHMENT OF FOURTEEN TRANSIT BUSES IN THE AMOUNT OF \$70,249 FOR A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$2,836,162, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Proposals (RFP) for the refurbishment of model year 2003 Gillig transit buses, and

WHEREAS, on March 16, 2016, the Purchasing Division issued RFP No. 1516-38, Repower Model Year 2003 Gillig Transit Buses, to multiple prospective proposers, none of which were local vendors, posted the RFP on the City's website and formally advertised as required by law at a local, state and national level, and

WHEREAS, proposals were formally opened in the City Clerk's Office. One company, Complete Coach Works, choose to respond. The company provided a responsive and responsible proposal, and

WHEREAS, based on evaluation criteria, the evaluation committee recommended the award of proposal and contract for the refurbishment of model year 2003 Gillig transit buses to Complete Coach Works, Riverside, CA, and

WHEREAS, Council approved the contract with Complete Coach Works by Resolution 2016-316, and

WHEREAS, Complete Coach Works identified various components of the bus that needed to be repaired that were not included in the original contract price because the majority of the repair items involved parts that could only be identified through a careful examination and removal of exterior parts, and

WHEREAS, the estimated cost for this additional work is \$70,249, and

WHEREAS, the proposed amendment will amend the original contract with Complete Coach Works to include those additional components that were not included in the original contract price, and

WHEREAS, funds are budgeted in Fiscal Year 2017-2018 for the refurbishment of model year 2003 Gillig transit buses within the Bus Fixed Route Fund 4510, and

WHEREAS, the refurbishment of the buses is funded by various sources including Federal Transportation (FTA) Grants, Local Transportation Funds (LTF)-carryover and Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the agreement with Complete Coach Works, Riverside, CA for the refurbishment of fourteen model year 2003 Gillig transit buses in the amount of \$70,249 for a total agreement amount not to exceed \$2,836,162.


BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-33**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-18 OPERATING
BUDGET IN THE AMOUNT OF \$70,249 TO FUND THE INCREASE IN
CONTRACT AMOUNT WITH COMPLETE COACH WORKS (CCW) FOR THE
REFURBISHMENT OF FOURTEEN MODEL YEAR 2003 GILLIG TRANSIT
BUSES**

WHEREAS, the estimated cost of refurbishing fourteen model year 2003 Gillig Transit Buses was estimated at \$2,765, 913, and

WHEREAS, on August 3, 2016 by Resolution 2016-316, the contract was authorized by Council, and

WHEREAS, during the course of the project additional repairs were identified in the amount of \$70,249 and,

WHEREAS, the increase of the contract will be funded with LTF and PTMISEA grants awarded to transit for capital purposes, and

WHEREAS, the Fiscal Year 2017-18 Operating Budget must be amended as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-18 Operating Budget as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the Acting Director of Finance, or her designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

AMENDMENT TO AGREEMENT

This Amendment is made with reference to the "Agreement" entered into between the CITY OF MODESTO, a municipal corporation of the State of California (hereinafter the "City") and COMPLETE COACH WORKS, a California Corporation (hereinafter "Consultant") entered into by the parties on the 3rd day of August, 2016 (hereinafter referred to as "Original Agreement"). The City and Consultant shall be collectively referred to as the "Parties."

This Amendment to the Original Agreement is made with regard to the following recitals:

WHEREAS, the Modesto City Council adopted Resolution No. 2016-316 authorizing the award of proposal and contract for the refurbishment of fourteen (14) transit buses; and

WHEREAS, the Original Agreement, Section 1, "SCOPE OF WORK" provides, in part, that the "Consultant shall undertake and complete the preparation of the scope of work as set forth and described in the documents attached hereto and referred to as Exhibit "A" or "project"; and

WHEREAS, after Consultant commenced its refurbishment work pursuant to the Original Agreement, Consultant determined that there was additional unanticipated repairs and part replacements that could not have been identified or anticipated in the Original Agreement; and

WHEREAS, the Parties agree that those additional necessary repairs and part replacements should be added to the Section 1, SCOPE OF WORK, Exhibit A to allow for the repair and/or replacement of additional components that were unanticipated in the original scope of work; and

WHEREAS, the parties agree that the additional work contemplated in this Amendment shall increase the Original Agreement by \$70,249.07 for a contract total of \$2,836,162.07; and

WHEREAS, since neither party anticipated the additional work contemplated in this Amendment and the parties have worked diligently to address this issue, there shall not be any late fees or penalties charged to City for payment relating to the additional work not anticipated in the Original Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and stipulations contained herein and the mutual promises, covenants, and stipulations contained in the Original Agreement, the parties agree as follows:

1. The parties agree that each of the recitals set out above are factually true and correct.
2. Section 10 of the Original Agreement provides as follows:

“Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for City or Consultant to modify the scope of services provided under this Agreement. Any Material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.”

The parties agree that this Amendment shall memorialize that agreement for the additional work contemplated herein.

3. Section 1, SCOPE OF WORK, shall be deleted and the parties agree to and hereby do substitute the following in its place:

“Consultant shall undertake and complete the preparation of the scope of work as set forth and described in the documents attached hereto and referred to as Exhibit “A” or “project”. The Consultant shall perform the services as described in Exhibit “A” in a manner compatible with the standards of its profession, and shall produce a fully complete project that is acceptable to City.”

4. Section 3, COMPENSATION shall be deleted and the parties agree to and hereby do substitute the following in its place:

“Consultant agrees to accept a sum not to exceed \$2,836,162.07 as full remuneration for performing all services and furnishing all staffing and materials called for in Exhibit “A” and for performance by Consultant of all of its duties and obligations under this Agreement.

The Compensation shall be paid pursuant to and in the manner and at the times set forth below:

Paid in full within thirty (30) days after completion and acceptance.”

5. Except as herein amended or modified, the provisions of the Original Agreement, and all exhibits attached thereto, are expressly reaffirmed and remain in full force and effect.

////////////////////////////////////

IN WITNESS WHEREOF, City has authorized the execution of this Amendment to Agreement for the refurbishment of transit buses, in duplicate, by its Interim City Manager and attestation by its City Clerk, on the ____ day of _____, 2017, and Consultant has caused this Amendment be executed in duplicate.

CITY OF MODESTO, a municipal corporation

By: _____
JOSEPH P. LOPEZ,
Interim City Manager

ATTEST:
By: _____
STEPHANIE LOPEZ,
City Clerk

(SEAL)

APPROVED AS TO FORM:

City Attorney

By: _____
ADAM U. LINDGREN

APPROVED AS TO FORM:

By: _____
BEVERLY JENSEN,
Risk Manager

COMPLETE COACH WORKS:

By: _____
(Signature)
Dale Carson President
(Name, Title)

By: _____
(Signature)
Michael J. Dominici, CFO
(Name, Title)

Consultant's Federal Tax ID

SCOPE OF WORK

2.0 PROJECT DESCRIPTION

The City of Modesto operates Modesto Area Express (MAX) which currently serves the City of Modesto, portions of the City of Ceres, Salida, Empire, and other unincorporated areas of Stanislaus County. MAX provides 23 urban bus routes on Mondays through Friday, 19 routes on Saturday and 12 on Sunday.

Contractor is to provide fourteen (14), model year 2003 refurbished low floor transit buses in accordance with the following technical specifications. Proposer shall provide a complete Work Plan to be approved by the City of Modesto Transit Manager. The Work Plan must address each task identified in this section. It must include estimated hours to complete each task of work, projected timelines for completion noting milestones, proposed subtasks, and subcontractors (if applicable).

2.1 DOCUMENTATION

Contractor is to provide a complete list of manufactures part number for all parts used. Contractor is to provide all training manuals, parts manuals, operating manuals, electrical schematic and software for each system installed. Manuals, schematics and software are to arrive with the completion of the first vehicle.

2.2 BODY

Exterior Paint

Paint and decal schematic shall match Attachment A. Paint shall be applied smoothly and evenly, with all surfaces free of dirt, runs, sags, peels or other imperfections including an orange peel effect. Old paint shall not show through new paint. The application of decals, including bus numbers shall be consistent with City of Modesto - Modesto Area Express existing fleet.

Body

The body of each vehicle shall be inspected for damage. Damage is to be repaired using materials, workmanship, and design conforming to the best practices in the transit industry. Functionally damaged panels are to be replaced with new parts. All finished buses are to be durable in construction in all respects.

Understructure

The understructure of each bus shall be inspected. All broken welds are to be repaired. Frame shall be inspected for cracks and rust. Cracks shall be repaired by best industry practices. Visible rust is to be removed and metal treated with a rust inhibitor to prevent further spreading. After understructure repairs are complete, new undercoating is to be applied. All mud flaps are to be replaced.

Passenger Doors and Windows

All door, window frames, tracks, seals and welting are to be inspected and replaced with OEM approved parts if damaged. All window graffiti guards are to be replaced with new OEM approved parts. Windows and all glass are to be reinstalled in a manner to guarantee that no water can enter into coach. Passenger doors shall be thoroughly cleaned and serviced. Front and Rear air door motors are to be removed and Vapor electric door motor systems with a Vapor touch control systems shall be installed with silver power coated touch bars on the rear passenger door. All sensitive edges shall be replaced. Any worn, damaged or defective door components shall be replaced. Door closing speed shall be checked and adjusted to meet OEM specifications.



Exhibit A Scope of Work

Roof Escape Hatch Ventilator

Seal and hardware shall be replaced with new OEM components on roof escape hatch and ventilator. New decals shall be installed.

Emergency exit and window release levers shall be tested for proper operations and repaired or replaced as needed. Operation instructions are to be attached to window frame rail adjacent to each seat, emergency decal must be visible.

Engine Confinement

The interior of the bus shall be inspected, repaired and resealed as necessary to ensure there is no transfer of engine compartment gasses or exhaust fumes from the engine and exhaust system while coach is operating at any road speed.

Driver Compartment

Driver's seat is to be a new Recaro Ergo Metro AM80, or current model equal. The seat shall be upholstered in black vinyl. Seat shall feature a notification through cushion programed when seat is unoccupied and engine running or seat is unoccupied and parking brake not set.

Driver window shall be removed, thoroughly checked and cleaned. And damaged or corroded window tracks shall be replaced. Any cracked, scratched or chipped glazing shall be replaced with glazing that is consistent with all other windows. Any convenience items such as mirrors and sun visors that are functionally damaged shall be replaced with new OEM like components. When reassembled, window shall be tested for ease of operation.

Seats

Passenger seats are to be removed from the vehicle and disassembled. Seat frames are to be repaired as required, then repainted. Passenger seats are to be fitted with a Sardo Velcro insert. Seating at, or before the rear passenger door is to be padded with half inch foam, seating behind the rear passenger door are not to be padded. Seats are to be recovered with YV46PTV4620 or approved equal. Seat spacing, hip to knee = 27.75 inches minimum, aisle width = 24 inches minimum.

Fender and Rear Bumpers

Rubber fender flares shall be replaced with new OEM fenders.

2.3 INTERIOR

Interior of the vehicle is to be inspected for damage and excessive wear. Items shall be replaced/repaired as necessary with like OEM materials to create a uniform like new interior.

Floor covering is to be removed from all areas and replaced with aisle and under seat, Altro, Chroma, Single color TFCR2730 Mineral 2.7mm, and driver platform foot area black. All subfloor is to be replaced with new OEM or approved equal sub flooring material. All floor covering is to be replaced with a yellow standee line and stepwell area trim to comply with all applicable ADA requirements.

Exterior

Filler strips on rub rails shall be replaced with new OEM product.



**Exhibit A
Scope of Work**

2.4 POWER STEERING SYSTEM

Power Steering Gearbox

Power Steering gearbox shall be rebuilt to the OEM's rebuild specifications. Mounting hardware and hoses shall be replaced with new.

Steering Column

Steering column and tilt assembly shall be inspected, repaired or replaced to be in like new OEM condition. Bearings and bushing shall be replaced as required. At floor all steering column U joints shall be replaced with new. Front end shall be aligned to OEM specifications.

Steering Wheel

Steering wheel shall be replaced with a new factory OEM wheel. Horn button shall be with a new OEM product along with new horn button hardware.

2.5 ELECTRICAL

Exterior Lighting

All exterior lamps shall be replaced with new Light Emitting Diode (LED) lighting. All new mounting hardware shall be provided. Driver switches for turn signals and dimmer shall be replaced.

Interior Lighting

All interior lighting including dome lights shall be replaced with LED lighting. Light lenses are to be cleaned, inspected and replaced when foggy or cracked. All light lenses are to match for a like new uniform appearance.

2.6 MOBILITY DEVICE – AMERICAN WITH DISABILITIES (ADA) COMPLIANCE

Ramp

A factory Lift-U LU6-03-03 remanufactured front door ramp that is compliant with all current year ADA requirements including total capacity, all current safety and interlock requirements and shall be installed with Camira (Holdworth) seat insert cover.

Mobility Device Tie-Down

Each bus shall be equipped with two (2) new ADA compliant; Q'Straint fully integrated wheelchair securement station Q'Pod's. Unit must be fully integrated wheelchair securement station designed and tested for a variety of scooters and wheelchairs. The integrated wheelchair securement station shall have the following characteristics: 3-Point Wheelchair Securement System approved for ADA use. Front tie down system with an integrated scooting. Automatic retractor tightening device mechanism to secure chair to bumper to prevent chair tipping. Unit will have a stabilizing bumper to act as the 4th wheelchair contact point to ensure correct wheelchair positioning. Simple accesses handle for tightening and releasing the front retractor securement belt. Integrated rear barrier with time delayed remote release of rear securements. All wheelchair securements are to feature J-hooks to reduce belt twisting. Integrated rear barrier to have easy access maintenance panel. Xpress paddle handle for timed delay of rear retractor belts. A red indicator will provide the driver 15-second time delay to allow the operator to properly secure and disconnect restraints. An interlock connection for any electronics. System to function without power in the event of electrical failure. An audible or visual indicator to advise the driver when the unit is unlocked. Includes rear tie down restraint retractors with automatic and self-tensioning mechanism for webbing slack adjustment. Prevents tripping hazards associated with webbing slack. Barrier will contain an integrated occupant lap belt. Flip seats shall be the 4ONE'Aries'stainless



Exhibit A Scope of Work

steel seat model shall contain a stowage button for easy to reach access to occupant lap belt. Barrier will contain the pre-positioned integrated shoulder belt. Rear securements retractors are enclosed and protected to prevent tripping hazards and increase the longevity of the securements. Signage location under seat shall be visible to user and explain operation.

2.7 PASSENGER INFORMATION SYSTEM

Display

Contractor shall furnish and install a digital destination sign system. The display shall consist of white colored LED's. All white LED's used for the destination signs shall be rated for 50,000 hours. The entire display area of the all signs shall be clearly visible and readable both in direct sunlight and at night with a viewing angle of at least 140 degrees. The Characters formed by the LED's are to meet current ADA standards. Software will give the user the capability to select from a selection of fonts, preprogrammed fonts and Microsoft True Type Directory's fonts for display. All destination signs shall be supplied with an ambient light detection sensor that controls the LED intensity according to the exterior light conditions. This adjustment shall be continuously linear, not stepped from 10-100% output.

Front Destination

Shall consist of a matrix of 160 Columns by 17 Rows and should have no less than 2720 LED's with a maximum display height of no less than 8.75" and at least 64.75" wide. The outer housing should fit within the envelope. The sign shall be readable from at least 250 feet. Total weight is not to exceed 20.5 pounds.

Side Destination(s)

Shall consist of 112 Columns by 15 Rows and shall have no less than 1680 LED's with message display area of no less than 6" high by no less than 42.5" wide. The sign enclosure itself will be no longer than 44.5" by no more than 8.25" high and 2" deep. The destination sign is to be readable by a person with 20/20 vision from a distance of 250 feet. The sign shall have equal readability at 70 degrees on either side of the line perpendicular to the center of the mean plane of display. The sign should be no more than 12 pounds. The power connector will be sealed 'weather pack' model.

Route Number Destination

Shall be 48 Columns by 15 Rows. Shall have no less than 720 LED's with a message display area of no less than 6" high by no less than 18" wide. The sign enclosure itself will be no longer than 20", by no more than 8.25" high and less than 2" deep. The destination message shall be readable by a person with 20/20 vision from a distance of 250 feet. The sign shall have equal readability at 70 degrees on either side of the line perpendicular to the center of the mean plane of display. The sign should weigh no more than 7 pounds. The power connector will be a sealed 'weather pack' model.

Rear Route Number

Shall be 48 Columns by 15 Rows, shall have no less than 720 LED's with a message display area of no less than 6" high by no less than 18" wide. The sign enclosure itself will be no longer than 24", by no longer than 12" high and less than 2" deep. The destination message shall be readable by a person with 20/20 vision from a distance of 250'. The sign shall have equal readability at 70 degrees on either side of the line perpendicular to the center of the mean plane of display. The sign should weigh no more than 8.5 pounds. The power connector will be will be a quarter-turn Amphenol model.

On-Board Next Stop Sign

Shall be 120 Columns by 8 Rows, one line sign. Shall have no less than 960 LED's, in red or amber on 6x6mm pitch, with a message display area of not less than 2.25" high by not less than 28.75" wide. The sign enclosure itself will be no longer than 30" by no more than 3.75" high and 2.25" deep. The internal sign message shall be readable by a person with 20/20 vision from a distance of 20'. The sign shall have equal readability at 70 degrees on either side of the line perpendicular to the center of the mean plane of the display. The sign should weigh no more than 6.5 pounds.

2.8 HEATING AND AIR CONDITIONING

The exterior of the air conditioning condenser is to be washed and interior to be flushed. If inspection reveals it is required, it shall be replaced. New air filters are to be installed in evaporator unit. Condenser and evaporator motors are to be rebuilt to like new OEM condition. Air conditioning compressor is to be rebuilt to OEM like new condition. A new discharge line filter will be installed. Control valves and relays are to be replaced as required. Insulation on A/C tubing is to be replaced. A/C shall be charged with R-134A and the oil changed in the system to match. All A/C ducting is to be inspected and repaired or replaced to make like new OEM condition. Boost pump is to be rebuilt and hoses going to heater core replaced. Heaters shall be rebuilt with OEM like components. Air conditioning unit including ducting, service doors unit mounting to interior are to be sealed in a way to prevent engine fumes, gasses and exhaust fumes into interior of coach during any operational speed.

2.9 ELECTRICAL FAN CONVERSION

Contractor shall replace the Hydraulic based engine fan based cooling system with a kit that retrofits and converts the OEM supplied hydraulic cooling system to an electric based mini hybrid cooling system. The thermal management system shall be specifically designed for installation in the engine compartment after the existing radiator, charged air cooler, and hydraulic fan drive system has been removed. The kit shall be a coolant based, pressure type, cooling system that does not permit boiling or coolant loss during typical operation.

System kit shall have components such as, but not limited to, alternator, power distribution center, fans. Fan controllers, radiator, charged air cooler, mounting brackets, connectors, fittings, hardware, wiring harness, conversion piping that are mutually compatible. The bidder shall ensure this compatibly with the specified Gillig bus. The bidder shall ensure that the alternator and charging system can adequately supply the electrical demand or load to run all of the systems on the coach at once along with the New Electric Fan Mini Hybrid system running at full fan speed while the engine is running at idle speed.

All components required for one thermal management system shall be included and packaged as one kit. System shall be tested for proper operation. Supplier shall warrant the kit components for three years or 100,000 miles.

2.10 AVAIL

Buses shall be equipped with a full suite of ITS technologies, including equipment and cabling, to provide the following capabilities: Mobile Data Computer, AVL (Automatic Vehicle Location,) ADA Automatic Next Stop Annunciation and Passenger Information Sign, APC (Automatic Passenger Counter,) Single Point of Logon interface to Destination Sign and Data Radio Communications.

ITS system shall be compatible with existing CAD (Computer Aided Dispatch) system from Avail Technologies, Inc.

2.11 SAFETY VISION

The proposed mobile video recorder solution combines a vehicle mounted network video recorder (NVR), 8 interior IP cameras, 5 exterior cameras, passive GPS and system status/event module.

Hardware

The NVR shall be a RoadRecorder[®] 7000 series. The NVR shall be mounted in an unobtrusive and secure space on the vehicle at City of Modesto's direction. All cameras, status module and GPS antennas connect to the NVR. The NVR records the data provided by these connections to the internal 1 TB SSD. The RoadRecorder[®] 7000 series NVR has the ability be configured to record video at a resolution of 1080P, 720P, D1, or CIF and a frame rate up to 30 FPS. The NVR can be configured at City of Modesto's discretion to record continuously, on a scheduled basis, or in an event-based mode (where the NVR records when a sensor become active or when the driver presses a button on the LCD panel). Both pre- and post-event recording times can be configured up to 30 minutes. Each camera can be configured independently and includes clear audio (that can be enabled/disabled). Video is recorded in a secure, proprietary format.

The secure web-based configuration of the NVR can be accessed by connecting a laptop PC to the front panel via a standard Ethernet cable. Configuration files can be saved and easily copied to multiple vehicles. The configuration menu is organized in several pages (each with convenient help windows):

- Product Details – displays the serial number, firmware version, etc, as well as the state, capacity, and capacity used of each storage device
- Administrator Settings – provides access to configure file sizes (adjustable to maximize network performance), export or import configuration files, format or reboot the NVR
- Network Settings – configures how the NVR communicates with the wireless network
- Firmware Update – provides an interface to update the NVR's firmware manually
- System Settings – configures information such as the NVR's name, time zone, and GPS format
- Audio/Video Settings – configures each individual camera. For each camera, configure two different streams (continuous and event) for codec, resolution, FPS, bit rate, rotation, audio on/off, etc.
- Startup & Shutdown – configures how the NVR starts up and shuts down with the vehicle's ignition
- Threshold Settings – configures assorted status thresholds and the actions taken by the NVR when these occur
- Firmware Settings – configures how the NVR manages data such as the ability to overwrite old data when the SSD is full and the duration of pre-and post-event time
- Tag Events – provides an interface to initiate an event from the web configuration
- Snapshot Viewer – provides an interface to view still image "snapshots" taken by individual cameras when they are configured in Audio/Video settings to record in MJPEG format
- Live View – provides an interface to view the live feed from each connected camera, useful to confirm camera function and adjust field of view and focus during camera installation
- Change Password – configures the password required to log into the NVR's web configuration interface

The primary on-board storage device shall be a 1 terabyte (TB) solid-state drive (SSD). The SSD provides superior data storage capabilities in a mobile environment with a design that includes no moving parts.



Exhibit A Scope of Work

The SSD is secured in the NVR by means of a mechanical lock. When the NVR is powered off and parked, SAFESTOR automatically transfers all recorded video, audio, and metadata to the larger capacity, removable HDD, thereby ensuring large capacity onboard storage with the highest reliability recording. The HDD can be removed and inserted into a proprietary Hard Drive Reader connected to a PC with viewing software installed to review recorded data. The primary means of driver interaction with the NVR shall be the 50-000001 LCD Control Panel. The Control Panel will be installed in an area on or near the vehicle's dashboard within easy reach of the driver without impacting safety. The Control Panel provides a means of providing the status of the NVR, allowing the driver to visually confirm correct operation. Using the Control Panel's LCD display and navigation buttons, operators can view system details (firmware version, etc), system logs, event logs, and error logs. The Control Panel provides the means to download specific video clips to a Secure Digital (SD) card inserted into the front panel of the NVR. This action requires a secure password. Located on the Control Panel is an event (or "panic") button the driver can press to manually trigger an event.

Cameras

Safety Vision Gen 2 and Gen 3 IP cameras shall be located on the vehicle in accordance with City of Modesto's requirements as shown in Attachment D. Safety Vision can offer three different camera models to provide the optimal image in different locations as described below.

Front Windshield: The camera located in the position facing out of the front windshield shall be the Safety Vision 60-200003 Gen 2 interior camera. The Gen 2 camera connects to the NVR via a single Ethernet cable that provides power and communication. The Gen 2 uses a 2.7 inch progressive CMOS image sensor to provide image resolutions up to 1080P and uses H.264 compression. An IR cut filter provides automatic day/night operation with a 0.1 lux rating. The Gen 2 camera utilizes a built-in microphone for clear crisp audio recordings. The camera is housed in a low-profile IP 66 vandal-resistant housing and can operate in temperatures from 14°F to 122°F. The camera includes a web-based configuration menu that can be accessed from the NVR's configuration menus.

Interior: The camera located in all other interior positions shall be the Safety Vision Gen 3 interior camera. The Gen 3 camera connects to the NVR via a single Ethernet cable that provides power and communication. The Gen 3 uses a 2.8 inch progressive CMOS image sensor to provide image resolutions up to 1080P and uses H.264 compression. 24 IR illuminators provide clear images in low-light conditions with a 0.2 lux rating. The Gen 3 camera utilizes a built-in microphone for clear crisp audio recordings. The camera is housed in an IP66 rated vandal-resistant housing and can operate in temperatures from 14°F to 122°F. The camera includes a web-based configuration menu that can be accessed from the NVR's configuration menus.

Exterior: The camera located in all exterior positions shall be the Safety Vision Gen 3 exterior camera. The Gen 3 camera connects to the NVR via a single Ethernet cable that provides power and communication. The Gen 3 uses a 2.8 inch progressive CMOS image sensor to provide image resolutions up to 1080P and uses H.264 compression. 24 IR illuminators provide clear images in low-light conditions with a 0.2 lux rating. The Gen 3 camera utilizes a built-in microphone for clear crisp audio recordings. The camera is housed in a ruggedized IP67 rated housing and can operate in temperatures from 14°F to 122°F. The camera includes a web-based configuration menu that can be accessed from the NVR's configuration menus.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-34**

**RESOLUTION APPROVING SUBMISSION OF THE CITY'S
TRANSPORTATION DEVELOPMENT ACT (TDA) REGIONAL TRANSIT
CLAIM FOR FISCAL YEAR 2018-2019 TO THE STANISLAUS COUNCIL OF
GOVERNMENTS (STANCOG) IN THE AMOUNT OF \$1,181,147**

WHEREAS, the greatest portion of the City's funding for the Transit Service Program is made available under the Transportation Development Act (TDA), which includes Local Transportation Fund (LTF) funds and State Transit Assistance (STA) funds, and

WHEREAS, the Stanislaus Council of Governments (StanCOG) has informed the City that TDA funds can be claimed for regional projects, and

WHEREAS, the Transit Center and Amtrak Station are considered regional projects as multiple transportation providers utilize these stations, and

WHEREAS, the City has prepared a regional project claim to StanCOG for funds allocated to public transit agencies pursuant to Article 4 of Chapter 4 of the California Public Utilities Code (PUC), and

WHEREAS, the City's regional project TDA Claim for Fiscal Year 2018-2019 is \$1,181,147, and

WHEREAS, the total Operating and Capital Budget for Fiscal Year 2018-2019 is \$1,435,741, and

WHEREAS, Council action authorizing submission of the Claim is required by StanCOG pursuant to Section 99233.11 of the California PUC before any TDA funding can be released to the City.

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.


NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the TDA regional transit claim for Fiscal Year 2018-2019 to StanCOG in the amount of \$1,181,147.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-35**

**RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH
THE CITY OF CERES, CA, FOR THE RETURN AND DISPOSITION OF A
TRANSIT VAN, AND AUTHORIZING THE INTERIM CITY MANAGER, OR
HIS DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, on July 28, 2003, the City of Ceres (“Ceres”) entered into an agreement (“Lease”) with the City of Modesto (“Modesto”) to lease from Modesto a bus for use with Ceres Area Transit, and

WHEREAS, per the terms of the Lease, the initial cost of the bus was split between Modesto (88.53%) and Ceres (11.47%), and

WHEREAS, said bus was leased to Ceres at no additional cost, and

WHEREAS, the bus has exceeded its useful life and Ceres is ready to surrender it to Modesto, and

WHEREAS, the lease requires Modesto to pay Ceres a portion of the proceeds from Modesto’s sale of the bus, and

WHEREAS, a Memorandum of Understanding has been prepared articulating the process by which the City of Ceres will be paid its share of the proceeds.

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee, which recommended that the item be forwarded to Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Memorandum of Understanding with the City of Ceres articulating the process by which the City of Ceres will be paid its share of any proceeds realized by Modesto’s sale of the leased transit van.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Memorandum of Understanding, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-36**

RESOLUTION APPROVING THE SOFTWARE LICENSE AGREEMENT AND FOUR SOLE SOURCE AGREEMENTS WITH AVAIL TECHNOLOGIES, INC., STATE COLLEGE, PA, FOR THE MAINTENANCE AND SUPPORT OF THE EXISTING COMPUTER AIDED DISPATCH AND AUTOMATIC VEHICLE LOCATION SYSTEM, PULLOUT/YARD MANAGEMENT SOFTWARE, INCIDENT REPORTING SOFTWARE, BUSINESS INTELLIGENCE SOFTWARE AND REPLACEMENT CELLULAR MODEMS UTILIZED BY MODESTO AREA EXPRESS FOR A TOTAL COST OF \$427,914, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENTS

WHEREAS, The City Council, on March 6, 2007, by Resolution No. 2007-161, awarded a development and installation contract in the approximate amount of \$948,000 to Avail Technologies, Inc., to install a Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) system on the Modesto Area Express (MAX) bus fleet, and

WHEREAS, on December 11, 2007, the City entered into an Agreement with Avail Technologies, Inc., for the development of a CAD/AVL system for the MAX bus fleet, and

WHEREAS, on June 7, 2016, by Resolution 2016-234, the Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 18, 2018 at a cost of \$112,652.

WHEREAS, in April 2017, Avail Technologies upgraded and began hosting the software to enable the real-time bus information to be made available to the public via website and myStop smart phone application. In addition, most of the buses started transmitting data via a stable cellular connection vs. the less reliable data radio connection. Avail included the server hosting services as part of the annual agreement approved in June 2016, with no additional cost to the City, and

WHEREAS, on July 11, 2017, by Resolution 2017-277, the Council authorized the purchase of additional hardware to enable all buses to transmit the signal with a cellular connection, along with other upgraded hardware, so that the real-time data was accurate and all buses had the same equipment installed. That equipment upgrade is currently scheduled for January 2018, and

WHEREAS, this additional software will enhance the MAX system by providing better tools to the operations staff to ensure that the Avail system is producing correct data for the traveling public and the management staff will have the reports needed to effectively convey the story of MAX service in Modesto, and

WHEREAS, Avail Technologies, Inc. is the sole provider of Avail applications and is the only vendor that can provide Avail maintenance for their products. The City conducted a competitive bid process and found no other reseller that can provide maintenance for the Avail system. As a result, the Purchasing Manager has determined that purchase of software and maintenance and modem equipment meet the City's sole source criteria as required under the Modesto Municipal Code 8-3.204, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the software license agreement and four sole source agreements with Avail Technologies, Inc., State College, PA, for the maintenance and support of the existing Computer Aided Dispatch and Automatic Vehicle Location system, Pullout/Yard Management software, Incident Reporting software, Business Intelligence software and

replacement cellular modems utilized by Modesto Area Express for a total cost of \$427,914.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-37**

RESOLUTION APPROVING A BUDGET ADJUSTMENT IN THE AMOUNT OF \$427,914 TO FUND THE PURCHASE MAINTENANCE AND SUPPORT OF THE EXISTING COMPUTER AIDED DISPATCH AND AUTOMATIC VEHICLE LOCATION SYSTEM, PULLOUT/YARD MANAGEMENT SOFTWARE, INCIDENT REPORTING SOFTWARE, BUSINESS INTELLIGENCE SOFTWARE AND REPLACEMENT CELLULAR MODEMS UTILIZED BY MODESTO AREA EXPRESS

WHEREAS, certain budgetary transactions are necessary in the amount of \$427,914 in order to fund the purchase of maintenance and support of the existing Computer Aided Dispatch and Automatic Vehicle Location System, Pullout/Yard Management software, Incident Reporting software, Business Intelligence software and replacement cellular modems for the Modesto Area Express (MAX) bus system, and

WHEREAS, the City was awarded Proposition 1B funds under the Public Transportation Modernization, Improvement and Service Enhancement Account program (PTMISEA) in the amount of \$75,466 for the purchase of the Computer Aided Dispatch and Automatic Vehicle Location System components, and

WHEREAS, the City was awarded Federal Transit Administration funds in the amount of \$234,036 for the purchase of the maintenance and support of the Computer Aided Dispatch and Automatic Vehicle Location System, and

WHEREAS, Local Transportation Funds awarded to the City for Transit purposes only in the amount of \$118,412 will be used to fund this purchase, and

WHEREAS, the Fiscal Year 2017-2018 operating budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-2018 Operating Budget as shown in **Exhibit A, attached hereto.**

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

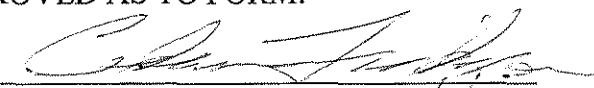
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Request for Budget Adjustment

Contact Person: Maria Garnica
 Telephone: 209-577-5249
 Submitting Department: PW
 Project Name: PW - MAX ITS equipment purchase
 Project Fund: 4510

Council Action Date: _____
 Resolution Number: _____
 Date Submitted by Dept: 12/1/2017

Fiscal Year being Adjusted: FY17/18

FY	Fund	-	Cost Center	-	Account	Project	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
Revenues										
FROM										
18	4540	-	53472	-	42107		\$4,777,540.00	(\$130,000.00)	\$4,647,540	Intergov-State- LTF - Current Year
							\$4,777,540	(\$130,000)	\$4,647,540	
TO										
18	4510	-	59999	-	42013	100982	\$0	\$234,036.00	\$234,036	Intergov - Federal - Federal Transit Administration
18	4510		59999		42193	100982	\$0	\$75,466.00	\$75,466	Intergov - State - Prop 1B- PTMSEA
18	4510		59999		42107	100982	\$0	\$118,412.00	\$118,412	Integov - State - LTF

FY	Project	-	Task	-	Expenditure Type	Current Budget	Increase/ (Decrease)	Revised Budget	Project Organization	
Expenses							\$427,914.00			
FROM										
TO										
18	100982		OC		OC - other Costs	\$200,000	\$427,914	\$627,914	PW- Transit services	

Justification for Budget Adjustment

\$427,914

Authorization	Signature	Date
Administrative Services Officer (if needed)		
Deputy Director (if needed)		
Department Director or Authorized Designee		
Financial Analyst	Maria Garnica	11/16/2017
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: _____

2

Completed By: _____

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-38**

**RESOLUTION APPROVING THE SUBMISSION OF A PROJECT LIST,
COMPLY WITH THE CERTIFICATIONS AND ASSURANCES FOR THE
ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 FOR THE MODESTO
AREA EXPRESS BUS SYSTEM, AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL REQUIRED DOCUMENTS
OF THE PROGRAM**

WHEREAS, the City of Modesto is an eligible project sponsor and may receive State Transit Assistance funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects, and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations, and

WHEREAS, Senate Bill 1 (2017) named the Department of Transportation (Department) as the administrative agency for the SGR, and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors (local agencies), and

WHEREAS, a project list has been developed to improve the conditions of the facilities, rolling stock and equipment needed to operate the Modesto Area Express bus system, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their consideration and the Committee recommended forwarding to Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the project list for the Road Repairs and Accountability Act of 2017 for the City of Modesto Transit Division.

BE IT FURTHER RESOLVED that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all State of Good Repair funded transit projects.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute and file all required documents of the State of Good Repair program and any Amendments thereto with the California Department of Transportation.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

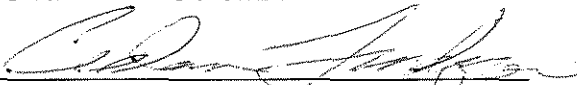
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-39**

**RESOLUTION APPROVING A FIVE-YEAR LEASE AGREEMENT WITH
THREE ADDITIONAL FIVE-YEAR EXTENSION OPTIONS WITH
GREYHOUND LINES, INC., DALLAS, TX, FOR THE LEASE OF SPACE AT
THE CITY TRANSPORTATION CENTER FOR TOTAL ANNUAL REVENUE
OF \$63,000 AND TOTAL REVENUES OF \$321,363 FOR THE INITIAL FIVE-
YEAR TERM OF THE AGREEMENT AND AUTHORIZING THE INTERIM
CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, the City of Modesto has leased space to Greyhound Lines, Inc., since 1994, when the Transportation Center opened to serve Modesto Area Express, and

WHEREAS, the lease agreement expired in 2009 and continued as a month-to-month tenancy since that time, and

WHEREAS, the City and Greyhound Lines, Inc. have developed a new lease to continue the arrangement, and

WHEREAS, Greyhound Lines, Inc. provides a transportation service to the community by providing bus service between communities, and

WHEREAS, there are no other companies that provide this type of regular scheduled bus service, and

WHEREAS, the length of the lease is an initial five years, with three additional five year options for a total of twenty years if all extension options are exercised, and

WHEREAS, the total amount of the lease would be \$1,401,069 if all option years are exercised, and

WHEREAS, on September 13, 2017, this item was presented to the Healthy Economy Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a five-year lease agreement with three additional five-year extension options with Greyhound Lines, Inc., Dallas, TX, for the lease of space at the City Transportation Center for total annual revenue of \$63,000 and total revenues of \$321,363 for the initial five-year term of the agreement.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is authorized to execute the lease agreement, in a form approved by the City Attorney.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-40**

RESOLUTION APPROVING AN AGREEMENT WITH KIMLEY-HORN AND ASSOCIATES, INC. TO PROVIDE ENGINEERING AND DESIGN SERVICES FOR THE RECONSTRUCTION OF TAXIWAYS E AND D, IN AN AMOUNT NOT TO EXCEED \$174,629, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECTURE THE AGREEMENT

WHEREAS, the Modesto City-County Airport (Airport) is a federally obligated facility and is required to meet Federal Aviation Administration (FAA) standards, including maintaining a Pavement Maintenance Management Plan per FAA Regulation (FAR) 139.305, and

WHEREAS, the FAA is requiring the Airport to implement an Airport Pavement Management System, and

WHEREAS, the FAA has made a grant offer 3-06-0153-039-2015 (AIP 39) for the design of the Taxiways E and D Reconstruction Project, and

WHEREAS, the FAA required the City to retain a qualified airport engineer, and

WHEREAS, City Council approved, by Resolution 2015-114, Kimley-Horn and Associates, Inc. as the most qualified and responsible consultant, and

WHEREAS, the FAA reviewed and approved the Independent Fee Estimate (“IFE”) performed by the City on the proposed services by Kimley Horn and Associates, Inc. to determine cost reasonableness, and

WHEREAS, The IFE proposal meets the requirements of the Modesto Municipal Code 8-4.208(a) related to professional services requirements as it is an agreement for professional services and FAA Advisor Circular 150/5100.

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the agreement with Kimley-Horn and Associates, Inc. to provide engineering and design services to reconstruct taxiways E and D in an amount not to exceed \$174,629.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

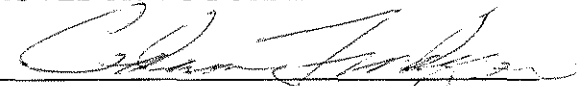
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-41**

**RESOLUTION APPROVING AMENDING THE FISCAL YEAR 2017-2018
CAPITAL IMPROVEMENT BUDGET TO ESTABLISH A BUDGET IN AN
AMOUNT NOT TO EXCEED \$174,629, WHICH INCLUDES \$157,166 IN GRANT
FUNDING AND \$17,463 TRANSFERRED FROM FUND 4330-STANISLAUS
COUNTY AIRCRAFT TAX FUND TO CIP #100905**

WHEREAS, the Modesto City-County Airport (Airport) is a federally obligated facility and is required to meet Federal Aviation Administration (FAA) standards, including maintaining a Pavement Maintenance Management Plan per FAA Regulation (FAR) 139.305, and

WHEREAS, the FAA has made a grant offer 3-06-0153-039-2015 (AIP 39) for the design of Taxiway E and D Reconstruction Project, and

WHEREAS, the FAA required the City to retain a qualified airport engineer, and

WHEREAS, Council approved, by Resolution 2015-114, Kimley-Horn and Associates, Inc. as the most qualified and responsible consultant, and

WHEREAS, the FAA reviewed and approved the Independent Fee Estimate performed by the City on the proposed services by Kimley Horn and Associates, Inc. to determine cost reasonableness.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the budget amendment for AIP 39 in an amount not to exceed \$174,629 to perform engineering and design services to reconstruct taxiways E and D.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the budget adjustment and create an appropriate revenue and expense account for project AIP 39.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-42**

RESOLUTION APPROVING THE TRANSFER OF PORTIONS OF APNS 135-029-038 AND 135-029-039 TO BOTH STANISLAUS COUNTY AND STATE OF CALIFORNIA, PORTIONS OF APNS 135-029-040 AND 135-029-041 TO THE STATE OF CALIFORNIA, AND PORTIONS OF SALIDA BOULEVARD AND SISK ROAD TO THE STATE OF CALIFORNIA FOR THE STATE ROUTE 99/PELANDALE AVENUE INTERCHANGE RECONSTRUCTION PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS NECESSARY TO TRANSFER THE PROPERTIES

WHEREAS, the State Route 99 / Pelandale Avenue Interchange Reconstruction Project is a project to increase safety, relieve congestion, and enhance traffic operations within the Interchange and along the adjacent streets, and

WHEREAS, State Route 99/Pelandale Avenue Intersection Reconstruction Project funds were programmed in accordance with California Department of Transportation's (Caltrans) Project Development Procedures Manual, and

WHEREAS, an initial study with Mitigated Negative Declaration was prepared by the city's consultant and submitted to the State of California Department of Transportation (Caltrans) for approval. This Document (SCH# 2009072012) was approved by Caltrans on September 28, 2009, and

WHEREAS, on July 10, 2012, by Resolution No. 2012-277, City Council approved an Agreement between the City of Modesto and the California Department of Transportation (Caltrans) for maintenance of improvements within State Highway Right of Way on Route 99 (Pelandale Avenue) within the City of Modesto for the State Route 99 and Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on February 25, 2014, by Resolution No. 2014-71, City Council approved the contract with Teichert/MCM, a Joint Venture, Fowler, California in an

amount of \$30,999,968.53, and authorized the City Manager, or his designee, to execute the contract, and

WHEREAS, on April 25, 2017, by Resolution number 2017-154, City Council accepted the State Route 99/Pelandale Avenue Interchange Reconstruction Project improvements as complete, and

WHEREAS, a Record of Survey must be submitted to the State for final closeout of the project to be completed, and

WHEREAS, for the Record of Survey to be submitted, City Council must first approve the relinquishment of land to both County and State, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the transfer of real property, portions of APNs 135-029-038 and 135-029-039 to both Stanislaus County and State of California, portions of APNs 135-029-040 and 135-029-041 to the State of California, and portions of Salida Boulevard and Sisk Road to the State of California for the State Route 99/Pelandale Avenue Interchange Reconstruction Project.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee is authorized to execute all documents necessary to transfer the properties.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-43**

RESOLUTION APPROVING AN INCREASE OF \$700,000 TO THE ANNUAL PURCHASING AGREEMENT WITH WEST COAST SAND & GRAVEL, INC., MODESTO, CA, FOR ROCK, SAND, AND GRAVEL, FOR AN AGREEMENT TOTAL NOT TO EXCEED \$2,637,070, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE ANNUAL PURCHASE AGREEMENT

WHEREAS, the City of Modesto entered into a contract purchase agreement No. 66240 with West Coast Sand & Gravel, Inc. by Resolution No. 2014-352 in 2014 for an estimated annual cost of \$387,414 which equals \$1,937,070 over a five year period, and

WHEREAS, since 2014, the City has continued to see an increased need for rock, sand and gravel services, and

WHEREAS, this demand significantly exceeded staff estimates in 2014 when the original agreement was competitively bid and has resulted in the need to increase the amount of the annual agreement with West Coast Sand & Gravel, Inc. and

WHEREAS, West Coast Sand & Gravel, Inc. has successfully been able to meet the demands by the City for rock, sand and gravel services, and

WHEREAS, the cost of rock, sand and gravel by West Coast Sand & Gravel, Inc. has increased due to flood mitigation, installation of additional flush lines and price increases, and

WHEREAS, the current purchase agreements for rock, sand and gravel expires on September 8, 2019, and

WHEREAS, in the interim, staff anticipates it will continue to need rock, sand and gravel from West Coast Sand & Gravel, Inc. in an amount not to exceed \$2,637,070, and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance. Acting within the scope of this authority, the Purchasing Manager recommends staff be allowed to increase spending authority under this purchase agreement to \$2,637,070, in accordance with MMC Section 8-3.204(c) ensuring the repair and maintenance of the City's infrastructure. If these repair and maintenance services are interrupted, this could result in potential safety hazards to the public.

WHEREAS, this item was considered by the Finance Committee at the December 14, 2017 meeting and was recommended to forward to Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase of \$700,000 to the annual purchasing agreement with West Coast Sand & Gravel, Inc., Modesto, CA, for rock, sand, and gravel, for an agreement total not to exceed \$2,637,070.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to increase the annual purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-44**

RESOLUTION APPROVING AN AMENDMENT TO THE PURCHASING AGREEMENT WITH NATIONAL METER AND AUTOMATION, INC., SANTA ROSA, CA, FOR ADDITIONAL WATER METERS AND PARTS FOR AN ANNUAL COST NOT TO EXCEED \$842,748 FOR THE REMAINING FOUR YEARS OF THE AGREEMENT, AND A NEW TOTAL AMOUNT NOT TO EXCEED \$4,100,327 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESINGEE, TO INCREASE THE ANNUAL PURCHASE AGREEMENT

WHEREAS, the City of Modesto entered into a contract purchase agreement No. 99391 with National Meter and Automation, Inc., by Resolution No. 2016-235, for an estimated annual cost of \$729,333 which equals \$3,646,665 over a five year period, and

WHEREAS, this agreement expires on June 6, 2021, and

WHEREAS, the City is in the second year of its agreement with National Meter and Automation, Inc. and needs to add additional meters and parts to continue the maintenance program for commercial and industrial accounts to the current annual agreement No. 99391, and

WHEREAS, these include Parts for Meter Testing and Repair. The original agreement lists full assemblies and no parts. Staff does annual meter testing and needs parts for this purpose. In the past, parts were requested through Stores and now the Utilities Department must order directly from the vendor, and

WHEREAS, Model 35/55/70 Bronze Bodied Meters that were not original included on the contract and in the past Stores purchased them as needed, and the Utilities Department now needs to purchase directly from the vendor, and

WHEREAS, the full list of additional parts and equipment to be added to the National Meter and Automation, Inc. Agreement is **attached**, and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance. In addition, since the water meter system throughout the City are manufactured by National Meter only National Meter parts are compatible with the existing system. Since the purchasing requirements can only be satisfied by purchase of National Meter water meter parts, the bidding requirements are further exempt due to the sole source exemption per MMC Section 8-3.204(b). Acting within the scope of this authority, the Purchasing Manager recommends staff be allowed to increase spending authority under this purchase agreement to \$4,100,327, in accordance with MMC Section 8-3.204(c) ensuring water meter installation/repairs are not interrupted and needed work is not significantly delayed, and

WHEREAS, based on manufacturer recommendations for equipment and parts, staff anticipates costs at an estimate of approximately \$113,415 annually, for a total increase four year cost of \$453,661, for the remainder four years of the contract, and

WHEREAS, sufficient funds are budgeted in the Water Fund to cover this increase, and

WHEREAS, this item was considered by the Finance Committee at the December 14, 2017 meeting and was recommended to forward to Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the purchasing agreement with National Meter and Automation, Inc., Santa Rosa, CA, for additional water meters and parts, for an annual cost not to exceed \$842,748 for the remaining four years of the agreement, and a new total amount not to exceed \$4,100,327 over five years.

List of New Products for National Meter Agreement

MODESTO PARTS

FSAA

DESCRIPTION	SIZE	PART NUMBER	SELL	Estimated Annual Quantity	Estimated Annual Cost
CHECK VALVE	4"	26506-031	\$ 217.50	10	\$ 2,175.00
CHECK VALVE	6"	26506-018	\$ 139.20	10	\$ 1,392.00

Compounds

HEAD ASSEMBLY	new 3"	63010-026	\$ 445.00	10	\$ 4,450.00
HEAD ASSEMBLY	4"	63010-027	\$ 460.00	20	\$ 9,200.00
HEAD ASSEMBLY	6"	63010-028	\$ 1,425.00	20	\$ 28,500.00
HEAD ASSEMBLY	8"	63010-018	\$ 1,435.00	10	\$ 14,350.00
HEAD ASSEMBLY	10"	63010-030	\$ 1,945.00	2	\$ 3,890.00
HEAD ASSEMBLY	12"	63010-012	\$ 1,880.00	2	\$ 3,760.00
valve assembly	new 3"	64066-002	\$ 94.50	2	\$ 189.00
valve assembly	4"	64131-002	\$ 112.50	2	\$ 225.00
valve assembly	6"	64134-002	\$ 135.00	2	\$ 270.00
chamber assembly	new 3"	33334-023	\$ 33.30	40	\$ 1,332.00
chamber assembly	4"	33334-056	\$ 63.00	60	\$ 3,780.00
screen	2"-3"	64081-001	\$ 1.80	10	\$ 18.00
screen	4"-6"	64142-001	\$ 2.03	10	\$ 20.25
o-ring EPDM	3"	64083-002	\$ 0.68	10	\$ 6.75
o-ring EPDM	new 3"	64803-008	\$ 0.68	10	\$ 6.75
o-ring EPDM	4"	64803-008	\$ 0.68	10	\$ 6.75
o-ring EPDM	6"	64803-010	\$ 0.68	10	\$ 6.75
o-ring EPDM	new 3"	64803-003	\$ 6.75	10	\$ 67.50
o-ring EPDM	4"	64803-009	\$ 8.55	10	\$ 85.50
o-ring EPDM	6"	64803-011	\$ 8.55	10	\$ 85.50
o-ring	new 3"	62754-003	\$ 5.40	10	\$ 54.00
o-ring	6"	62754-004	\$ 17.10	10	\$ 171.00

METERS

M35 BB	3/4X9" COMPLETE	\$ 167.70	15	\$ 2,515.50
M35 BB	BARE	\$ 74.50	10	\$ 745.00
M35	ORION CE/ REG ONLY	\$ 93.92	20	\$ 1,878.40
M55 BB	1" COMPLETE	\$ 244.00	15	\$ 3,660.00
M55 BB	BARE	\$ 120.00	10	\$ 1,200.00
M55	ORION CE/ REG ONLY	\$ 124.00	20	\$ 2,480.00
M70 BB	1" COMPLETE	\$ 269.00	50	\$ 13,450.00
M70 BB	BARE	\$ 145.35	10	\$ 1,453.50
M70	ORION CE/ REG ONLY	\$ 124.00	20	\$ 2,480.00
ER10 FOR PLMT		\$ 235.95	5	\$ 1,179.75

Seal Plug, Calibration Shaft	1-1/2"6"	62793-001	\$ 2.60	20	\$ 52.00
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\$ 105,135.90
 \$ 8,279.45 Sales Tax
\$ 113,415.35 Total Annual Increase Cost
\$ 453,661.41 4-Year Cost

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to increase the annual purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-45**

RESOLUTION APPROVING AN INCREASE OF \$50,000 PER YEAR TO THE PURCHASING AGREEMENT WITH ROOT TAMERS, INC., BROOKINGS, OR, FOR THE FURNISHING OF SEWER ROOT CONTROL SERVICES FOR AN AGREEMENT TOTAL NOT TO EXCEED \$362,615 OVER THE FIVE YEAR TERM OF THE AGREEMENT AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE PURCHASE AGREEMENT

WHEREAS, on April 12, 2016, by Resolution No. 2016-151, Council authorized the award of bid for the purchase of a sewer root control program to Root Tamers, Inc., of Brookings, OR, in the amount of \$32,523 per year, for a total amount of \$162,615 over five years, and

WHEREAS, the State Water Resources Control Board (SWRCB) adopted a General Waste Discharge Requirement (WDR) (Order No. 2006-0003) for all publicly owned sanitary sewer collection systems in California with more than one mile of sewer pipe, and

WHEREAS, the goal of the WDR is to provide a consistent statewide approach for reducing Sanitary Sewer Overflows (SSOs) which requires public agencies to develop and implement a Sewer System Management Plan (SSMP) aimed at reducing SSOs, and

WHEREAS, Council approved the City's SSMP with Resolution No. 2009-150 on April 7, 2009 and approved the latest update with Resolution No. 2017-357, and

WHEREAS, as part of the SSMP, the Wastewater Collections Section has created detailed and comprehensive maintenance programs in an effort to reduce SSOs and the Integrated Root Control Program is a key component of these efforts, and

WHEREAS, the anticipated amount of Root Control Services has grown significantly from what was estimated in the original award, and the additional work performed and request for additional funding for this agreement is due to:

- *Heavy to Medium root intrusion discovered during maintenance activities.* When Heavy to Medium roots are discovered intruding into the City's sewer system, the Wastewater Collections staff creates a root foaming Preventive Maintenance Work Order and schedules root treatment of that section of sewer line. This is a critical component of a proactive maintenance program.
- *Increased Closed Circuit Television (CCTV) work.* The Wastewater Collections crews have been performing more CCTV work and finding significant roots in the piping.
- *Re-treatment of areas previously treated.* The Wastewater Collections contractor has been re-treating areas that were previously treated so that all lines are re-treated within the 3 to 5 year timeframe.
- *Drought conditions.* Due to the drought conditions of 2013-2016, trees were more aggressively attacking the sewer system in search of water.

WHEREAS, during the first year of this agreement, Staff discovered more root intrusion than anticipated, and

WHEREAS, this resulted in expenditures totaling \$120,282 for the first two years of the Root Tamers Agreement, and

WHEREAS, these expenditures did not exceed the amounts authorized by City Council, however the annual amounts were greater than expected, and

WHEREAS, the revised annual expenditure for on-going root control work is anticipated to be approximately \$72,523 each year requiring the agreement to be increased \$200,000 to a total of \$362,615, and

WHEREAS, this was considered by the Finance Committee at the December 13, 2017 meeting and was recommended to forward to Council for approval, and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance, and

WHEREAS, based on the increase requested by the department, the Purchasing Manager, within the scope of this authority, recommends staff be allowed to increase spending authority under this purchase agreement to \$362,615 in accordance with MMC Section 8-3.204(c) ensuring root control services are not interrupted and needed work is not significantly delayed.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase of \$50,000 per year to the Purchase Agreement with Root Tamers, Inc., Brookings, OR, for the furnishing of sewer root control services for an Agreement total not to exceed \$362,615 over the five year term of the Agreement.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to increase the Purchase Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-46**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE GRAYSON REPLACEMENT WELL 274 PROJECT, ACCEPTING THE BID, AND AWARDING A CONSTRUCTION CONTRACT TO MAGGIORA BROS. DRILLING, INC., OF WATSONVILLE, CA, IN THE AMOUNT OF \$408,420, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the Grayson Replacement Well 274 Project, and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the Grayson Replacement Well 274 Project were opened at 11:00 a.m. on December 19, 2017 pursuant to Modesto Municipal Code section 8-3.403 and Charter section 1307 , and

WHEREAS, the Director of Utilities and the Interim City Manager has recommended that the bid of \$408,420 received from Maggiora Bros Drilling, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to Maggiora Bros. Drilling, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for Grayson Replacement Well 274 Project, accepts the bid of \$408,420 and awards Maggiora Bros. Drilling, Inc., of Watsonville, CA the construction contract for the Grayson Replacement Well 274 Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-47**

**RESOLUTION AUTHORIZING AN INCREASE IN THE DIRECTOR'S
AUTHORITY TO ISSUE CHANGE ORDERS FOR THE GRAYSON
REPLACEMENT WELL 274 PROJECT FROM 10 PERCENT (\$40,842) TO 25
PERCENT (\$102,105) OF THE CONSTRUCTION CONTRACT AMOUNT**

WHEREAS, on January 23, 2018, the City Council is concurrently awarding a \$408,420 contract to Maggiora Bros. Drilling, Inc., of Watsonville, CA for the construction of the Grayson Replacement Well 274 Project, and

WHEREAS, the City operates and maintains Well 274 in the outlying service area of Grayson, and

WHEREAS, a feasibility study addressing nitrate concentrations in Well 274 was completed in January 2015, and recommends a replacement well due to the age and relative shallow depth of the current well, and

WHEREAS, by Resolution 2015-454, Council accepted a 9,945 square foot site from Stanislaus County, expanding the Well 274 site to accommodate drilling a replacement well, and

WHEREAS, given the nature of the project, additional work may be needed to address unexpected conditions that require changes in project scope that may exceed the Director's change order authority of 10%, as established by the Council's Change Order Approval Policy adopted by Resolution No. 94-443, and

WHEREAS, the Director of Utilities currently has authority to approve change orders up to a cumulative amount of \$40,842, and

WHEREAS, staff recommends that the Director's change order authority be increased to 25%.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Director of Utilities to issue change orders for the Grayson Replacement Well 274 Project from 10 percent (\$40,842) to 25 percent (\$102,105) of the construction contract price of \$408,420 with Maggiora Bros. Drilling, Inc., of Watsonville, CA.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

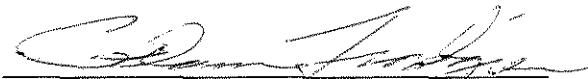
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGRÉN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-48**

RESOLUTION APPROVING AN AMENDMENT INCREASING THE CONTRACT AMOUNT WITH ARAMARK UNIFORM SERVICES, MODESTO, CA, FOR THE FURNISHING OF UNIFORM AND LAUNDRY SERVICES BY \$50,000 FROM \$950,000 TO \$1,000,000, AND EXTENDING THE TERM OF THE AGREEMENT FROM FEBRUARY 1, 2018, TO JUNE 30, 2018; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE SECOND AMENDMENT TO THE AGREEMENT

WHEREAS, Article 22 of the Memorandum of Understanding (MOU) between the City of Modesto and Modesto City Employees Association (MCEA) requires the City to provide uniform and laundry services for Non-Sworn City employees, and

WHEREAS, in addition to the above article, the City is required to provide coveralls, pants, and rain gear for employees, dependent upon classification, and

WHEREAS, on August 14, 2012 by Resolution 2012-321, Council approved an agreement with Aramark Uniform Services, Modesto, CA for the furnishing of uniform and laundry services for a 2 year agreement with 3 one-year extension options at the sole discretion of the City for an estimated annual cost of \$100,000 and a total cost of \$500,000 for the five year term of the agreement, and

WHEREAS, in December 2015, the City reached the five-year spending amount and the Purchasing Division increased the agreement from \$500,000 to \$800,000 without Council approval; In August 2017, once the \$800,000 limit was reached, an additional \$50,000 expenditure was authorized to ensure the uniform and laundry services continued, and

WHEREAS, on the December 12, 2017 Council meeting, Council approved, via Resolution 2017-529, the extension of the agreement to January 31, 2018 and payment of \$100,000 for the period of August 8, 2017 to January 31, 2018, and

WHEREAS, Council also directed the Finance Department to review the Aramark invoices already paid to determine if the City was being billed at the contract rate approved by Council, and

WHEREAS, the Finance Department contacted Aramark and Aramark promptly completed an internal audit on the billed services to the City in which Aramark found that a credit was due back to the City in the amount of \$49,510 and a correction plan was identified to monitor the control of this agreement, and

WHEREAS, due to the urgency of the need for these services to continue, the City is requesting we increase this agreement an additional \$50,000 and extend the term of the Agreement to June 30,2018 to allow the Purchasing Division time to complete the bidding process for laundry services no later than June of 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the Agreement with Aramark Uniform Services, Modesto, CA, increasing the contract amount for the furnishing of uniform and laundry services by \$50,000 from \$950,000 to \$1,000,000; and extending the term of the Agreement from February 1, 2018, to June 30, 2018.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute the Second Amendment to the Agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-49**

RESOLUTION APPROVING AMENDMENTS TO VARIOUS ANNUAL PURCHASE AGREEMENTS WITH VARIOUS VENDORS WITH REVISED NOT TO EXCEED AMOUNTS AND TERMS FOR THE SERVICES STATED HEREIN AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE IDENTIFIED ANNUAL PURCHASE AGREEMENTS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing documents that are not in conformance with Title 8 of the Modesto Municipal Code, and

WHEREAS, the City has found the below listed Annual Agreements need to be amended to conform with the Municipal Code, and

WHEREAS, Council needs to approve expenditures that exceeded the amounts previously authorized by the City Council, and

WHEREAS, the City also has a critical need for continued use for the goods and services listed below as those goods and services are essential to maintain City business, and

WHEREAS, staff intends to conduct formal Request for Bids but requires time to complete them along with the other competing demands identified from this purchasing review, and

WHEREAS, departments need these same goods and services until the Request for Bids is completed and replacement agreements are approved, and

WHEREAS, the Purchasing Manager has determined that calling for bids on a competitive basis for those goods and services is undesirable due to exigent circumstances, in accordance with MMC 8-3.204(c), since the City cannot have any lapse in the goods and services represented in the list below, and

WHEREAS, the history and explanation for the necessary changes to each Purchase Agreement are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings which is **attached** hereto as **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the changes in the term dates of the Purchase Agreements and an increase to the annual Purchase Agreements by the amounts, and not to exceed amounts listed below.

<u>Annual Agreement/Goods & Services</u>	<u>Approval of Previous Expenses</u>	<u>Additional Amount</u>	<u>Changes in Term</u>	<u>Revised Not to Exceed Amount</u>
Pacific Storage—storage for City documents	\$636,239	\$45,000	Dec. 31, 2018	\$681,239
Burton’s Fire Inc.—hose replacement	\$64,621	\$11,400	June 30, 2019	\$76,021
L N Curtis & Sons—hose replacement	\$15,330	\$16,150	June 30, 2019	\$31,480
Delta Wireless Inc.—radio equip. & repair	\$199,096	\$37,500	Sept. 30, 2018	\$236,596
Pacific Maint. Co.—custodial & supplies	\$358,382	\$50,000	Sept. 30, 2018	\$408,382
Zap Manufacturing Inc.—road sign repair	\$59,295	\$20,000	Sept. 30, 2018	\$79,295
McPrint Direct—utility billing inserts	\$72,186	\$50,000	Sept. 30, 2018	\$243,951
Fastenal Company Inc.—safety supplies	\$59,848	\$108,000	Sept. 30, 2018	\$167,848

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to increase the Purchase Agreements to conform to the above-referenced amounts and terms.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A—Detailed Explanations for Resolution #1
Purchasing Document Findings – Annual Agreements

Vendor/Contract Name	Agreement Limit Amount (\$)	Agreement Term Start/End Date	Agreement Renewal Date	Requested New Agreement Term Start/End Date	Ords Agreement Start/End Date	Vendor Invoices Paid or Pending (\$)	Amount Remaining on Agreement (\$)	Department assigned to manage the agreement	Notes	Background on Services	Explain how we reached this spending level (Detail History)	Amount Already Spending on Contract Activity	Increase an additional amount based on what is needed for this agreement	Revised Total Agreement Amount
4. PACIFIC STORAGE COMPANY	\$ 29,000.00	20-Dec-2002	20-Dec-2016	21-Feb-2018	20-Dec-2016	\$ 833,329.21	\$ 686,248.21	Finance Department	Not approved by Council. Due to the City reliance on this vendor for storage services, the City has been unable to procure services from the current vendor for some time. The Purchasing Division will be working on a new agreement with Pacific Storage for the year ending 31/18.	Storage of boxes for enclosures and City equipment in the City's parking lot. The agreement was renewed for the year ending 31/18.	\$ 686,248.21	\$ 45,000.00	\$ 731,248.21	
7. BURTON'S BURE INC	\$ 20,000.00	21-Nov-2014	4-Oct-2017	30-Sep-2018	24-Oct-2016	\$ 84,820.66	\$ 69,620.66	Medicine Fire Department	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 69,620.66	\$ 11,400.00	\$ 81,020.66
7. L.J. CURTIS & SONS	\$ 20,000.00	21-Nov-2014	4-Oct-2017	30-Sep-2018	15-Jun-2018	\$ 13,200.00	\$ 6,600.00	Medicine Fire Department	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 13,200.00	\$ 15,150.00	\$ 28,350.00
6. DELTA WIRELESS INC	\$ 50,000.00	1-Apr-2011	29-Sep-2018	30-Sep-2018	27-Sep-2018	\$ 166,000.00	\$ 166,000.00	Medicine Fire Department	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 166,000.00	\$ 37,600.00	\$ 203,600.00
13. PACIFIC MAINTENANCE COMPANY	\$ 50,000.00	1-Sep-2011	21-Sep-2018	30-Sep-2018	21-Sep-2018	\$ 358,381.71	\$ 303,381.71	Commonwealth Department	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 303,381.71	\$ 50,000.00	\$ 353,381.71
14. GAP MANUFACTURING INC	\$ 50,000.00	24-Feb-2014	31-Dec-2017	30-Sep-2018	28-Sep-2018	\$ 59,855.15	\$ 6,265.15	Public Works	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 6,265.15	\$ 20,000.00	\$ 26,265.15
17. MICROPRINT DIRECT	\$ 121,785.00	6-Mar-2011	7-Mar-2018	30-Sep-2018	18-Sep-2018	\$ 133,831.05	\$ 72,148.05	Utility Department/City Management/Office	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 72,148.05	\$ 60,000.00	\$ 132,148.05
40. FASTENAL COMPANY INC	\$ 50,000.00	1-Jul-2017	30-Jun-2018	30-Sep-2018	29-Jun-2018	\$ 49,847.70	\$ 49,847.70	Utility Department	Approved by Council. This agreement is for the purchase of fire trucks. The agreement was renewed for the year ending 31/18.	Approval of reduced fire trucks	This agreement did not exceed the original amount. However, since it was part of the same agreement, it was not included in the original report. We have an invoice and the report need to update the total and the amount for this agreement.	\$ 49,847.70	\$ 138,000.00	\$ 187,847.70
Total						\$ 1,444,937.67	\$ 1,444,937.67					\$ 1,444,937.67	\$ 338,650.00	\$ 1,783,587.67

Header Definition:

* - The number typically represents one agreement and one purchasing process, but in some cases you might have one purchasing process that created multiple agreements for separate vendors. Vendor - the vendor name is the company awarded the agreement and is provided based on the City report. Agreement Term Start Date - the date represents the starting date of the contract between with the vendor. Agreement Term End Date - the date represents the ending date of the contract between with the vendor. Ords Agreement Start/End Date - the date represents the start date of the agreement with the vendor. Amount Remaining on Agreement - this amount represents the difference between the agreement limit amount (column 1) and the amount of the agreement that has been spent by the vendor. Department Assigned to Manage Contract - the department responsible for managing the agreement. Revised Total Agreement Amount - this amount represents the total amount of the agreement and the amount of the agreement that has been spent by the vendor.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-50**

RESOLUTION APPROVING AMENDMENTS TO VARIOUS ANNUAL PURCHASE AGREEMENTS WITH VARIOUS VENDORS WITH REVISED NOT TO EXCEED AMOUNTS FOR THE SERVICES STATED HEREIN AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE IDENTIFIED ANNUAL PURCHASE AGREEMENTS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing documents that are not in conformance with Title 8 of the Municipal Code, and

WHEREAS, the City has found the below listed Annual Agreements need to be amended to conform with the Municipal Code, and

WHEREAS, the Council needs to approve expenditures that exceeded the amounts previously authorized by the City Council, and

WHEREAS, staff does not intend to use these agreements anymore, thus there is no change in term dates. Additionally, with the exception of Greater San Joaquin, the City does not intend to replace the Purchase Agreements with new agreements, and

WHEREAS, the history and explanation for the necessary changes to each Purchase Agreement are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings, **attached** hereto as **Attachment B**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the annual Purchase Agreements listed below by the amounts, and not to exceed amounts also listed below.

<u>Ann. Agreement/Goods & Services</u>	<u>Approval of Previous Expenditures</u>	<u>Additional Amounts</u>	<u>Revised Not to Exceed Amounts</u>
Groeniger/Ferg.—water repair parts	\$1,383,511	\$1,383,511	\$2,398,081
San Diego Police Equip.—ammunition	\$157,805	\$157,805	\$619,340
ASA Greater San Joaquin—officiating	\$67,148	\$67,148	\$67,148
Fletcher Landscaping—lands. services	\$73,812	\$73,812	\$73,812

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to increase the Purchase Agreements to conform to the above-referenced amounts.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment B--Detailed Explanations for Resolution #2
Purchasing Document Findings - Annual Agreements

#	Vendor/Contract Name	Agreement Limit Amount	Agreement Term Start/End	Agreement Term Start/End	Requested New Agreement Term Start/End	Oracle Agreement Amount	Vendor Invoices Paid or Pending Payment	Amount Remaining on Agreement	Department Assigned to Manage Contract	Notes	Background to Service	Explain how we reached the spending above Council's Authority	Amount Already Encumbered Council's Authority	Increase an additional amount based on what is requested	Revised Total Agreement Amount			
2	GROUNDWORKER UNION	\$ 475,207.00	5-Jun-2012	31-Aug-2017	N/A	\$ 2,394,040.85	\$ 2,394,040.85	\$ 1,623,000.85	Utilities Department	This item needs to be moved in conjunction with Modesto Wastewater and Water Supply Corporation.	Water System Repair Plan	The City did not estimate appropriately based on the volume of water meter parts needed under the agreement. In order to purchase these parts, the Purchasing Division increased the (Oracle agreement) amount above Council's authority.	\$ 1,368,211	\$	\$ 2,394,041			
11	SAN DIEGO POLICE EQUIPMENT	\$ 401,580.00	11-Sep-2012	10-Sep-2017	N/A	\$ 625,000.00	\$ 619,340.31	\$ 1,137,000.21	Modesto Police Department	Requested Council's approval authority. \$92,407 Annual for Fiscal Year 2014. \$36,000 Ammunition vest for the new spending starting July 1. The vendor provides off-duty uniform services for the Police Department. The vendor provides uniforms and replacement uniform items for city police officers. Future services will be needed for the upcoming fiscal year. The vendor will be submitted to Council in the next month.	Ammunition vest	With the increase in officer vacancies as a result of resignations, retirements, 12 additional great allocations from Police Officer Recruits are being hired and going through training. The Police Department is currently 4000 short of recruitment during their academy training. Ammunition vest will be needed for current staff in uniform and ACCI equipment.	\$ 167,695	\$	\$ 619,340			
12	GREATER SAN JOAQUIN	\$ 60,000.00	1-Jul-2015	31-Dec-2017	N/A	\$ 60,000.00	\$ 67,148.00	\$ 47,148.00	Parks, Recreation and Neighborhood			The PRN Department understood that we were limited to no more than \$60,000 per year for the agreement. The PRN Dept's adult competitive and recreational softball program has been operating well in the department. The department spends an average \$24,000 per year for softball equipment. The vendor has been asked to start to provide an annual amount of \$50,000.	\$ 67,148	\$	\$ 67,148			
15	LEITCHFIELD/SCAPING	\$ 50,000.00	18-Jun-2014	17-Jun-2017	N/A	\$ 75,500.00	\$ 73,817.00	\$ 33,817.00	Public Department	Not approved by Council.	Not Site Landscaping Services	The volume of services have increased over the history of the agreement and the amount has increased.	\$ 19,812	\$	\$ 73,812			
TOTAL													\$	\$	\$ 1,694,276	\$	\$	\$ 1,694,276

Header Definition:

- the number typically represents one agreement and one purchasing process, but in some cases you might have one purchasing process that created multiple agreements for separate vendors.
Vendor - the vendor name is the company awarded the agreement to provide goods and/or services to the City of Modesto.
Agreement Limit Amount - this amount represents the dollar amount entered into the Oracle system by the Purchasing Division. As explained in the staff report, sometimes the amount was inappropriately amended in the system without creating the contract for seeking appropriate approval as per the City of Modesto Municipal Code.
Agreement Term Start/End - this date represents the starting date of the contractual services with the vendor.
Requested New Agreement Term Start/End - this date represents the change in termination date for the agreement. Most changes are requested to provide adequate time to complete new purchasing process, meet contract and logistics associated with starting a new vendor.
Oracle Agreement Amount - this amount represents the dollar amount entered into Oracle by the Purchasing Division.
Vendor Invoices Paid or Pending Payment - this amount represents the amount paid to the vendor under the agreement or pending payment by our accounts payable division.
Amount Remaining on Agreement - this amount represents the amount remaining on the agreement as of the reporting date of the Purchasing Department.
Department Assigned to Manage Contract - the department listed would be the department assigned to manage the agreement.
Revised Total Agreement Amount - this reflects the requested amended contract amount which provides adequate time and expenditure authority to replace it.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-51**

RESOLUTION APPROVING AMENDMENTS TO VARIOUS BLANKET PURCHASE ORDERS WITH VARIOUS VENDORS WITH REVISED NOT TO EXCEED AMOUNTS FOR THE SERVICES STATED HEREIN AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE IDENTIFIED BLANKET PURCHASE ORDERS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing documents that are not in conformance with Modesto's City Code, and

WHEREAS, the City has found the below listed Blanket Purchase Orders need to be amended to conform with the Municipal Code, and

WHEREAS, the expenditure trends in this fiscal year and in previous years highly suggest that the Purchase Orders identified herein will exceed the City Manager's approval authority of \$50,000 per purchase pursuant to Modesto Municipal Code section 8-3.102, and

WHEREAS, the City will be replacing these Blanket Purchase Orders referenced in this resolution with Annual Purchase Agreements in the next fiscal year, and

WHEREAS, the City also has a critical need for continued use for the goods and services listed below as those goods and services are essential to maintain City business, and

WHEREAS, the Purchasing Manager has determined that calling for bids on a competitive basis for those goods and services is undesirable due to exigent

circumstances, in accordance with MMC 8-3.204(c), since the City cannot have any lapse in the goods and services represented in the list below, and

WHEREAS, the history and explanation for the necessary changes to each Blanket Purchase Order are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings, **attached** hereto as **Attachment C**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the Purchase Orders listed below by the amounts, and not to exceed amounts also listed below.

<u>Blanket Purchase Orders /Goods & Services</u>	<u>Increase In Expenditure Authority</u>	<u>Revised Not to Exceed Amounts</u>
Dittos--copy services	\$49,500	\$99,500
FleetPride Inc.—brake parts	\$72,000	\$122,000
Gillig Corp.—bus parts	\$112,500	\$162,500
Grainger Inc. —field supplies	\$76,500	\$126,500
Groeniger/Ferguson—equip. repair parts	\$90,000	\$140,000
Home Depot—field supplies	\$63,900	\$113,900
Motor Parts Dist. Inc.—vehicle parts	\$82,800	\$132,800
Normac—landscape/irrigation svcs.	\$53,100	\$103,100
Platt Electric—field supplies	\$60,300	\$110,300
Rayco Industrial Supply—field supplies	\$82,800	\$132,800
Valley Tire Sales Inc.—tires	\$56,250	\$106,250
Wille Electric Supply Co. Inc.—field sup.	\$75,600	\$125,600

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to increase the Blanket Purchase Orders to conform to the above-referenced amounts.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment C - Detailed Explanation for Resolution #2
Purchasing Document Findings - Blanket Purchase Orders

#	Vendor/Contractor Name	Agreement Limit Total	Agreement Term Start Date	Agreement Term End Date	Oracle Agreement Amount	Vendor Invoices Paid/ Pending Payment	Amount in Agreement	Department Assigned to Manage Contract	Notes	Background on Services	Explanation how we reached the spending above Council Authority.	Increase in additional amount under PO for the goods/services	Revised Total Agreement Amount
21	BITTOS	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 20,308.88	\$ 38,691.31	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	The City uses Office for people that are odd sized or for people that are not in the regular office space. The City uses Office for people that are odd sized or for people that are not in the regular office space.	The volume of office and service jobs have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 47,690	\$ 97,690
22	ELECTRIBE INC.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 35,441.65	\$ 14,558.45	Public Works	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Electricity is a major expense for the City. The City uses electricity for all of its operations. The City uses electricity for all of its operations.	The volume of electricity has increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 72,000	\$ 122,000
23	GLULIS CORP.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 48,724.95	\$ 1,275.05	Public Works	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	GLULIS is the manufacturer of all of the barrel bins that the City uses for trash collection. The City uses barrel bins for trash collection. The City uses barrel bins for trash collection.	The volume of barrel bins has increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 174,500	\$ 182,270
24	GRUNSELER INC.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 36,882.82	\$ 13,117.49	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 70,500	\$ 120,500
25	GRUNSELER/VERGUS/21	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 44,094.43	\$ 5,905.57	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 80,000	\$ 140,000
26	HOME DEPOT	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 31,010.87	\$ 18,989.53	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of building improvement supplies have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 63,500	\$ 113,500
27	INDUSTRIAL DISTRIBUTORS INC.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 43,517.51	\$ 6,482.49	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 92,800	\$ 142,800
28	INOMAC	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 28,314.29	\$ 21,685.71	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 92,100	\$ 142,100
29	PLATT ELECTRIC	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 36,749.56	\$ 13,250.44	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 69,500	\$ 119,500
30	RAYCO INDUSTRIAL SUPPLY	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 33,707.10	\$ 16,292.91	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 82,800	\$ 132,800
32	VALLEY TREE SALES INC.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 25,440.29	\$ 24,559.71	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 86,600	\$ 136,600
33	WILEE ELECTRIC SUPPLY CO. INC.	\$ 50,000.00	1-1-2017	30-Jun-2018	\$ 50,000.00	\$ 32,033.81	\$ 17,966.19	Finance Department	The timing of processing invoices and resolving the amount of the Blanket Purchase Order is based on six months worth of future activity including anticipated spending.	Msrs. Carl Suggs for City departments	The volume of parts have increased over the history of the agreement and the cost have increased. The City will be terminating this Blanket PO to an annual agreement and a formal bid will be completed by July 1, 2019.	\$ 76,600	\$ 126,600

Header Definitions:

1. The number typically represents one agreement and one purchasing process, but in some cases you might have one purchasing process that created multiple agreements for separate vendors.
 2. Vendor - the vendor name is the company awarded the agreement to provide goods and/or services to the City of Modesto.
 3. Agreement Limit Amount Total - this amount represents the dollar amount entered into the Oracle system by the Purchasing Division. As explained in the user report, sometimes the amount was retrospectively amended in the system without changing the contract or sending appropriate approval as per the City of Modesto Municipal Code.
 4. Agreement Term Start Date - this date represents the start date of the contract entered into with the vendor.
 5. Agreement Term End Date - this date represents the end date of the contract entered into with the vendor.
 6. Oracle Agreement Amount - this amount represents the dollar amount entered into Oracle by the Purchasing Division.
 7. Vendor Invoices Paid or Pending Payment - this amount represents the dollar amount paid to the vendor under the agreement or pending payment by our Accounts Payable division.
 8. Amount in Agreement - this amount represents the dollar amount of the agreement that is currently in the system. This amount is the amount of the agreement that is currently in the system.
 9. Department Assigned to Manage Contract - this number is the department number that is assigned to manage the agreement.
 10. Revised Total Agreement Amount - this reflects the requested amended contract amount which provides adequate line and expenditure authority to replace it.

Total

\$ 678,200

\$ 1,472,590

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-52**

RESOLUTION APPROVING ANNUAL PURCHASE AGREEMENTS WITH VARIOUS VENDORS; RATIFYING PAST EXPENDITURES; APPROVING REVISED NOT TO EXCEED AMOUNTS AND TERMS FOR THE SERVICES STATED HEREIN; AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE IDENTIFIED ANNUAL PURCHASE AGREEMENTS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT AND TERMS APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing documents that are not in conformance with Title 8 of the Modesto Municipal Code, and

WHEREAS, the City has found purchasing activities that relied on the competitive processes from other governmental agencies but without apparent City Council review and authorization, and

WHEREAS, the City found that some purchases were made that exceeded the City Manager's approval authority of \$50,000 per purchase pursuant to Modesto Municipal Code section 8-3.102 , and

WHEREAS, some of the vendors have been providing goods and services to the City for a number of years and as such, there is no clearly identifiable commencement date for the term of agreement, and

WHEREAS, Council needs to approve all expenditures that exceeded the amounts previously authorized by the City Council or purchases that exceed the City Manager's authority, pursuant to Modesto Municipal Code section 8-3.102, and

WHEREAS, MMC 8-3.202 (h) allows the Purchasing Manager to “[w]ith approval of the Council, join with the State of California and other units of government in cooperative purchasing plans when the best interest of the City would be served thereby”, and

WHEREAS, the City also has a critical need for continued use for the goods and services listed below as those goods and services are essential to maintain City business, and

WHEREAS, staff intends to conduct formal Request for Bids or Proposals but requires time to complete them along with the other competing demands identified from this purchasing review, and

WHEREAS, departments need these same goods and services until the Request for Bids or Proposals are completed and replacement agreements are approved, and

WHEREAS, the Purchasing Manager has determined that calling for bids on a competitive basis for those goods and services is undesirable due to exigent circumstances, in accordance with MMC 8-3.204(c), since the City cannot have any lapse in the goods and services represented in the list below, and

WHEREAS, the history and explanation for the necessary changes to each Purchase Agreement are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings, **attached** hereto as **Attachment D**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Purchase Agreement with Office Depot, a vendor that provides the City with office supplies; approves joining with other units of government in

cooperative purchasing plans; ratifies the past expenditures of \$7,895,861; approves an additional amount of \$500,000 for a total maximum amount not to exceed \$8,395,861; and approves a term that begins with the date commensurate with previous expenditures and ends September 30, 2018.

BE IT FURTHER RESOLVED, that Council hereby approves a Purchase Agreement with Emergency Vehicle Outfitters (EVO), a vendor that outfits emergency vehicles with emergency lighting and related equipment; approves joining with other units of government in cooperative purchasing plans; ratifies past expenditures of \$20,080; approves an additional amount of \$135,000 for a total maximum amount not to exceed amount of \$155,080; and approves a term that begins with the date commensurate with previous expenditures and ends September 30, 2018.

BE IT FURTHER RESOLVED, that Council hereby approves a Purchase Agreement with Adesa Golden Gate, a vendor that provides an auction house which is a source for the City to purchase used vehicles; approves joining with other units of government in cooperative purchasing plans; ratifies past expenditures of \$230,020; approves an additional amount of \$70,000 for a total maximum amount not to exceed \$300,020; and approves a term that begins with the date commensurate with previous expenditures and ends September 30, 2018.

BE IT FURTHER RESOLVED, that Council hereby approves a Purchase Agreement with Enterprise Vehicle Exchange, a vendor that is a source for used cars within the City; approves joining with other units of government in cooperative purchasing plans; ratifies past expenditures of \$226,420; approves an additional amount

of \$70,000 for a total maximum amount not to exceed \$296,420; and a term that begins with the date commensurate with previous expenditures and ends September 30, 2018.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue the Purchase Agreements to conform to the above-referenced amounts and terms.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment D—Detailed Explanations for Resolution #4
 Purchasing Document Findings - Annual Agreements

#	Vendor/Contractor Name	Agreement Unit Amount Total	Agreement Start Date	Agreement Term Start/End Date	Agreement Term End/Start Date	Requested New Agreement Start/End Date	Oracle Agreement Amount	Vendor Invoiced Paid or Pending Payment	Amount Remaining on Agreement	Department Assigned to manage Contract	Background on Vendor	Explain how the vendor fits spending above Council's priority.	Amount Being Encumbered Council's Priority	Increases an additional amount based on the amount for future expenditures.	Refreshed Total Agreement Amount
3	OFFICE DEPOT	\$ 50,000.00	1993	NA	NA	30-Sep-2018	Non-PO (but not in Oracle procurement system) \$ 7,855,861.00	\$ 7,855,861.00	\$ 7,855,861.00	Finance Department	The vendor provides all City office supplies and any other goods available through the Office Depot catalog. The City procures from a sales representative who provides a list of items and how much each dept. budgets for office supplies. The Purchasing Division will be working on a contract with Office Depot for the year 2019. The Finance Department could only put vendor payment through July 1, 1997 due to the extension available in our prior financial system. The date an estimated amount was an average from the vendor payment data from fiscal year 1998 and 1999.	The City utilized a state agreement to pay back both but the line was never approved by Council.	\$ 860,000	\$ 8,395,861	
18	ADESA - SODENGLATE	\$ 50,000.00	NA	NA	NA	30-Sep-2018	Non-PO (but not in Oracle procurement system) \$ 230,420.00	\$ 230,420.00	\$ 230,420.00	Public Works	This is an auction house where they conduct auctions for used vehicles. We purchase current year used vehicles for PD and City, some are used for the City's fleet. The City is requesting Council to approve an annual agreement retroactively through September 30, 2018.	For years, utilizing our City dealership license (MFD Auto Sales) the City has been purchasing used vehicles from the City's current blue book to long as we are armed with current blue book values of the vehicles and don't let beyond that point.	\$ 70,000	\$ 300,420	
19	EMERGENCY VEHICLE OUTFITTERS (EVO)	\$ 50,000.00	NA	NA	NA	30-Sep-2018	Non-PO (but not in Oracle procurement system) \$ 20,000.00	\$ 20,000.00	\$ 20,000.00	Public Works	EVO specializes in off-highway, factory stock vehicles with emergency lighting and equipment. We utilize EVO under the piggy-backing clause on the City of Madras contract for the purchase of vehicles. The City has been purchasing EVO vehicles for many years and has had piggyback language in the contract allowing other agencies such as the City of Madras to take advantage of the discounts related to their purchase. The City is requesting Council to approve an annual agreement retroactively through September 30, 2018.	The City of Elk Grove spent left time to competitively bid out the process of utilizing EVO for the purchase of vehicles. The City of Elk Grove had piggyback language in the contract allowing other agencies such as the City of Madras to take advantage of the discounts related to their purchase. The process has been allowed by the City of Madras.	\$ 135,000	\$ 155,000	
20	ENTERPRISE VEHICLE EXCHANGE	\$ 50,000.00	NA	NA	NA	30-Sep-2018	Non-PO (but not in Oracle procurement system) \$ 226,420.00	\$ 226,420.00	\$ 226,420.00	Public Works	This vendor is a white Chevrolet first-aid ambulance. The City is requesting Council to approve an annual agreement retroactively through September 30, 2018.	For years, utilizing our City dealership license (MFD Auto Sales) and being armed with the Kelly Blue Book values of the vehicles and don't let beyond that point.	\$ 70,000	\$ 296,420	
Total													\$ 6,372,361	\$ 715,000	\$ 8,147,361

- the number typically represents one agreement and one purchasing process, but in some cases you might have one purchasing process that created multiple agreements for separate vendors.

Vendor - the vendor name is the company awarded the agreement to provide goods and/or services to the City of Madras.

Agreement Unit Amount Total - this amount represents the dollar amount entered into the Oracle system by the Purchasing Division. As explained in the staff report, sometimes the amount was inappropriately amended in the system without changing the contract, nor seeking appropriate approval as per the City of Madras Municipal Code.

Agreement Start Date - this date represents the starting date of the contracted services with the vendor.

Agreement Term Start/End Date - this date represents the ending date of the contracted services with the vendor.

Requested New Agreement Start/End Date - this date represents the change in termination date for the agreement. Most changes are requested to provide adequate time to complete new purchasing process, new contract and logistics associated with starting a new vendor.

Oracle Agreement Amount - this amount represents the dollar amount entered into Oracle by the Purchasing Division.

Vendor Invoiced Paid or Pending Payment - this amount represents the difference between the invoices paid to the vendor under this agreement or pending payment by our Accounts Payable division.

Amount Remaining on Agreement - this amount represents the difference between the Agreement Unit Amount total less the Vendor Invoiced Paid or Pending Payment.

Condition Number - the agreement number is the condition number. The condition number is the agreement number assigned to the agreement.

Background on Vendor - this section provides background information on the vendor. The information listed would be the information assigned to the agreement.

Refreshed Total Agreement Amount - this reflects the requested amended contract amount which provides adequate time and expenditure authority to replace it.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-53**

RESOLUTION APPROVING PROFESSIONAL SERVICE AGREEMENTS WITH VARIOUS VENDORS; AMENDING VARIOUS PROFESSIONAL SERVICE AGREEMENTS; RATIFYING PAST EXPENDITURES; APPROVING REVISED NOT TO EXCEED AMOUNTS AND TERMS FOR THE SERVICES STATED HEREIN; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE IDENTIFIED PROFESSIONAL SERVICES AGREEMENTS AND AMENDMENTS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT AND TERMS APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing documents that are not in conformance with Title 8 of the Modesto Municipal Code, and

WHEREAS, the City has found various professional services agreements that either exceeded the City Council authorized amounts or the City Manager's approval authority of \$50,000 per purchase pursuant to Modesto Municipal Code section 8-3.102, and

WHEREAS, the City has found various professional services agreements with the same scope of work and the same vendor that when combined exceed the City Manager's approval authority of \$50,000 per purchase pursuant to Modesto Municipal Code section 8-3.102, and

WHEREAS, as a result of the review, it has been determined that the City should move away from the practice of entering into professional service agreements with no termination dates (also referred to as "evergreen contracts") to ensure periodic review of the terms of the agreement, and

WHEREAS, the various professional service agreements, identified in this resolution, need to be amended to add a termination date, and

WHEREAS, Council needs to ratify expenditures that exceeded the amounts previously authorized by the City Council or what is delegated in the Municipal Code, and

WHEREAS, the City also has a critical need for continued use for the goods and services listed below as those goods and services are essential to maintain City business, and

WHEREAS, the history and explanation for the necessary changes to each agreement are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings, **attached** hereto as **Attachment E**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the professional service agreement with Moss Adams, LLP (7th Amendment), a vendor that provides an internal auditing services, to increase the agreement amount by \$364,697 (from \$1,245,000) with a total not to exceed amount of \$1,609,697 which includes two additional projects: the permit efficiency study and a fleet utilization study.

BE IT FURTHER RESOLVED, that Council approves an amendment to the professional service agreement with Cooper and Scully, PC (FKA Davidovitz and Bennett), a vendor that provided specialized attorney services relating to the MID litigation, to increase the agreement in the amount of 275,553 (from \$200,000) for a total

not to exceed amount of \$475,553 for Expert Fees and Expenses. Council hereby ratifies past expenditures of \$275,553.

BE IT FURTHER RESOLVED, that Council approves amendments to two professional service agreements with Loomis Armored Carrier, a vendor that provides daily armored transport of cash at various City locations and cash counting services, to reflect a combined not to exceed amount of \$659,887 and to reflect a termination date of September 30, 2018. Council hereby ratifies past expenditures of \$407,887.

BE IT FURTHER RESOLVED, that Council approves an amendment to the professional services agreement with Du-All Safety, a vendor that provides mandatory OSHA safety training to increase the agreement amount by \$198,902 (from \$30,000) to a not to exceed amount of \$228,902 and to reflect a termination date of September 30, 2018. Council hereby ratifies past expenditures of \$165,902.

BE IT FURTHER RESOLVED, that Council hereby approves an amendment to the professional services agreement with North American Youth Activities, LLC dba "Kidz Love Soccer," a vendor that provides recreation classes, to increase the agreement amount to a total not to exceed amount of \$126,837 and to reflect a termination date of September 30, 2018. Council hereby ratifies past expenditures of \$104,337.

BE IT FURTHER RESOLVED, Council hereby approves a professional service agreement with Armistead Research and Investigative Services, a vendor that provides investigation services, to reflect a not to exceed amount of \$103,200 (no cap was previously provided) and to reflect a termination date of September 30, 2018.

BE IT FURTHER RESOLVED, Council hereby approves an amendment to the professional services agreement with Public Group, LLC, aka "Public Surplus," a vendor

that provides auction and other online services to sell City surplus property, to reflect a total not to exceed amount of \$140,945 and to reflect a termination date of September 30, 2018.

BE IT FURTHER RESOLVED, Council hereby approves the professional services agreement with Segal Consulting, a vendor that provided actuarial evaluations of postemployment liabilities. Council hereby ratifies the total amount paid to Segal Consulting that accumulated to \$153,746.

BE IT FURTHER RESOLVED, Council hereby approves a professional services agreement with Willdan Financial Advisory Services, a vendor that provided arbitrage rebate calculations, to increase the agreement amount to a total not to exceed amount of \$77,074 and to reflect a termination date of September 30, 2018. Council hereby ratifies past expenditures of \$59,074.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to prepare and execute the agreements and amendments, in a form approved by the City Attorney, to conform to the above-referenced amounts and terms.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

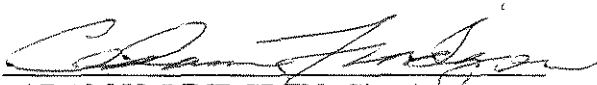
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment E—Detailed Explanations for Resolution #5
 Purchasing Document Findings

§	Vendor/Contractor Name	Type of Purchasing Document	Agreement Link Total	Agreement Term Start/End	Agreement Term End/Date	Revised Term End/Date	Oracle Agreement Amount	Oracle Agreement Paid or Being Paid	Amount Remaining on Agreement	Department Assigned to Manage Contract	Notes	Background on Services	Explain how we reached this spending above Council Authority	Amount Already Awarded by Council Authority	Increase in additional amounts needed for future goods/services	Revised Total Agreement Amount
34.	MORE LOVE SOCCER	Professional Services	N/A	2/3/2010-2/2/2011	Months to March 30, 2011	N/A	N/A	\$ 184,337.00	\$ (184,337.00)	Parks, Recreation and Neighborhoods	PRM is reviewing "newly" contracts related to Council Specialty Center and other projects with the contractor and several other employees of other departments. The contract was amended to add an additional 25% to the contract amount for the year 2011. The contractor is currently working on the project.	This vendor provides contract event coverage for the PRM Director's Office. The vendor has provided comprehensive coverage for several events throughout the year 2010. The contract is for 2011. The vendor has a 25% increase in the contract amount for the year 2011. The contract is for 2011.		\$ 184,337.00	\$ 326,674.00	
35.	AMBERLEAD RESEARCH (USA)	Professional Services	contract established based on each hour worked.	1/23/2010-1/23/2011	N/A	N/A	N/A	\$ 39,226.00	\$ (39,226.00)	Human Resources	The contract is for 15 hours of consulting services for the HR department. The contract is for 15 hours.	The vendor has been used for many years to assist the City in conducting various HR consulting projects.	The HR department is reviewing the contract for 2011. The contract is for 15 hours of consulting services for the HR department. The contract is for 15 hours.	\$ 39,226.00	\$ 78,452.00	
36.	LOOMIS ARMORED CARRIER	Professional Services	\$ 50,372.00	2/3/2011-2/3/2012	N/A	3/3/2011-3/3/2012	\$ 430,000.00	\$ 407,283.45	\$ (327,286.93)	Finance Department	These contracts were never approved by Council.	The City is reviewing the contract for 2011. The contract is for 2011. The vendor is providing armored carrier services for the City. The contract is for 2011.	The City is reviewing the contract for 2011. The contract is for 2011. The vendor is providing armored carrier services for the City. The contract is for 2011.	\$ 407,283.45	\$ 814,566.85	
37.	MOSS ADVANTAGE	Professional Services	\$ 1,245,609.00	2/25/2011-2/25/2011	N/A	N/A	\$ 1,245,609.00	\$ 1,434,827.00	\$ (189,217.99)	City Manager's Office	MOSS ADVANTAGE is a professional services firm that provides various services to the City. The contract is for 2011.	The contract is for 2011. The vendor is providing various services to the City. The contract is for 2011.		\$ 189,217.99	\$ 1,624,044.99	
38.	PUBLIC SURPLUS	Professional Services	\$ 98,828.00	8/1/2007-8/1/2007	Months to March 30, 2011	N/A	N/A	\$ 118,185.11	\$ (64,193.11)	Finance Department	Months to month ends.	The Finance Department is reviewing the contract for 2011. The contract is for 2011. The vendor is providing various services to the City. The contract is for 2011.	The Finance Department is reviewing the contract for 2011. The contract is for 2011. The vendor is providing various services to the City. The contract is for 2011.	\$ 118,185.11	\$ 236,373.21	

Attachment E—Detailed Explanations for Revision #5
Purchasing Document Findings

#	Vendor/Contractor Name	Type of Purchasing Document	Agreement Link Amount	Agreement Term Start/End	Agreement Term End/Start	Requested New Agreement Term End/Start	Ords Agreement Amount	Vendor Invoice Paid or Pending Payment	Amount Remaining on Agreement	Department Assigned to Pending Contract	Notes	Background on Service	Explain how we reached this spending above Council Authority	Amount Already Exceeding Council's Authority	Amount in excess of what is needed for future commitments	Revised Total Agreement Amount
39	SIBEL	Professional Services	\$ 30,000.00	NA	NA	NA	Non-PO has not in Ords Agreement	\$ 153,746.45	\$ (123,746.45)	Police Department	The agreement was never approved by Council. The Purchasing Document was approved on September 30, 2016. The Finance Department audited a report of the agreement and was marked during the audit.	Professional services used to conduct annual CPRE Actuarial Valuation in accordance with GASB Statement 34.	Historically, this professional service was obtained without going through the RFP process and used once a year for an amount of \$50,000. This vendor has been used for several years. Starting this budgeting period, it is being budgeted.	\$ 153,746.45		\$ 153,746.45
40	WILLIAM FRANKSON ADVISORY SERVICES	Professional Services	\$ 60,000.00	As Needed	As Needed	30-Sep-2019	Non-PO has not in Ords Agreement	\$ 48,273.75	\$ (8,726.25)	Police Department	The agreement was never approved by Council. The Purchasing Document was approved on September 30, 2016. The Finance Department audited a report of the agreement and was marked during the audit.	This vendor prepares a comprehensive strategic Police Coalition recommendations on the report and review our methodology with City Council. The report was approved by Council on September 30, 2016. The report was approved by Council on September 30, 2016.	The contract was approved by Council in 1997 with no term limit. The contract was approved by Council in 1997 with no term limit. The contract was approved by Council in 1997 with no term limit.	\$ 48,273.75	\$ 18,000.00	\$ 77,074.45
41	COOPER & SCULLY (P/A/B) BOYNTZ & BIRNETT (P/A/B)	Professional Services	\$ 200,000.00	31-Jun-2015	When budget is available	N/A	Non-PO has not in Ords Agreement	\$ 41,214.17	\$ (158,785.83)	City Attorney/CPA	This City retained into a structured legal services agreement with Cooper and Scully for representation in PCE legal matters. Cooper & Scully was approved by Council on July 2016. The agreement was approved by Council on July 2016. The agreement was approved by Council on July 2016.	Additional legal services were needed for the contract. The contract was approved by Council in 2016. The contract was approved by Council in 2016. The contract was approved by Council in 2016.	\$ 41,214.17	\$ 33,270.00	\$ 415,533.45	
42	GLOBAL SAFETY	Personal Equipment	\$ 36,000.00	17-Mar-2012	17-Mar-2017	30-Sep-2018	Non-PO has not in Ords Agreement	\$ 105,801.72	\$ (135,601.72)	Human Resources	HR Authorization submitted 10/10/17 to submit new contract and ensure safety training continues.	Contract renewed 2017. Safety equipment. This is a recurring purchase. The contract was approved by Council in 2012. The contract was approved by Council in 2012. The contract was approved by Council in 2012.	The contract has never gone to Council.	\$ 105,801.72	\$ 52,988.00	\$ 208,300.45
Total													\$ 1,278,832.00	\$ 523,988.00	\$ 1,802,820.00	

Headnote:

4. The number typically represents our agreement and our purchasing process, but in some cases you might have one purchasing process that created multiple agreements for separate services.

Vendor: An vendor name is the company awarded the agreement to provide goods and/or services to the City of Madison.

Type of Purchasing Document: Defines the type of agreement the City entered into with the vendor. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Agreement Link Amount: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Agreement Term Start/End: The start and end dates of the agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Agreement Term End/Start: The start and end dates of the agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Requested New Agreement Term End/Start: The start and end dates of the new agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Ords Agreement Amount: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Vendor Invoice Paid or Pending Payment: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Amount Remaining on Agreement: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Department Assigned to Pending Contract: The department that is assigned to the agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Notes: Additional information about the agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Background on Service: Additional information about the service. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Explain how we reached this spending above Council Authority: Additional information about the spending. This is often by the City of Madison Municipal Code and the Purchasing Manual.

Amount Already Exceeding Council's Authority: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Amount in excess of what is needed for future commitments: The amount of the agreement that is currently in the system without changing the contract. This amount was temporarily entered in the system without changing the contract.

Revised Total Agreement Amount: The total amount of the agreement. This is often by the City of Madison Municipal Code and the Purchasing Manual.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-54**

RESOLUTION APPROVING AN INCREASE TO VARIOUS ANNUAL PURCHASE AGREEMENTS AND BLANKET PURCHASE ORDERS WITH VARIOUS VENDORS WITH REVISED NOT TO EXCEED AMOUNTS FOR THE SERVICES STATED HEREIN AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE SAID ANNUAL PURCHASES AGREEMENTS AND BLANKET PURCHASE ORDERS IN AN AMOUNT NOT TO EXCEED THE SPECIFIC AMOUNT APPROVED BY COUNCIL

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices, and

WHEREAS, that review has found various agreements, contracts, purchase orders and other purchasing activity that are not in conformance with Title 8 of the Modesto Municipal Code, and

WHEREAS, none of the Annual Purchase Agreements or Blanket Purchase Orders referenced in this resolution violate the Municipal Code, and

WHEREAS, the expenditure trends in this fiscal year and in previous years suggest that the Annual Purchase Agreements and the Blanket Purchase Orders referenced in this resolution will exceed the City Manager's approval authority of \$50,000 per purchase pursuant to Modesto Municipal Code section 8-3.102, and

WHEREAS, the City has found the Annual Purchase Agreements and Blanket Purchase Orders referenced in this resolution need to be amended to ensure conformance with Title 8 of the Modesto Municipal Code during the terms of the Annual Purchase Agreements and the Blanket Purchase Orders, and

WHEREAS, the City will be replacing the Blanket Purchase Orders referenced in this resolution with Annual Purchase Agreements in the next fiscal year, and

WHEREAS, the City also has a critical need for continued use for the goods and services listed below as those goods and services are essential to maintain City business, and

WHEREAS, the Purchasing Manager has determined that calling for bids on a competitive basis for those goods and services is undesirable due to exigent circumstances, in accordance with MMC 8-3.204(c), since the City cannot have any lapse in the goods and services represented in the list below, and

WHEREAS, the history and explanation for the necessary changes to each Annual Purchase Agreement and Blanket Purchase Order are set forth more fully in the Agenda Report submitted to Council on January 23, 2018 and accompanying Council presentation, as well as the Purchasing Review Findings, **attached** hereto as **Attachment F**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the Annual Purchase Agreements and Blanket Purchase Orders listed below by the amounts, and not to exceed amounts also listed below.

<u>Annual Purchase Agreements</u>	<u>Increase In Expenditure Authority</u>	<u>Revised Not to Exceed Amounts</u>
LN Curtis—fire protection equip.	\$125,000	\$592,500
Barton—fire OH door repair	\$45,000	\$85,000
Prime Shine---car wash services	\$64,000	\$114,000
Advanced Chemical—waste cleanup	\$45,000	\$120,000

<u>Blanket Purchase Orders</u>	<u>Increase In Expenditure Authority</u>	<u>Revised Not to Exceed Amounts</u>
MSC Ind.—machining tool, etc.	\$60,000	\$110,000
Lowe’s—bldg. repair supplies	\$20,000	\$70,000
Ferguson/Groeniger—repair parts	\$50,000	\$100,000
Cummins Pacific—bus repair parts	\$60,000	\$110,000
Cumulus Broadcasting—radio adv.	\$36,325	\$86,325
Central Sanitary—sanitary supplies	\$20,000	\$70,000
Interstate Truck Ctr—parts & svcs.	\$14,000	\$64,000
Superior Soils—playground chips	\$4,744	\$54,774

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to increase the increase the Purchase Agreements and Blanket Purchase Orders to conform to the above-referenced amounts.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of January, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment F—Detailed Explanations for Resolution #8
 Purchasing Document Amendment Requests to Increase the Agreement Amount ONLY

#	Vendor/Contractor Name	Type of Purchasing Document	Agreement Limit Amount Total	Agreement Term Start Date	Agreement Term End Date	Order Agreement Amount	Vendor Invoices Paid or Pending Payment	Amount Remaining on Agreement	Department Assigned to manage Contract	Background on Benefits	Increase Amount Requesting Council Approval	Revised Total Agreement Amount
6	LOWE'S HOME IMPROVEMENT	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 30,238.00	\$ 19,762.00	Finance Department	This vendor is utilized for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 20,000.00	\$ 70,000.00
7	PERFECTUM GREENBERG	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 41,267.50	\$ 8,732.50	Finance Department	Mr. Steven Rogers, Park for City Departments. The vendor is used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 50,000.00	\$ 100,000.00
8	CHAMBERS PACIFIC	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 43,233.00	\$ 6,767.00	Finance Department	Mr. Steven Rogers, Park for City Departments. The vendor is used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 60,300.00	\$ 110,000.00
9	PROGRESSIVE COMPANY	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 41,812.00	\$ 8,188.00	Finance Department	Mr. Steven Rogers, Park for City Departments. The vendor is used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 38,323.00	\$ 88,323.00
10	CENTRAL SANITARY SUPPLY	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 25,100.00	\$ 24,900.00	Finance Department	This Blanket Purchase Order is used across multiple departments for the purchase of sanitary paper and chemicals. The vendor is used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 30,000.00	\$ 80,000.00
11	INTERSTATE TRUCK CENTER	Blanket Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 27,168.00	\$ 22,832.00	Finance Department	Interstate Truck Center is our fleet maintenance and repair dealer. We use them for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 14,000.00	\$ 64,000.00
12	SUPREMACY SOLES	Purchase Order	\$ 50,000.00	1-Jul-2017	30-Jun-2018	\$ 50,000.00	\$ 54,714.00	\$ (4,714.00)	Public Works	The City utilizes the vendor to purchase playground chips for various City projects. The vendor is used for building water parts and supplies for the City. The vendor is also used for building water parts and supplies for the City.	\$ 4,714.00	\$ 54,714.00
Total											\$ 544,699.00	\$ 1,574,999.00

Header O'Fallon:
 ■ the number typically represents one agreement and one purchasing process, but it varies based on the purchasing process that created multiple agreements for separate vendors.
 Vendor - the vendor name is the company entered in the agreement to provide goods and/or services to the City of Modesto.
 Type of Purchasing Document - defines the type of agreement entered into with the vendor. This is driven by the City of Modesto Municipal Code and the Purchasing Manual.
 Agreement Limit Amount Total - this amount represents the total amount entered into the Oracle system by the Purchasing Division. As explained in the staff report, sometimes the amount was inappropriately entered in the system without changing the system without changing the contract or applying appropriate approval as per the City of Modesto Municipal Code.
 Agreement Term Start Date - the date represents the start date of the contract services with the vendor.
 Agreement Term End Date - the date represents the ending date of the contract services with the vendor.
 Order Agreement Amount - this amount represents the amount paid to the vendor under this agreement or pending payment by our Accounts Payable division.
 Vendor Invoices Paid or Pending Payment - this amount represents the amount paid to the vendor under this agreement or pending payment by our Accounts Payable division.
 Amount Remaining on Agreement - this amount represents the amount remaining on the agreement as of the date of the report.
 Department Assigned to manage Contract - the department assigned to manage the contract.
 Revised Total Agreement Amount - this amount represents the total amount of the agreement as of the date of the report.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-55**

**RESOLUTION OF THE CITY OF MODESTO REQUESTING THE SERVICES
OF THE REGISTRAR OF VOTERS, ELECTIONS DIVISION OF THE COUNTY
OF STANISLAUS FOR THE NOVEMBER 6, 2018 ELECTION ON BEHALF OF
THE CITY OF MODESTO AND THE MODESTO CITY SCHOOLS BOARD OF
EDUCATION**

WHEREAS, pursuant to Resolution 2017-527, the City Council directed Staff to prepare a ballot measure for the City of Modesto to hold an election on November 6, 2018 for the purpose of changing election years from odd years to even years beginning in the year 2020; and

WHEREAS, the City of Modesto will hold an election on November 6, 2018 for the purpose of changing Modesto City Schools Board of Education election years from odd years to even years beginning in the year 2020; and

WHEREAS, the City of Modesto respectively requests that the Stanislaus County Registrar of Voters, Elections Division, furnish all other services, facilities, supplies, equipment, etc. necessary for the election; and

WHEREAS, the City of Modesto City Clerk's Office will be responsible for issuing/collecting election information, publishing the Notice of Election; and

WHEREAS, the City of Modesto will reimburse the County of Stanislaus for all actual costs for services performed to conduct the municipal election on behalf of the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby formally requests from the Board of Supervisors of Stanislaus County, California, requesting the services of the Registrar of Voters, Elections Division of the

County of Stanislaus to conduct the election on behalf of the City of Modesto and Modesto City Schools Board of Education.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

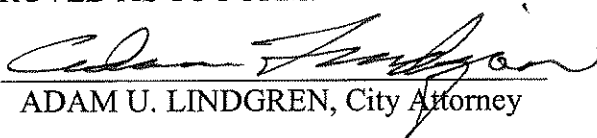
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-56**

RESOLUTION APPROVING THE PURCHASE OF 35 ETHERNET SWITCHES AND A RACK MOUNTED MASTER ETHERNET SWITCH FROM GDI COMMUNICATIONS, LLC, VERDI, NV, IN THE AMOUNT OF \$55,626 TO IMPROVE TRAFFIC SIGNAL COMMUNICATIONS AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE ORDER

WHEREAS, on July 5, 2017, by Resolution 2017- 269, Council approved Measure L projects which included the purchase 35 ethernet switches and a rack mounted master ethernet, and

WHEREAS, purchase of this equipment is the first step in making our traffic signal network ready for future traffic adaptive traffic signal system, and

WHEREAS, the Purchasing Division secured bids for the purchase of ethernet switches for communication to the new controllers, and

WHEREAS, City staff has reviewed the bids and GDI Communications, LLC was the lowest responsive and responsible bidder, and

WHEREAS, the Public Works Director and the Interim City Manager have recommended that the bid of \$55,627 received from GDI Communications, LLC be accepted and the purchase be awarded to GDI Communications, LLC, NV, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee, who recommended approval by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchase 35 ethernet switches and a rack mounted master ethernet for traffic signals from GDI Communications, LLC.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the purchase order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-57**

RESOLUTION APPROVING A SOLE SOURCE PURCHASE OF 2070 LX TRAFFIC SIGNAL CONTROLLERS, OMNI SOFTWARE, 2010 CONFLICT MONITORS, TIMING CONVERSIONS, AND TRANSPARITY SOFTWARE FROM MCCAIN INC., VISTA, CA WITH A ONE YEAR SERVICE AGREEMENT IN THE AMOUNT OF \$460,570, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE ORDER

WHEREAS, on July 5, 2017, by Resolution No. 2017-269 Council approved Measure L projects which included the purchase of purchase 2070 LX traffic signal controllers with OMNI software, 2010 Conflict Monitors, Timing conversions, and

WHEREAS, purchase of this equipment is the first step in making our traffic signal network ready for future autonomous vehicles, and

WHEREAS, the Purchasing Department secured a quote from McCain Inc. to purchase 2070 LX traffic signal controllers with OMNI software, 2010 Conflict Monitors, Timing conversions, and Transparity Software from McCain Inc. with a one year service agreement, and

WHEREAS, City staff has reviewed the quote from McCain Inc., and believe it is reasonable, and

WHEREAS, the Public Works Director and the Interim City Manager have recommended that the quote of \$460,570 received from McCain Inc., be accepted and the purchase be awarded to McCain Inc., Vista, CA, and

WHEREAS, on January 10, 2018, this item was presented to the Economic Development Committee, which recommended approval by the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a sole source purchase 2070 LX traffic signal controllers with

OMNI software, 2010 Conflict Monitors, Timing conversions, and Transparency Software from McCain Inc. with a one year service agreement in the amount of \$460,570.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to execute the purchase order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

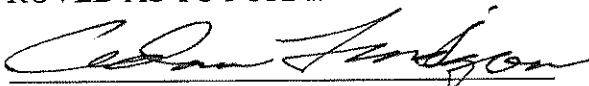
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-58**

RESOLUTION APPROVING THE SURRENDER OF THE FEDERAL AVIATION ADMINISTRATION (FAA) PART 139 AIRPORT OPERATING CERTIFICATE AS HELD BY THE MODSTO CITY-COUNTY AIRPORT TO THE FAA, RESERVING THE RIGHT FOR REINSTATEMENT SHOULD A COMMERCIAL AIR CARRIER SERVICE PROSPECT BECOME VIABLE, EFFECTIVE IMMEDIATELY

WHEREAS, the Modesto City-County Airport (Airport) holds a Class II Federal Aviation Administration (FAA) Part 139 Operating Certificate which allows for service of scheduled commercial air carrier operations, and

WHEREAS, in February 2016 the Airport requested and received permission from the FAA to place the Part 139 Operating Certificate into an inactive status which allowed for a reduction in Airport Rescue and Fire Fighting (ARFF) services, and

WHEREAS, the Airport is an enterprise fund and is expected to be self-supporting. The cost benefit of surrendering the Part 139 Airport Operating Certificate is estimated at \$138,000 annually, and

WHEREAS, on October 19, 2017, the Airport Advisory Committee (AAC) recommended the surrender of the Part 139 Airport Operating Certificate, and

WHEREAS, on January 10, 2018, the Economic Development Committee (EDC) recommended this item be forwarded to City Council for approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the surrender of the Federal Aviation Administration Part 139 Airport Operating Certificate as held by the Modesto City-County Airport to the FAA, reserving the right for reinstatement should a commercial air carrier service prospect become viable.

BE IT FURTHER RESOLVED that this resolution shall go into effect and be in full force and operation effective immediately.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmember: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmember: None

ABSENT: Councilmember: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-59**

**RESOLUTION APPROVING THE SOLE SOURCE PROCUREMENT OF
THREE 25-CUBIC YARD FLOW TREND VAC TRUCK DE-WATERING BINS
FROM RYAN PROCESS, INC., BENICIA, CALIFORNIA, IN AN AMOUNT NOT
TO EXCEED \$108,811 AND AUTHORIZING THE PURCHASING MANAGER,
OR HER DESIGNEE, TO EXECUTE A PURCHASING AGREEMENT**

WHEREAS, the City's sanitary sewer system is regulated by the State Water Resources Control Board, Order No. 2006-003, Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems, and

WHEREAS, the WDR governs the operations and maintenance of wastewater collection systems and to facilitate proper funding and management of sanitary sewer systems, agencies are required to implement a Sanitary Sewer Management Plan (SSMP), and

WHEREAS, an effective Operation and Maintenance Program is critical for achieving the objectives of several other SSMP program elements, and

WHEREAS, while performing maintenance, Wastewater Collection System staff removes accumulated debris and solids using the jet/vac truck vacuum system, and

WHEREAS, removing accumulated solids increases sanitary sewer system capacity and helps prevent Sanitary Sewer Overflows, and

WHEREAS, on March 6, 2012, by Resolution No. 2012-79, Council approved the Jet-Vac Dump Site Rehabilitation Project, and

WHEREAS, sanitary sewer spoils removed during regular maintenance are dumped at the Jet-Vac Dump Site and the sewer spoils are de-watered and dried at the Jet-Vac Dump Site prior to being hauled to an approved landfill, and

WHEREAS, the Jet-Vac Dump Site was intended to provide efficient de-watering and handling of sewer spoils removed during routine sewer maintenance; however, the frequency of dumping and volume of spoils prevents de-watering/drying, and

WHEREAS, due to the volume and fluidness of the spoils, the site and drains require frequent cleaning, which is then dumped at the same site, and

WHEREAS, sewer spoils must be fully de-watered and dried prior to disposal at an approved landfill, and

WHEREAS, by using the Flow Trend de-watering bins in conjunction with the Jet-Vac Dump Site, crews will be able to dump directly into the de-watering bins which will contain the solids and de-water at the concurrently, and

WHEREAS, after the spoils fully dry out, the roll-off bins would be dumped at an approved landfill; reducing handling and loading of spoils.

WHEREAS, due to these benefits and the patented design, staff is requesting a sole source purchase, and

WHEREAS, staff is requesting the purchase of three 25-cubic yard roll-off de-watering bins at a cost of \$31,050 each, and

WHEREAS, this would allow bins to be cycled, allowing one to fully dry while the others were in use, and

WHEREAS, these bins are lined with filter material which would occasionally need to be replaced, and

WHEREAS, the Flow Trend de-watering bins will be purchased from Ryan Process who is the exclusive representative of Flow Trend products in Northern CA, and

WHEREAS, this item went to the Finance Committee on December 13, 2017 and was recommended for Council Approval, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and there are exceptions to the rule set forth in the Modesto Municipal Code. One exception, MMC Section 8-3.204(b), is available where the Purchasing Agency's requirements can be met solely by a single article or process, and

WHEREAS, the Purchasing Manager invoked that exception for this purchase due to the cost savings of staff time and that there are no competitors, and

WHEREAS, the sole source award of a purchase agreement to Ryan Process, INC, Benicia, CA, will conform to Modesto Municipal Code 8-3.204(b), and

WHEREAS, another exception is under, Modesto Municipal Code Section 8-3.203(d) when the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality. In this case staff has done its due diligence in checking for competitors, price and quality and it is the determination of the Purchasing Manager that the procurement from Ryan Process, Inc. conforms to this exception.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sole source procurement of three 25-cubic yard Flow Trend vac truck de-watering bins from Ryan Process, Inc., Benicia, California, in an amount not to exceed \$108,811.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is authorizing to execute a purchasing agreement, and

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

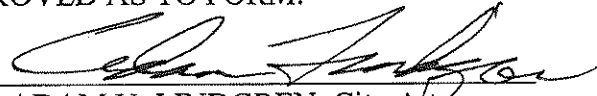
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-60**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH GUDINO PROPERTIES, LLC, DELHI, CA FOR THE ACQUISITION OF APPROXIMATELY 6,037.5 SQUARE FEET OF SEWER EASEMENT AREA, LOCATED AT 563 CROWS LANDING ROAD (APN: 038-021-009) FOR A PERMANENT SEWER EASEMENT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE PURCHASE AND SALE AGREEMENT AND ALL RELATED DOCUMENTS REQUIRED TO COMPLETE THE ACQUISITION OF THE SEWER EASEMENT

WHEREAS, the City of Modesto is replacing and upgrading sewer infrastructure in various Modesto neighborhoods, and

WHEREAS, the Ceres Trunk Rehabilitation Project will improve sewer mains and trunks in the Crows Landing and Zeff Road areas, and

WHEREAS the project improvements require acquisition of an easement from a property owner on Crows Landing Road, and

WHEREAS, the easement in this acquisition will provide a permanent sewer easement to install and maintain a sewer trunk for the project, and

WHEREAS, City staff is recommending acquisition of a permanent sewer easement, and

WHEREAS, an agreement is needed for the acquisition of the easement and City staff recommends approving the Purchase and Sale Agreement for acquisition of the required easement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Purchase and Sale Agreement with Gudino Properties, LLC, Delhi, CA for the acquisition of a permanent sewer easement, consisting of 6,037.5

square feet, located at 563 Crows Landing Road (APN 038-021-009), for the Ceres Trunk Rehabilitation Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, and all related documents required to close escrow.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-61**

**RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS
DESIGNEE, TO SIGN THE CERTIFICATE OF ACCEPTANCE FOR THE
GRANT OF SEWER EASEMENT FOR THE PROPERTY LOCATED AT 563
CROWS LANDING ROAD OWNED BY GUDINO PROPERTIES, LLC, DELHI,
CA (APN: (038-021-009) TO BE PURCHASED BY THE CITY FOR THE CERES
TRUNK REHABILITATION PROJECT**

WHEREAS, Section 27281 of the Government Code requires a public agency to accept real property prior to the recordation of a deed or adopt a resolution accepting an interest in real property, and

WHEREAS, the City desires to purchase for the acquisition of a grant of sewer easement located at 563 Crows Landing Road, in Modesto, (APN: 038-021-009), for the Ceres Trunk Rehabilitation Project and,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Interim City Manager, or his designee, is hereby authorized to sign the Certificate of Acceptance for the Grant of Sewer Easement for property located at 563 Crows Landing Road, in Modesto, owned by Gudino Properties, LLC, Delhi, CA (APN: 038-021-009) to be purchased by the City for the Ceres Trunk Rehabilitation Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-62**

RESOLUTION APPROVING A PROMISSORY WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT WITH GUDINO PROPERTIES, LLC, DELHI, CA TO CONNECT TO THE CITY OF MODESTO'S SEWER SYSTEM FOR THE PROPERTY LOCATED AT 563 CROWS LANDING ROAD (APN 038-021-009), AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE PROMISSORY WILL SERVE LETTER AND EXECUTE THE AGREEMENT

WHEREAS, Gudino Properties, LLC, Delhi, CA owns a commercial property located at 563 Crows Landing Road which is located outside the Modesto City Limits and inside the City's Sphere of Influence, and

WHEREAS, the property located at 563 Crows Landing Road is not connected to the City's sewer system and is requesting a sewer connection due to a failing septic system, and

WHEREAS on November 25, 2014 City Council approved resolution No. 2014-473 amending City Council Policy 5.002, and

WHEREAS, on December 9, 2014 City Council approved adoption of Ordinance No. 3612-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS, both of these amendments included language allowing the City Manager, upon the recommendation of the Director responsible for utility system planning to approve standard agreements of service for extension of sewer services into certain unincorporated areas without City Council approval, and

WHEREAS, the property located at 563 Crows Landing Road is not located within one of those designated areas and therefore requires City Council approval prior to allowing the sewer connection, and

WHEREAS, City staff has completed an analysis and determined that it is reasonable for the City to provide sewer service to this property due to health and safety concerns, and

WHEREAS, consistent with adopted LAFCO Policy 15, the extension of sewer service is proposed to remedy a health and safety concern in an area with failing septic system, and

WHEREAS, the sewer connection fees shall be waived in exchange for a grant of sewer easement on the property granted by the owner, and

WHEREAS, associated permits will be obtained prior to connecting the City sewer system, and

WHEREAS, the property owner has executed an Outside Service Agreement for sewer service with the City as required to receive sewer service outside the City limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for sewer service for the property located at 563 Crows Landing Road (APN: 038-021-009) in Modesto.

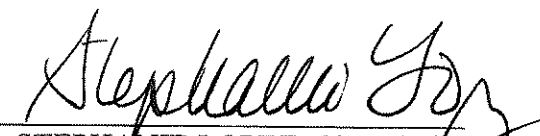
BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to approve the Promissory Will Serve Letter and execute the Outside Service Agreement for sewer service.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-63**

RESOLUTION AWARDING A CONSTRUCTION CONTRACT TO SCOTT REDENBAUGH CONSTRUCTION, MODESTO, CA, IN THE AMOUNT OF \$49,256 FOR THE FIRE STATION NO. 11 GARAGE DOOR REPLACEMENT PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE CONTRACT

WHEREAS, the bids received for the Fire Station No. 11 Garage Door Replacement were opened at 11:00 a.m. on November 2, 2017 for the consideration of the Council, and

WHEREAS, the Director of Utilities has recommended that the bid of \$49,256 received from Scott Redenbaugh Construction, Modesto, CA, be accepted as the lowest responsible and responsive bid and the contract be awarded to Scott Redenbaugh Construction.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it accepts the bid of \$49,256 and awards Scott Redenbaugh Construction, Modesto, CA the construction contract for the Fire Station No. 11 Garage Door Replacement Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-64**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-18 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$25,000 TO BE
TRANSFERRED INTO THE PROJECT FROM MFD ADMINISTRATION
OPERATING BUDGET FOR FISCAL YEAR 2017-2018 TO FULLY FUND THE
CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION,
AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE FIRE
STATION NO. 11 GARAGE DOOR REPLACEMENT PROJECT**

WHEREAS, certain budgetary transactions are necessary in the amount of
\$25,000, in order to fund the Fire Station No. 11 Garage Door Replacement Project, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget
must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto
that it hereby approves the amendment of the Fiscal Year 2017-2018 Capital
Improvement Program Budget as shown in **Exhibit A**, attached hereto.


BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is
hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

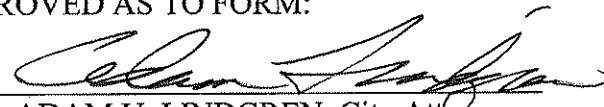
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Due to additional unforeseen construction costs as well as the staff time required to administer the project a budget adjustment in the amount of \$25,000 is necessary to fully fund CIP Project 101060.

Funds will be transferred from MFD Administration Operating Budget for Fiscal Year 2017-2018 into CIP Project 101060 Fire Station No. 11 Garage Door Replacement Project.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-65**

RESOLUTION ACCEPTING THE NORTH MCHENRY ANNEXATION COST-BENEFIT ANALYSIS AND DIRECTING STAFF TO INITIATE ANNEXATION AND PREZONE OF THE NORTH MCHENRY AREA

WHEREAS, annexation of the North McHenry area was recommended by the Mayor's 100-Day Committee, and

WHEREAS, in 1998, the City of Modesto and County of Stanislaus entered into a Tax Sharing Agreement that addressed the property tax exchange for the North McHenry area, and

WHEREAS, under the Tax Sharing Agreement, the City of Modesto and County of Stanislaus agreed to support annexations in the north McHenry Avenue area in order to provide infrastructure in the most cost effective manner, recognizing that annexations may occur in phases over time, and

WHEREAS, North McHenry Area Annexation Cost Benefit Analysis evaluated the annual expenses and revenues resulting from the annexation, and

WHEREAS, on November 8, 2017, the Economic Development Committee voted to accept the Cost-Benefit Analysis, directing staff to initiate annexation and prezone of the North McHenry area, and forward it to Council for approval.

WHEREAS, WHEREAS, said matter was considered by the City Council on February 6, 2018, at 5:30 p.m., in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto to accept the Cost-Benefit Analysis and direct staff to initiate annexation and prezone of the North McHenry area.

The foregoing resolution was adopted at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Madrigal, Mayor Brandvold

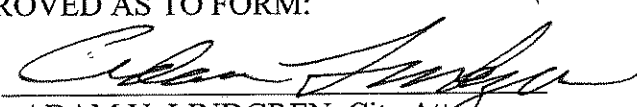
NOES: Councilmembers: Kenoyer, Ridenour, Zoslocki

ABSENT: Councilmembers: None

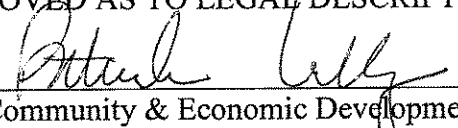
ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

APPROVED AS TO LEGAL DESCRIPTION

By: 
Community & Economic Development Department
Planning Division

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-66**

RESOLUTION APPROVING THE FLEET MAINTENANCE FACILITY PHASE I CONSTRUCTION PROJECT FUNDING IN AN AMOUNT NOT TO EXCEED \$4,847,525 AND AUTHORIZING COMPLETION OF THE DESIGNS FOR THE PROJECT

WHEREAS, the City's Internal Auditor, Moss Adams, conducted a Fleet Services Division operations efficiency study and made recommendations for improvement based on those findings. In March, 2017, this report was published and the number one finding was noted as "the Vehicle Maintenance Building is outdated and inadequately designed to accommodate the City's fleet", and

WHEREAS, there are currently 1,060 pieces of active equipment in the City's fleet in addition to taking on maintaining the Fire Department's heavy fire apparatus in 2014, and

WHEREAS, Phase I of the Fleet Maintenance Facility will be to design and construct heavy duty truck bays, eliminating immediate safety concerns of not being able to lift nearly 200 vehicles into the air due to low ceiling height and will enable Fleet Services to service Fire Department vehicles without concern of a lease termination with the Federal Transit Administration (FTA), and

WHEREAS, the funds for the construction of the new Fleet Maintenance Facility were collected through Internal Service Funds (ISF) charges with a surcharge placed on all work orders until the necessary funds were reached, and

WHEREAS, some parts of the expansion that are in process, such as the parts room expansion have been grant funded with a Transit Grant and a State of Good Repair Grant.

WHEREAS, on January 22, 2018, this item was presented to the Finance Committee for their consideration and the Committee recommended forwarding to Council for approval.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Fleet Maintenance Facility Phase I Construction Project funding in an amount not to exceed \$4,847,525.

BE IT FURTHER RESOLVED that Council hereby authorizes staff to complete the designs for the Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of February, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-67**

**RESOLUTION APPROVING THE APPOINTMENT OF AMIN VOHRA AS THE
2018 PLANNING COMMISSION REPRESENTATIVE TO THE BOARD OF
ZONING ADJUSTMENT WITH A TERM EXPIRATION OF DECEMBER 31,
2018**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Planning Commission met on January 8, 2018, and recommended the appointment of Amin Vohra as its representative to the Board of Zoning Adjustment for 2018, and

WHEREAS, Ms. Vohra is qualified and willing to act as the Planning Commission representative to the Board of Zoning Adjustment for 2018.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Modesto as follows:

1. Amin Vohra is hereby appointed as the 2018 Planning Commission representative to the Board of Zoning Adjustment, with a term expiration of December 31, 2018.
2. The City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Board of Zoning Adjustment, and the Secretary thereof.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2017, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-68**

RESOLUTION APPROVING THE RENTAL HOUSING REHABILITATION PROGRAM ACTIVITIES, AND COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING (CDBG) IN AN AMOUNT NOT TO EXCEED \$150,000, IN PARTNERSHIP WITH STANISLAUS COUNTY AFFORDABLE HOUSING CORPORATION (STANCO) TO PROVIDE ADA SITE IMPROVEMENTS, HEALTH AND SAFETY REPAIRS, STORM WATER TREATMENT AND DETENTION AND CONSERVATION COSTS ASSOCIATED WITH WATER EFFICIENCY MEASURES TO 522 E. GRANGER AVENUE, MODESTO, CALIFORNIA, 95350

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires the City of Modesto, as an entitlement jurisdiction, to develop an Annual Action Plan that describes proposed activities funded with Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds, and

WHEREAS, the Annual Action Plan aligns and supports the priorities in the City's Consolidated Plan, and

WHEREAS, on April 4, 2017, Resolution 2017-129, the City amended the 2016-2017 Annual Action Plan, to include a Rental Rehabilitation Program, and

WHEREAS, the Rental Housing Rehabilitation Program is designed for the purpose of carrying out rehabilitation activities in partnership with our local non-profits and the Housing Authority of the County of Stanislaus, and

WHEREAS, the program is currently funded with \$400,000 of Community Development Block Grant funding, and

WHEREAS, this project would utilize \$150,000 of the Community Development Block Grant funding, and

WHEREAS, In April 2016, Stanislaus County Affordable Housing Corporation (STANCO) acquired a single family residential unit located at 522 E. Granger Avenue, Modesto, California, 95350, to be converted into four (4) affordable housing residential units, with an accompanying community center, and

WHEREAS, these units will be used for supportive housing for persons with serious mental illness who are homeless or at risk of homelessness, and

WHEREAS, the project needs to provide ADA site improvements, health and safety repairs, and conservation costs associated with water efficiency measures, and meet current storm water treatment and detention requirements which will require extensive renovation and additional funding, and

WHEREAS, this activity is currently funded in part with HOME funds in partnership with STANCO to support persons with serious mental illness who are homeless or at risk of homelessness, and

WHEREAS, if the allocation of CDBG funds to STANCO is not approved, the City will be unable to meet its timeliness expenditure threshold for HOME funds, and

WHEREAS, if this occurs, the City will be deemed non-compliant with this threshold and will run the risk of having sanctions applied by HUD, and could result in the City to lose \$563,000 of funds already allocated to the project, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Rental Housing Rehabilitation Program activities, and Community Development Block Grant Funding (CDBG) in an amount not to exceed \$150,000, in partnership with Stanislaus County Affordable Housing Corporation (STANCO) to provide ADA site improvements, health and safety repairs, and

conservation costs associated with water efficiency measures to 522 E. Granger Avenue, Modesto, California, 95350.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-69**

RESOLUTION APPROVING THE AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO THE PASSENGER FACILITY CHARGE PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF PASSENGER FACILITY CHARGE REVENUES AND EXPENDITURES FOR FISCAL YEAR ENDED JUNE 30, 2017, PREPARED BY EXTERNAL AUDITORS MACIAS, GINI & O'CONNELL, LLP

WHEREAS, pursuant to Section 1306 of the Charter of the City of Modesto, the City Council shall employ an independent certified public accountant who, at least annually, shall audit the books and records of the City of Modesto, and submit a final audit and report to the City Council as soon as practicable after the end of the fiscal year and

WHEREAS, the accounting firm of Macias, Gini & O'Connell, LLP has completed its auditor's report in compliance with the applicable compliance requirements of the Passenger Facility Charge Audit Guide For Public Agencies, issued by the Federal Aviation Administration (Guide), and

WHEREAS, the independent audit is applicable to the City's Passenger Facility Charge program at the Modesto City-County Airport for the year ending June 30, 2017, NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2016-2017 Passenger Facility Charge audit program for the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

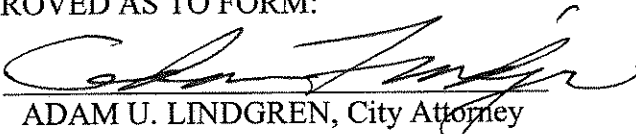
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-70**

**RESOLUTION APPROVING THE AUDITED FINANCIAL STATEMENTS AND
VARIOUS AUDIT REPORTS FOR FISCAL YEAR 2016-2017 AUDITED BY
EXTERNAL AUDITORS MACIAS, GINI & O'CONNELL, LLP FOR THE
CITY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT; ELEVEN
COMMUNITY FACILITIES DISTRICTS; AND VARIOUS JOINT POWERS
AGENCIES**

WHEREAS, pursuant to Section 1306 of the Charter of the City of Modesto, the City Council shall employ an independent certified public accountant who, at least annually, shall audit the books and records of the City of Modesto, and submit a final audit and report to the City Council as soon as practicable after the end of the fiscal year and

WHEREAS, the accounting firm of Macias, Gini & O'Connell, LLP, has completed their audit of the City's financial statements for the fiscal year ended June 30, 2017, and has provided its opinion on these financial statements based on that audit, and

WHEREAS, the independent auditors also audited financial statements of eleven Community Facilities Districts and various Joint Powers Agencies, as required by their respective enabling legislations, and for which the City of Modesto serves as the financial administrator,

WHEREAS, by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2016-2017 annual audit reports for the City of Modesto, Community Facilities Districts, and various Joint Powers Agencies, as listed in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2016-2017 annual audit reports for the City of

Modesto and other Joint Power Agencies, as listed in **Exhibit A**, which is incorporated by reference herein.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-70**

**RESOLUTION ACCEPTING THE FISCAL YEAR 2016-2017 ANNUAL AUDIT
REPORTS**

EXHIBIT A

City of Modesto:

1. Comprehensive Annual Financial Report FY 2016-2017
2. GANN Limit Report FY 2016-2017
3. Report on Internal Controls
4. Community Facilities District Number 1998-2 (Carver-Bangs/Pelandale-Snyder)
5. Community Facilities District Number 2002 (Coffee-Claratina)
6. Community Facilities District Number 1998-1 (Enterprise Business Park)
7. Community Facilities District Number 2003-1 (Fairview Village)
8. Community Facilities District Number 2007-2 (Kiernan Business Park West)
9. Community Facilities District Number 1997-1 (North Beyer Park)
10. Community Facilities District Number 2002-1 (Northpointe)
11. Community Facilities District Number 2004-1 (Village One #2)
12. Community Facilities District Number 1996-1 (Village One)
13. Community Facilities District Number 2016-1 (Kiernan Business Park East #2)
14. Community Facilities District Number 2007-1 (North Beyer #2)

Other Agencies:

15. Stanislaus Drug Enforcement Agency (SDEA)
16. Abandoned Vehicle Abatement (AVA)
17. Transportation Development Agency (TDA)
18. Modesto-Ceres Fire Protection Agency
19. Tuolumne River Regional Park (TRRP)



City of Modesto

Comprehensive Annual Financial Report
FY 2016-2017 | Fiscal Year Ended June 30, 2017



CITY OF
MODESTO
CALIFORNIA

CITY OF
Modesto, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2017

Prepared by
Finance Department

CITY OF MODESTO
 June 30, 2017
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INTRODUCTORY SECTION



December 18, 2017

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Modesto:

We are pleased to present to you the Comprehensive Annual Financial Report (CAFR) for the City of Modesto (City). The City of Modesto City Charter and Municipal Code require that a complete CAFR, which is comprised of financial statements and reports on the finances of the City, be submitted to the City Council at the end of each fiscal year. This report fulfills that requirement for the year ended June 30, 2017.

City management assumes full responsibility for the completeness and reliability of the information contained in this report. We believe the data fairly represents the financial position and results of operations of the City. The disclosures necessary to enable the reader to understand the City's financial affairs have been included. The City's accounting system has been developed and maintained with due consideration given to the adequacy of internal controls. Because the cost of internal controls should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. The evaluation of the costs and benefits of a particular control requires estimates and judgments by management.

The Modesto City Charter also requires an annual audit be performed by an independent certified public accountant selected by the Modesto City Council. The accounting firm of Macias Gini & O'Connell LLP was selected in 2015 to perform the City's annual financial audits. The auditors have issued an unmodified ("clean") opinion on the financial statements for the fiscal year ended June 30, 2017, which is presented on page 3. In addition to meeting the City Charter audit requirements, the audit was also designed to meet the requirements of the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The auditor's reports related specifically to the Single Audit will be presented separately at a later date.

Management's discussion and analysis (MD&A) immediately follow the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A is designed to be read in conjunction with this transmittal letter.

City of Modesto Profile

Modesto is located in the heart of California's San Joaquin Valley and is the County Seat of Stanislaus County. It is also the retail, service and financial center of Stanislaus County. The City currently occupies a land area of 37.4 square miles and serves a population of 212,287. The City has a diverse economy and population with a strong sense of community pride.

Incorporated as a municipal city in 1884, the City adopted its City Charter on March 12, 1951, with a Council-Manager form of government. The Modesto City Council (Council) is the City's legislative body and is made up of seven elected officials serving overlapping 4-year terms. The Mayor is elected at-large by the entire City; while the six Councilmembers are elected by district and are limited to two terms.

City of Modesto

1010 Tenth Street
P.O. Box 642
Modesto, CA 95353
209/577-5369

Hearing and Speech
Impaired Only
TDD 209/526-9211

The Council sets policy and tax rates, approves budgets, and passes ordinances and resolutions, which govern the City. The Council also appoints citizens to advisory boards, committees and commissions as well as appoints the City Manager, City Attorney, City Clerk and City Auditor. The City Manager is responsible for carrying out Council policy and managing the day-to-day affairs of the City.

The City is a "full-service" city including police and fire; public works; water and sewer; community and economic development; parks, recreation and neighborhoods; public transportation; and cultural and convention visitor services.

The City's financial reporting entity includes all funds and activities of the City as the primary government and its component units, which are legally separate entities that operate under the auspices of the City and provide services that supplement City services. The City's component units are blended into the City's funds because there is a financial benefit/burden relationship with the City or management has operational responsibility over the component unit. These component units are the Modesto Public Financing Authority and the City of Modesto Community Facilities Districts.

The annual operating budget serves as the foundation for City's financial planning and control. The proposed budget is adopted annually prior to July 1, by City Council ordinance. The Council's legally adopted budget level is at the fund level. Throughout the fiscal year, the budget may be modified. The City Council has also adopted fiscal policies that delineate the delegated budget control authority to the following parties: the City Council, the City Manager and the Director of Finance.

Local Economy

Modesto is the county seat for fast-growing Stanislaus County. A major center for local commerce, the City attracts thousands to its environs for work, shopping and entertainment. Major employment sectors include manufacturing, healthcare, education and retail. Modesto and its surrounding communities contain canneries, packing plants and warehouses which ship agricultural products across the nation and the world. An active farm to table movement has been spearheaded by the area's large production of nuts, dairy, poultry and other locally grown products.

The unemployment rate within the county-wide Modesto Statistical Area decreased during the 2016-2017 fiscal year. As of June 30, 2017, the MSA's unemployment rate was recorded at 7.8%, which is down from the 9.1% rate of a year ago. The total non-farm employment in the MSA is projected to reach 190,600 jobs by 2024. The industry sector consisting of construction and extraction occupations has the highest percentage increase at 36.5% adding 369 jobs to the area. The following three top industry sectors are expected to grow by almost 30 percent, adding 1,741 jobs to the area. These include: Personal Care and Service occupations, Food Preparation and Serving Related occupations, and Healthcare Support occupations.

The 2017-18 Stanislaus County assessment roll, on which property taxes are based, is \$46.8 billion, which is an increase of nearly 6 percent over the previous year. The 2017 median home sales price in Stanislaus County is approximately \$289,000 or \$180 per square foot, up from a square foot price of \$166 a year ago. Modesto building permit activity during fiscal year 2016-2017 ended with a total of 4,973 permits issued with a valuation of \$118,527,812.

Modesto is a prime and central location for business, and has attracted both start-ups and expanding firms. Specialized health care facilities like HealthSouth and Central Valley Specialty Hospital have chosen to expand their services and operations in Modesto. There is also a strong culture of entrepreneurship and innovation. Datapath, a technology management company with headquarters in Modesto, has been recognized by Inc. Magazine as one of the fastest-growing private companies in America. E&J Gallo Winery, also based in Modesto, is the world's largest privately owned winery and the leading US exporter of California wines. The Gallo Glass Company is a state of the art glass manufacturer and a leading producer of wine and spirits glass bottles in the US.

Entertainment and Tourism

Modesto features vibrant arts, entertainment, sports and cultural expression. Downtown Modesto is home to the world-class Gallo Center that brings national and international entertainment, arts and multicultural programming to the Central Valley region. Downtown, you can experience the Historic Graffiti Cruise Route, the Legends of the Cruise Walk of Fame, and the Classic Community Mural Series celebrating the cruising culture phenomenon born in Modesto and immortalized by native son George Lucas in American Graffiti. Live entertainment is a prominent feature in the Civic Plaza and nearby clubs, and a busy calendar of entertaining and educational events can be experienced just across the street at the Modesto Centre Plaza.

Baseball with the Modesto Nuts baseball team is just minutes from city center, and golfers enjoy two-highly rated 18-hole courses and a municipal course year-round. Modesto is gaining recognition for its bike routes and trails, and is a frequent host city for the Tour-de-France rated Amgen Tour of California bicycle race. Water lovers have river parks and kayaking.

The McHenry Mansion and McHenry Museum anchor the city's loving preservation of its historical heritage, drawing visitors from all over the world. The city's annual Architectural Festival offers free tours, exhibits, workshops and films in the iconic State Theatre featuring one of the best collections of mid-century modernism in the nation. Arts live year round with monthly Art Walks, and seasonal activities including the Graffiti Cruise, parades, the Modesto on Ice downtown skating rink, the Dickens Faire, ModShop arts and crafts walk, and PorchFest community music stroll bring joy to residents and visitors. Modesto truly offers something great for everyone.

Our Strategic Priorities

During 2017, the City updated its 2015-2018 Strategic Plan to incorporate input from newly elected Councilmembers and to reaffirm our strategic priorities. Our priorities bring the City's vision and values to life in our community and define our overall direction as a city. It also confirms our commitment to our citizens. While the priorities are individually important, they are also interconnected and cannot be addressed in isolation. In addition, they are the basis of our scorecard that measures success and upon which our performance metrics are built.

- **Healthy Economy and Great Quality of Life:** Increase the City's proactive economic development efforts by creating and preserving jobs, strengthening our economic base and enhancing the City's revenue base.
- **Vibrant Infrastructure and Sustainable Environment:** Strengthen and maintain a safe infrastructure of City roads, water supply, storm sewers, transit and airport needs for residents, businesses and visitors.
- **Great Safe Neighborhoods:** Explore new approaches to public safety, working in partnership with the community to reduce crime and maintain a safe and inviting community in which to live, work and play. Increase collaboration with neighborhoods and school districts to achieve quality of life improvements, and safe neighborhoods through supporting community self-reliance, problem solving and public/private partnerships.
- **Effective, Responsive and Transparent Government:** Enhance the organization's commitment to develop new and creative methods to leverage technology, market organization strengths and remain dedicated to seeking efficiencies and continuous improvement.

Long-Term Financial Planning


The City continues to refine its 10-year forecasting model and update estimates and assumptions used to project future operations. At the end of fiscal year 2016-17, General Fund Balance was as follows:

Restricted and Nonspendable - \$4.5 million; Committed - \$15.8 million; Assigned - \$4.9 million; and Unassigned \$4.5 million. The Committed Fund Balance allows the City to respond to unplanned circumstances and maintain adequate working capital to meet its cash flow needs.

The City's long-term maintenance of a stable fund balance is a direct reflection of the Mayor and Council's leadership and prudent fiscal management.

SIGNIFICANT EVENTS and ACCOMPLISHMENTS

Local Initiatives and Accomplishments



Healthy Economy
& Great Quality Of
Life

- In its second year, over 40,000 visitors attended Modesto On Ice skating rink
- The return of the Amgen Tour of California, a world-class cycling road race and largest annual spectator sporting event in California
- Facilitated the UC Merced Venture Lab at the Centre Plaza to assist with entrepreneurship in the City
- Relocated a minor league basketball team from Yuba to Modesto now named The Modesto SuperKats
- The City will be administering the Continuum of Care component of the Stanislaus Community System of Care Collaborative/Continuum of Care to focus on prevention and homelessness bringing in \$3 million of regional HUD funding
- Comprehensive Fee Study Task Force is meeting and reviewing development fees and assumptions
- Over 150,000 participants were served through Modesto's recreation and neighborhood programming
- More than 26,000 participants were served through the Modesto Senior Citizen Center's health and wellness programming as well as over 5,000 others who enjoyed free services such as meals, tax-preparation and special events
- Modesto Senior Citizens Center leveraged over \$21,000 in in-kind donations and services in the pursuit of Active Aging opportunities for Modesto's Seniors
- Developed Tenant Improvement Tuesdays ("TI Tuesdays") to streamline certain interior development to issue permits same-day
- Completed the State Housing Update Requirement
- Completed the 2016 General Plan Annual Report for submittal to State.
- Successfully completed all land entitlements for the Valley Children's Hospital project on Pelandale
- Redefined the Opportunity Map to show available land and level of infrastructure/entitlements and make the information available online



Great Safe Neighborhoods

- Increased Neighborhood Watch Groups by 10%
- Increased Crime Free Multi-Housing properties by 1% along with the number of properties inspected
- Ranked 1st in California and 5th in the nation for areas with a population of 100,000 to 299,000 for participation in National Night Out with a total of 181 parties hosted in 2017
- Modesto Police Department (MPD) hosted 5 Town Hall Meetings, one for each area command as well as multiple Coffee with Cops events throughout the City
- Stanislaus County is ranked number 30 out of 3111 counties in the United States for “Natural aspects of attractiveness” according to the USDA
- Americans with Disabilities Act Plan was adopted by City Council
- MOU made with the County for tagging abatement along highway 99 approved by Council
- Council approved relocation expenses to multiple legal tenants of condemned building at 624 9th Street. City partnered with County and EOS to find solutions for residents and remove them from building
- After School Program staff partner with Modesto City Schools to motivate, encourage, and empower over 760 youth daily to recognize and achieve their full individual potential and become productive community members
- REACH Summer Camp (Recreation, Education, Arts, Culture and Health for youth 6 - 13 years old) offers games, sports, community service and other high-interest activities to over 140 unduplicated participants sparking a life-long appreciation of positive leisure activities and provide opportunities for leadership
- Eight firefighter paramedics completed their probation at the end of 2016. An additional 16 firefighters were hired to fill current vacancies and grant funded positions to reinstate Engine 11 which returned to service in April after being eliminated during the economic downturn
- The City Council approved the purchase of five engines and two ladder trucks at the end of 2016 – when the apparatus arrive in late 2017, they will provide much needed replacement of the oldest apparatus in the MFD fleet – some of which are 27 years old
- MFD crews assisted numerous communities throughout the State during the wildfires of 2016. Modesto Fire crews responded to 12 different fires through the State Wide Mutual Aid System where they provided fire suppression and filled leadership positions
- Our Public Education Program coincides each year with Fire Prevention Week in October – this educational characterization program featured 20 shows over a two-week period reaching 6,200 students
- A partnership with Modesto City Schools and American Medical Response enabled MFD crews to train more than 2,000 junior high students in “hands-only” CPR
- In late 2016, MFD teamed up with the American Red Cross to provide and install smoke alarms in one and two-family dwellings. This program is intended to target the “at risk” population in Modesto – the elderly and persons of a low socioeconomic status

**Vibrant
Infrastructure
& Sustainable
Environment**

- Successfully obtained a commitment for up to \$10 million of Measure L funding from StanCog towards the Route 132 project
- Started workshops, and design concept(s) for the design of J Street/Implementation to be presented to Council Committee
- Construction is nearly complete on the Tuolumne River Regional Park (TRRP) Gateway Parcel Phase 2 project which will complete the habitat restoration along the Tuolumne River at the Gateway Parcel and will add to the current trail system in TRRP
- Worked with various neighborhood groups in the City to provide park improvements throughout Modesto through the City's Park Partners Program (such as Native Gardens, Soccer Fields, Pickleball Courts, Fitness Equipment, Benches and Park Signs)
- Received a \$1 million grant for development of three soccer fields adjacent to Bellenita Park to support the volunteer efforts started by the Stanislaus Youth Soccer League
- The City is partnering with a local irrigation district interested in purchasing recycled water from the City, as part of the North Valley Regional Recycled Water Program. Construction is expected to be complete by February 2018
- Construction of the 6 million gallon North Tank is complete. This is the largest tank in the City's water system
- Construction of the 4 million gallon Industrial Tank is underway and expected to be complete in 2018
- Partnered with other local water agencies to form a regional Groundwater Sustainability Agency to collaboratively manage groundwater resources
- The Water and Wastewater Master Plans and supporting environmental documents are almost complete

**Effective
Responsive &
Transparent
Government**

- Provided staff support to the Mayor's 100 Day Review Committee as they examined City process for efficiencies and cost-saving reductions
- Continue to prepare Action Plans to achieve recommendations from the Mayor's 100 Day Review Committee and updated the 2015-2018 Strategic Plan
- Council approved the purchase of new Business License software
- Finance Customer Services launched the online payment and appeals module for Parking Citations which will allow customers to pay and submit appeals online
- Business License increased collection and code enforcement efforts resulting in an increase in revenue for the General Fund
- The City went live with the new budget software was part of the budget preparation for Fiscal Year 2017-2018 budget

Awards / Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Modesto for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the 34th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

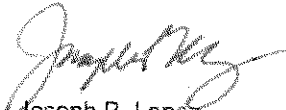
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The Comprehensive Annual Financial Report (CAFR) is the result of the cooperative work of many people. We wish to convey our appreciation to all of the City departments and members of the Finance Department team who prepared and contributed to its successful completion. Without their hard work, this report would not be possible.

In addition, the City submitted and received an award from the GFOA for its second year for the Popular Annual Financial Report (PAFR) for fiscal year ended June 30, 2016. A PAFR presents financial information in a manner that appeals to the reader, is understandable and shows creativity and usefulness. The PAFR award is valid for one year and the City intends to submit its 2017 PAFR to the GFOA for consideration.

Finally, we would like to express our appreciation to the City Council, City employees, and community for their leadership and support. We look forward to the next year's challenges and opportunities.

Respectfully submitted,


Joseph P. Lopez
Interim City Manager


DeAnna Christensen
Acting Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Modesto
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

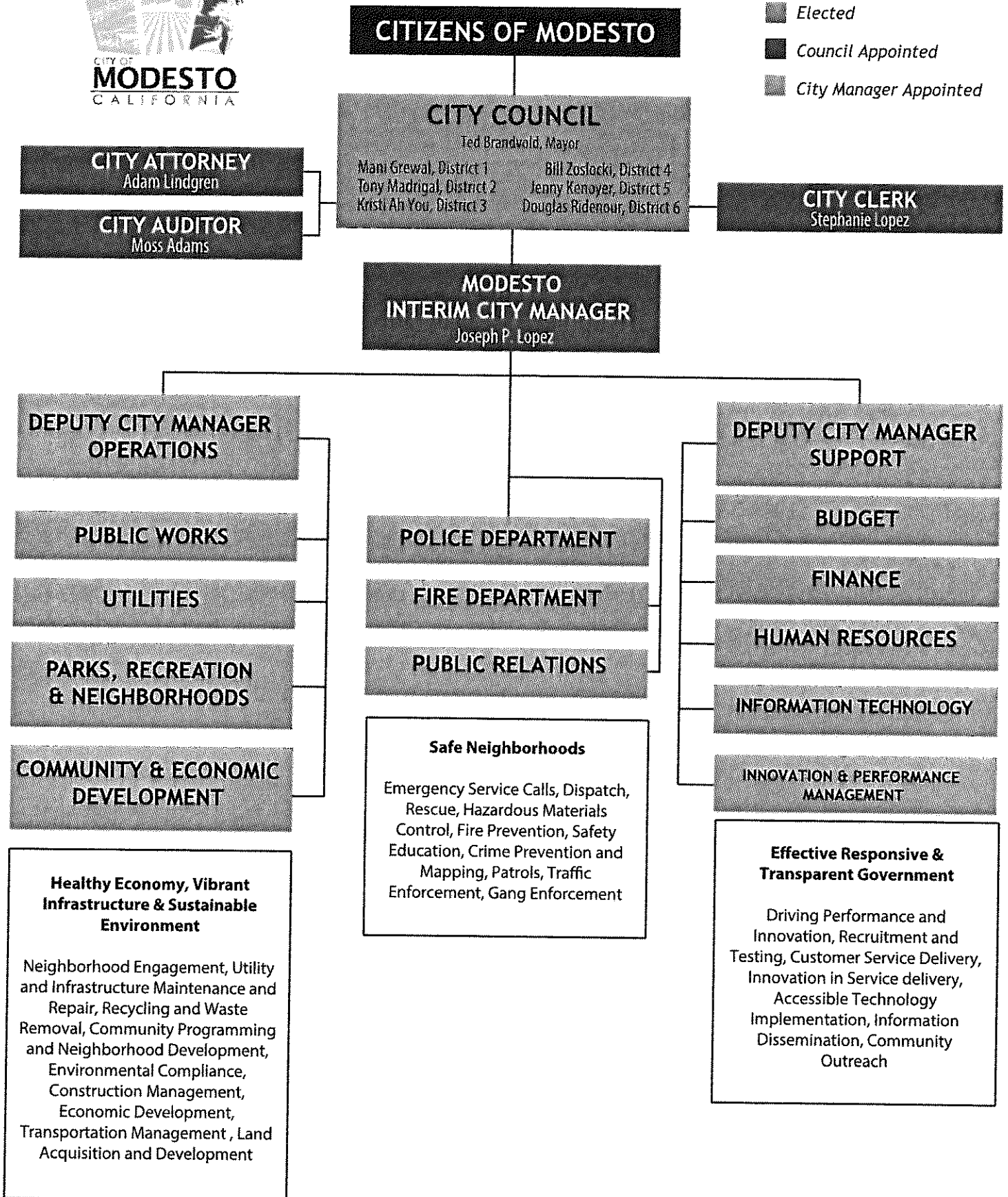
Executive Director/CEO

CITY OF MODESTO ORGANIZATIONAL CHART



Legend

- Elected
- Council Appointed
- City Manager Appointed



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FINANCIAL SECTION



Independent Auditor's Report

City Council of the City of Modesto
Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Modesto, California (City), as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of changes in the net pension liability and related ratios, schedule of plan contributions, schedule of funding progress for OPEB, schedule of revenues – budget (GAAP basis) and actual – General Fund, schedule of expenditures by function – budget (GAAP basis) and actual – General Fund, and schedule of revenues, expenditures, and changes in fund balance – budget (GAAP basis) and actual – Housing and Community Development special revenue fund, as listed in the accompanying table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, the combining and individual fund statements and schedules, the statistical section, and the continuing disclosure section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, statistical, and continuing disclosure sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2017 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 18, 2017

Management's Discussion and Analysis

This section of the City of Modesto (City) comprehensive annual financial report presents a discussion and analysis of the City's financial performance during the fiscal year ended June 30, 2017. Please read it in conjunction with the transmittal letter at the front of this report and the basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded liabilities at the close of the 2017 fiscal year by \$999,396,169 (*total net position*). Of this amount, \$145,377,043 is restricted for a specific purpose (*restricted net position*), \$931,906,773 is invested in capital assets, net of related debt and (\$77,887,647) is unrestricted (*unrestricted net position*).
- The City's total net position increased by \$20,966,047 compared to the prior year. This increase is attributed to additions made to the City's infrastructure and improvements.
- As of June 30, 2017, the City's governmental funds reported combined fund balances of \$120,081,372, an increase of \$3,027,618 in comparison with the prior year.
- As of June 30, 2017, 15.2% of the General fund balance of \$4,509,693 is available to meet the City's current and future needs (*General Fund unassigned fund balance*).
- At the end of the fiscal year, the General Fund balance was \$29,649,768 or 25.4% of total General Fund expenditures. Of this, \$1,970,622 is the restricted fund balances. The unassigned fund balance of \$4,509,693 represents 3.8% of total General Fund outflows. The City Council has adopted a goal of maintaining an 8% unassigned fund balance amount based on General Fund outflows.
- The City's total long-term liabilities showed a net decrease of \$1,539,278 in comparison with the prior year. This decrease was attributed to the principal payments made during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components 1) **Government-wide** financial statements; 2) **Fund** financial statements and 3) **Notes** to basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all City assets and liabilities, deferred outflows of resources and deferred inflow of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, community development, highways and streets, public works, parks and recreation, and public safety. The business-type activities of the City include the Water, Sewer, Parking, Storm Drain, Compost, Airport, Bus, Golf, Community Center and Abatement and Public Nuisance operations.

Management's Discussion and Analysis (continued)

Component units are included in our basic financial statements and consist of legally separate entities for which the City is financially accountable and that have substantially the same board as the City Council, or provide services entirely to the City or the City has operational responsibility for the entities. Examples are the Community Facilities Districts, Redevelopment Successor Agency of the City of Modesto and the Modesto Public Financing Authority.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund Financial Statements are groupings of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate finance-related legal compliance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City reports 16 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund and Housing and Community Development Fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The governmental funds financial statements can be found on pages 22-25 of this report

Proprietary funds are maintained two ways. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Parking, Storm Drain, Compost, Airport, Bus, Golf, Community Center and Abatement and Public Nuisance operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its Fleet Management, Central Services, Information and Technology Services, Insurance, Employee Benefits Management and Building Services functions. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements with the exception of portions of the net OPEB obligation and compensated absences that have been included within business-type activities. The rest of internal services benefiting business-type functions have been allocated as "internal balances".

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water, Sewer and Bus funds are considered to be major funds of the City. The City's six internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The proprietary funds financial statements can be found on pages 26-29 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds.

Management's Discussion and Analysis *(continued)*

The fiduciary fund financial statements can be found on page 30-31 of this report.

Notes to Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 32-74 of this report.

Required Supplementary Information is also presented. The City adopts an annual appropriated budget. Budgetary comparison schedules for the major governmental funds have been provided to demonstrate compliance with this budget. This section also includes the schedules for net pension liability and OPEB.

Required supplementary information can be found on pages 77-85 of this report.

The *combining and individual fund statements and schedules* referred to earlier provide information for nonmajor governmental, enterprise and internal service funds and are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 90-123 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by \$999,396,169 at the close of the most recent fiscal year.

	Net Position					
	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$234,821,516	\$242,284,397	\$244,685,705	\$243,332,330	\$479,507,221	\$485,616,727
Capital assets	419,668,957	421,005,457	870,561,610	854,078,506	1,290,230,567	1,275,083,963
Total assets	<u>654,490,473</u>	<u>663,289,854</u>	<u>1,115,247,315</u>	<u>1,097,410,836</u>	<u>1,769,737,788</u>	<u>1,760,700,690</u>
Deferred outflows of resources	56,076,070	29,527,963	44,831,198	49,190,388	100,907,268	78,718,351
Current and other liabilities	292,651,623	260,520,365	132,908,806	144,402,121	425,560,429	\$404,922,486
Long-term liabilities	98,300,219	90,656,679	334,536,847	343,719,665	432,837,066	434,376,344
Total liabilities	<u>390,951,842</u>	<u>351,177,044</u>	<u>467,445,653</u>	<u>488,121,786</u>	<u>858,397,495</u>	<u>839,298,830</u>
Deferred inflows of resources	10,503,691	17,408,971	2,347,701	4,281,118	12,851,392	21,690,089
Net position:						
Net investment in capital assets	376,743,556	381,887,289	555,163,217	539,821,175	931,906,773	921,708,464
Restricted net position	123,851,082	115,619,807	21,525,961	22,052,595	145,377,043	137,672,402
Unrestricted net position	<u>(191,483,628)</u>	<u>(173,275,294)</u>	<u>113,595,981</u>	<u>92,324,550</u>	<u>(77,887,647)</u>	<u>(80,950,744)</u>
Total net position	<u>\$309,111,010</u>	<u>\$324,231,802</u>	<u>\$690,285,159</u>	<u>\$654,198,320</u>	<u>\$999,396,169</u>	<u>\$978,430,122</u>

The largest portion of the City's net position, \$931,906,773 (93.2 percent), reflects its investment in capital assets (e.g. land, water rights, buildings, improvements, furnishings and equipment, buses and fare boxes, pipelines, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's investment in its capital assets is reported net of debt and related deferred outflows and inflows, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another significant portion of the City's net position represents *unrestricted net position* of (\$77,887,647) (-7.8 percent).

The remaining balance of the City's net position of \$145,377,043 (14.6 percent) represents resources that are subject to external restrictions on how they may be used.

The City's net position increased by \$20,966,047 during the current fiscal year was largely due to the additions associated with the City's infrastructure and reduction on the City's long-term liabilities.

Management's Discussion and Analysis *(continued)*

The long-term liabilities decrease was attributed to the principal payments of about \$14.8 million made during the fiscal year.

The following table indicates the changes in net position for governmental and business-type activities, as well as comparative data for the prior year:

Changes in Net Position

	Governmental activities		Business-type activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$28,933,906	\$24,689,546	\$141,588,536	\$124,982,742	\$170,522,442	\$149,672,288
Operating grants and contributions	5,050,771	3,630,185	15,975,703	14,153,568	21,026,474	17,783,753
Capital grants and contributions	2,117,867	1,708,602	19,617,513	4,753,223	21,735,380	6,461,825
General revenues:						
Taxes	57,045,850	54,965,459	199,124	206,854	57,244,974	55,172,313
Intergovernment revenue not restricted for specific purposes	68,415,868	65,234,052	-	-	68,415,868	65,234,052
Unrestricted investment earnings	362,856	582,565	872,935	2,247,061	1,235,791	2,829,626
Settlements and recoveries	-	-	-	-	-	-
Miscellaneous	515,206	2,440,696	1,316,801	1,368,761	1,832,007	3,809,457
Total revenues	162,442,324	153,251,105	179,570,612	147,712,209	342,012,936	300,963,314
Expenses:						
General government	13,945,824	12,838,583	-	-	13,945,824	12,838,583
Community development	15,419,529	12,552,115	-	-	15,419,529	12,552,115
Highways and streets	22,481,002	20,149,011	-	-	22,481,002	20,149,011
Public works	13,169,149	10,749,465	-	-	13,169,149	10,749,465
Parks and recreation	3,947,898	3,493,743	-	-	3,947,898	3,493,743
Public safety	104,348,464	86,907,876	-	-	104,348,464	86,907,876
Interest on long-term debt	2,500,849	2,691,894	-	-	2,500,849	2,691,894
Water	-	-	63,008,231	59,127,625	63,008,231	59,127,625
Sewer	-	-	36,248,877	33,093,921	36,248,877	33,093,921
Bus	-	-	21,979,360	19,709,745	21,979,360	19,709,745
Parking	-	-	1,628,226	1,625,943	1,628,226	1,625,943
Storm drain	-	-	6,119,472	5,312,896	6,119,472	5,312,896
Compost	-	-	9,648,481	11,998,345	9,648,481	11,998,345
Airport	-	-	1,744,557	1,787,081	1,744,557	1,787,081
Golf	-	-	2,871,167	3,130,536	2,871,167	3,130,536
Community center	-	-	1,934,179	1,981,307	1,934,179	1,981,307
Abatement and Public Nuisance	-	-	51,624	84,152	51,624	84,152
Total expenses	175,812,715	149,382,687	145,234,174	137,851,551	321,046,889	287,234,238
Increase in net position before transfers	(13,370,391)	3,868,418	34,336,438	9,860,658	20,966,047	13,729,076
Transfers	(1,750,401)	(567,177)	1,750,401	567,177	-	-
Total transfers	(1,750,401)	(567,177)	1,750,401	567,177	-	-
Change in net position	(15,120,792)	3,301,241	36,086,839	10,427,835	20,966,047	13,729,076
Net position - beginning, as previously reported	324,231,802	319,680,597	654,198,320	647,857,327	978,430,122	967,537,924
Adjustment to capital assets	-	256,569	-	(4,086,842)	-	(3,830,273)
Adjustment to unearned revenue and accruals	-	(190,305)	-	-	-	(190,305)
Adjustment to loans payable	-	1,183,700	-	-	-	1,183,700
Net position - beginning, as restated	324,231,802	320,930,561	654,198,320	643,770,485	978,430,122	964,701,046
Net position - ending	\$309,111,010	\$324,231,802	\$690,285,159	\$654,198,320	\$999,396,169	\$978,430,122

Governmental activities. Governmental activities decreased the City's net position by \$15,120,792. This decrease was mainly due an increase in the Workers Comp unfunded liability in the amount of \$4.1 million and the claims for the Insurance Fund increasing compared to the prior year. Miscellaneous revenue decreased by \$1.9 million due to one-time revenue settlements received in 2016. Charges for service revenues increased by \$4.2 million mainly due to on-going efforts to promote the City of Modesto program. Operating and capital grants contributions increased by \$1.8 million due to receiving additional Department of Transportation grants, Fire Staffing for Adequate Fire and Emergency Response grants and a 2016 Community Oriented Policing Services grant.

Management's Discussion and Analysis (*continued*)

Expenses in total were higher compared to the prior year by \$26,430,028, or 17.7%, due to increase claim payments made for our Insurance funds. Additionally, the volume of grant expense activity was significantly higher compared to the prior year due to new grant funded projects and construction phase projects started in 2017.

Business-type activities. Business-type activities increased the City's net position by \$36,086,839. This increase is attributed to a healthy net position in our Water and Sewer Fund which generated an increase in net position by \$34.3 million and increase in our business-type capital assets. The Sewer fund has been able to manage their operational revenues due to rate increases to ensure they meet the debt ratio requirements set by Council. In addition, the Water Fund implemented a rate increase of 25.0% in FY 16-17 to manage their debit ratio requirements and their capital needs for the City's water infrastructure.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The general government functions are contained in the general, special revenue, capital projects, and debt service funds. The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2017, the City's governmental funds reported combined fund balances of \$120,081,372 an increase of \$3,027,618 from the prior year. The total unassigned fund balance for the governmental funds was \$1,353,014, which includes a positive \$4,509,693, which represents the General Fund unassigned fund balance that is available to meet the City's current and future needs. The remainder of fund balance is *nonspendable, restricted, committed and assigned* to indicate that it is *not* available for new spending because certain constraints have been placed on the use of the balances. The unassigned fund balance for the General Fund decreased due to the Council approving \$12.8 million being accounted for as emergency reserves which required Council authority to utilize these funds.

The General Fund is the chief operating fund of the City. At June 30, 2017, unassigned fund balance of the General Fund was \$4,509,693 while total fund balance was \$29,649,768. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 2.8% of total General Fund expenditures, while total fund balance represents 25.4% of that same amount. The prior year ratios were 11.6% and 24.5%, respectively.

The Housing and Community Development fund accounts for the grants and funds received to disburse for projects developed and administered under the Housing and Community Development Act. At June 30, 2017, total fund balance was \$27,231,611, an increase of \$1,698,378 from prior year. This increase is attributed to new program income received to fund future low income project activity.

Revenues of governmental funds totaled \$159,396,110 in fiscal year 2016-17, which represents a decrease of \$262,877 from fiscal year 2015-16.

Expenditures of governmental funds totaled \$161,183,448 in fiscal year 2016-17, representing an increase of \$5,111,612 from fiscal year 2015-16.

Management's Discussion and Analysis *(continued)*

The following table presents governmental fund revenues from various sources, with comparisons to the prior year:

Revenues Classified by Source – Governmental Funds

Revenues by Source	FY 2017		FY 2016		% Change
	Amount	Percent	Amount	Percent	
Taxes	\$57,045,850	35.8%	\$54,965,459	34.3%	3.8%
Licenses and permits	201,445	0.1%	186,624	0.1%	7.9%
Intergovernmental	72,069,739	45.2%	76,317,229	47.8%	-5.6%
Charges for services	24,454,286	15.3%	20,429,860	12.8%	19.7%
Special assessments	3,014,768	1.9%	3,168,260	2.0%	-4.8%
Interest and rent	1,402,387	0.9%	1,297,734	0.8%	8.1%
Net increase (decrease) in fair value	(572,616)	-0.4%	102,422	0.1%	-659.1%
Fines and forfeits	1,263,407	0.8%	904,802	0.6%	39.6%
Miscellaneous	516,844	0.4%	2,286,597	1.5%	-77.4%
Total	\$159,396,110	100.0%	\$159,658,987	100.0%	-0.2%

- Taxes – Revenues for property and business license taxes came in higher than the prior year due to an ongoing positive upturn in the economy and increased collection and compliance efforts by City staff.
- Intergovernmental – Revenues decreased by \$4.2 million due to a decrease in funding from the various Housing and Urban Development programs. Additionally, in our Capital Grants the Pelandale Interchange project continued to decrease in grant funding by \$3.2 million due to the project approaching the completion.
- Charges for Services – Revenues increased by \$4.0 million due to the Capital Facility Funds collecting an increase in revenue for the building permits issued for all new construction or additional square footage built within the City of Modesto.
- Interest and rent – Revenues increased due to increases to our interest earnings based on on-going improvements to the City's investment strategy which has increased our return on investment in the City's portfolio.

The following table presents expenditures by function compared to prior year amounts.

Expenditures by Function – Governmental Funds

Exp by Function	FY 2017		FY 2016		% Change
	Amount	Percent	Amount	Percent	
General government	\$11,542,131	7.2%	\$12,414,982	8.0%	-7.0%
Community development	13,264,050	8.2%	12,453,678	8.0%	6.5%
Highways and streets	9,240,654	5.7%	8,498,783	5.4%	8.7%
Public works	10,919,102	6.8%	10,393,169	6.7%	5.1%
Parks and recreation	3,269,360	2.0%	3,385,484	2.2%	-3.4%
Public safety	86,475,891	53.7%	84,022,670	53.8%	2.9%
Capital outlay	21,431,186	13.3%	19,817,025	12.7%	8.1%
Debt Service-principal retirement	2,535,093	1.6%	2,345,362	1.5%	8.1%
Debt Service-interest charges	2,075,202	1.3%	2,043,278	1.3%	1.6%
Debt Service-other	430,779	0.3%	697,405	0.4%	-38.2%
Total	\$161,183,448	100.0%	\$156,071,836	100.0%	3.3%

The following provides an explanation of the expenditures by function that changed significantly over the prior year:

- Public Works – Expenditures increased by \$525,933 or 5.1% due to increase cost related to the park maintenance services contract for landscaping services. Personnel cost increased due to pay increase and employer retirement cost.

Management's Discussion and Analysis *(continued)*

- Highways and Streets – Expenditures increased by \$741,871 or 8.7% over the prior year, due to staff pay increases and employer retirement cost.
- Public safety – Expenditures increased by \$2,453,221 or 2.9% over the prior year, due to an increase of expenses for police services. These increases were attributed to continuous increases to workers' compensation cost for police, information technology and police equipment and salary and benefit increase for the police department.
- Capital outlay – Expenditures increased by \$1,614,161 or 8.1% reflects an increase for the General Fund due to a new capital lease agreement with Pierce Manufacturing Inc. for the purchase of five Velocity Pumpers and two Velocity Tillers in the amount of \$5,883,756.

Other financing sources and uses are presented below to illustrate changes from the prior year:

	FY 2017	FY 2016	Increase/(Decrease)	
			Amount	Percent
Transfers in	\$5,559,720	\$6,960,425	(\$1,400,705)	-20.1%
Transfers out	(6,659,759)	(10,572,346)	3,912,587	-37.0%
Capital leases	5,883,756	330,947	5,552,809	1678%
Sale of assets	31,239	106,582	(75,343)	-70.7%
Net financing (uses)	<u>\$4,814,956</u>	<u>(\$3,174,392)</u>	<u>\$7,989,348</u>	<u>-251.7%</u>

Transfers - The City uses interfund transfers to: (1) move resources from a fund to other funds that will utilize them in accordance with statutory and budgetary requirements, (2) utilize unrestricted resources collected in the General Fund to help finance various programs and capital projects accounted for in other funds in accordance with budgetary authorization, and (3) move cash to pay debt service to the funds that are responsible for payment as those payments become due.

- The net financing (uses) from governmental funds for 2017 were \$4,814,956 compared to \$(3,174,392) in the prior year. This net transfer is to various City funds including transferring funds from the General Fund, Capital Facility Fee funds, Fleet Fund and the Public Financing Authority to cover the debt service payments, fleet replacement and various transfers to cover City grant matches.

Debt transactions – A lease was issued in 2017 for the purchase of five Velocity Pumpers and two Velocity Tillers in the amount of \$5,883,756.

The fund balance of the City's General Fund increased by \$2,584,047 during the fiscal year. This result is consistent with the City Council's budgetary direction to reduce spending and identify additional revenue sources that would allow the General Fund to retain an unrestricted reserve that meets the City Council's adopted 8% unassigned fund balance amount based on General Fund outflows.

Proprietary funds. The City's proprietary fund disclosures provide the same type of information found in the government-wide financial statements, but in more detail.

The following table shows actual revenues, expenses and results of operations of enterprise funds for the current fiscal year:

	Major Funds			Nonmajor Funds	
	Water	Sewer	Bus	Other	Total
Operating revenues	\$69,075,873	\$48,560,533	\$3,253,046	\$19,354,539	\$140,243,991
Operating expenses	(54,702,478)	(31,487,425)	(20,980,818)	(24,109,645)	(131,280,366)
Operating income (loss)	14,373,395	17,073,108	(17,727,772)	(4,755,106)	8,963,625
Nonoperating revenues (expenses), net	(7,922,243)	(2,782,442)	13,896,138	1,381,648	4,573,101
Income (loss) before capital contributions and transfers	6,451,152	14,290,666	(3,831,634)	(3,373,458)	13,536,726
Contributions and transfers	(491,672)	14,034,751	4,021,589	3,803,246	21,367,914
Changes in net position	<u>\$5,959,480</u>	<u>\$28,325,417</u>	<u>\$189,955</u>	<u>\$429,788</u>	<u>\$34,904,640</u>

Management's Discussion and Analysis *(continued)*

The Water fund had a 25.0% rate increase in September 2016 and the Sewer fund had a rate increase of 6.0% in fiscal year 2016-17. Based on these rate increases the Water and Sewer funds had an increase in their operating revenue which increased their net position.

A pollution remediation liability was reported for the Water and Sewer fund in the amounts of \$8,677,433 and \$7,495,053, respectively based on net recoveries the City has received from various settlements. Additional information regarding these liabilities can be found under Note II-M.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget to actual information for the General Fund is presented as Required Supplementary Information, beginning on page 81-82 of this report.

While the City Council amended the budget several times through the year, the differences between the original budget and the final amended budget for the General Fund were increased overall mainly due to an increase in intergovernmental revenue, charges for services and fines and forfeit revenue. The estimated revenues increased about \$351,897 while total appropriations were increased \$6,459,381. These amendments were to adjust the actual beginning balances and carryovers after closing the prior fiscal year, and to reflect adjustments to current estimates based on the periodic monitoring of revenue and expenditures throughout the year.

Revenues came in \$3,716,114 more than final estimates. Variances in Property Taxes \$939,277, Business License Taxes \$775,834, Other Intergovernmental \$724,586 and Charges for Services Revenue \$1,005,197 were due to an increase in collection and compliance efforts and increases in property values.

Expenditures, overall, were \$6,269,336 under budget, primarily due to efforts of departments to realize savings, and certain purchases being deferred to future periods.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounted to \$1,290,230,567 (net of accumulated depreciation). The total increase in the City's investment in capital assets compared to 2016 was 1.0%.

Capital assets net of depreciation, for the governmental and business-type activities are presented below to illustrate changes from the prior year.

	Governmental		Business-type		Total		Increase (decrease) Percent Change	\$ Change
	2017	2016	2017	2016	2017	2016		
Land	\$28,267,446	\$33,219,069	\$33,854,403	\$33,515,655	\$62,121,849	\$66,734,724	-7%	(\$4,612,875)
Capitalized interest	-	-	8,248,418	9,223,227	8,248,418	9,223,227	-11%	(974,809)
Buildings	12,940,877	14,603,828	37,386,768	40,330,338	50,327,645	54,934,166	-8%	(4,606,521)
Improvements	54,172,467	57,067,075	144,507,172	143,743,848	198,679,639	200,810,923	-1%	(2,131,284)
Furnishings and equipment	3,095,376	3,330,779	5,139,465	5,204,484	8,234,841	8,535,263	-4%	(300,422)
Intangible assets	3,583,041	4,022,157	118,222	155,976	3,701,263	4,178,133	-11%	(476,870)
Equipment pool	13,980,519	13,053,646	-	-	13,980,519	13,053,646	7%	926,873
Service animals	17,334	25,844	-	-	17,334	25,844	-33%	(8,510)
Water rights	-	-	274,640,462	286,581,352	274,640,462	286,581,352	-4%	(11,940,890)
Streets	203,598,507	211,616,811	-	-	203,598,507	211,616,811	-4%	(8,018,304)
Signalization	4,630,398	5,043,639	-	-	4,630,398	5,043,639	-8%	(413,241)
Bridges	29,213,408	29,947,394	-	-	29,213,408	29,947,394	-3%	(733,986)
Buses & fareboxes	25,103	25,103	16,298,419	14,192,976	16,323,522	14,218,079	15%	2,105,443
Pipelines	-	-	118,596,803	119,208,492	118,596,803	119,208,492	-1%	(611,689)
Construction in progress	66,144,481	49,050,112	231,771,478	201,922,158	297,915,959	250,972,270	19%	46,943,689
Total	\$419,668,957	\$421,005,457	\$870,561,610	\$854,078,506	\$1,290,230,567	\$1,275,083,963	1%	\$15,146,604

Management's Discussion and Analysis *(continued)*

Major capital asset events during the current fiscal year included the following:

- **Equipment Pool** – Over 80 equipment vehicles were purchased or placed in service in fiscal year 2016-17 in the amount of \$2.7 million.
- **Buses and fareboxes** – 11 new buses or refurbish buses were purchased or placed in service in fiscal year 2016-17.
- **Construction in progress** – On-going water and wastewater construction projects related to improvements to our water and wastewater system were made in fiscal year 2016-17. Additionally, the Pelandale Interchange project is close to completion and continually cost increased by \$10.2 million.

The City's infrastructure assets are recorded at historical cost in the government-wide financial statements. Depreciation expense is recorded using the straight-line method, based on estimated useful life of the asset. Additional information on the City's capital assets can be found in note II-B on pages 45-46 of this report.

The City had major capital commitments for contracts awarded for various construction projects. As of June 30, 2017, there were major contracts awarded for water, sewer system improvements, State Route 132 Project, and major street improvements throughout the City in the amount of \$32.4 million for both governmental and business-type funds. Additional information on the City's commitments can be found in note III-D on page 64 of this report.

Long-term debt

At June 30, 2017, the City had total long-term liabilities outstanding of \$432,837,066 net of unamortized discounts and premiums, as compared to \$434,376,344 in the prior year. This amount was comprised of \$54,470,000 of lease revenue bonds, \$47,630,552 of certificates of participation, \$31,605,936 of revenue bonds payable, \$127,484,358 of reimbursement agreement related to Modesto Irrigation District bonds, \$9,141,881 of estimated compensated absences, \$27,884,781 of claims liability, \$124,780,500 of loans payable, \$1,145,338 of developer advances, \$6,358,720 of capital leases, and \$2,335,000 of notes payable.

Overall, the long-term debt decreased was mainly due to the principal payments made during the fiscal year. Additional information on the City's long-term debt can be found in Note II-C on pages 47-57 of this report.

The City maintains a current bond rating for the various bonds listed below.

BONDS	Moody's Rating	S & P Rating	Fitch Rating
1993 Golf Certificates of Participation		AA-	
Wastewater Revenue Bonds, Series 2006A	A2	AA	AA-
2008 Lease Revenue Bonds		A/A-1	A+
2008 Water Certificates of Participation	Aa3	AA+/A-1	

Modesto maintains an Employee Benefits internal service fund (EBF) to pay a portion of retiree health benefits and other employee related expenses. As of June 30, 2017, the net OPEB obligation amounts to approximately \$54.5 million. This contributes significantly to the Employee Benefit Fund's \$55.0 million deficit net position. Additional information on the City's EBF can be found in Notes II-H, III-F and III-G.

Economic Factors and Next Year's Budget and Rates

- **Consumer Price Index** – Growth in the CPI has been relatively stable during the past ten years and serves as a measure for the growth in the cost for supplies and services used by the City. In the fiscal year ended June 30, 2017, the CPI-Western Urban Index increased by 2.6%.
- **Utility Service Charges** - Water and Sewer utility rates have a 25.0% and 6.0% scheduled rate increase for fiscal year 2016-17. For the Water and Sewer utility rates, these planned rate increases was effective on

Management's Discussion and Analysis (continued)

July 2016 for Sewer and September 2016 for Water. These rate increases will be used to assist with maintaining the debt coverage ratio requirements and related capital improvements for the utility funds.

All of these factors were considered in preparing the City's budget for fiscal year 2017-18.

During the current fiscal year, fund balance in the General Fund increased by \$2,584,047, to \$29,649,768, which represents 24.1% of total General Fund outflows which exceeds the City Council's target value of 8% unassigned fund balance amount based on General Fund outflows. The budget adopted for fiscal year 2017-18 reflects the Council policy reserve level of 8% of the fund's total operating expenditures. This amount is reported as part of the unassigned fund balance.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's financial condition. Questions concerning any of the information provided in this report and requests for additional financial information should be addressed to the City of Modesto, Attention: Finance Department, P.O. Box 642, Modesto, CA 95353.

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BASIC FINANCIAL STATEMENTS

CITY OF MODESTO
STATEMENT OF NET POSITION
JUNE 30, 2017

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$ 54,015,114	\$ 177,408,853	\$ 231,423,967
Accounts receivable, net	2,395,270	1,457,094	3,852,364
Interest receivable	397,988	514,820	912,808
Utility billings receivable, net	786,504	13,210,981	13,997,485
Taxes receivable	11,912,425	1,752	11,914,177
Due from governments, net	11,028,508	17,968,968	28,997,476
Prepaid expenses	547,337	2,633,422	3,180,759
Internal balances	7,251,572	(7,251,572)	-
Inventories	19,142	34,616	53,758
Investments in joint ventures	9,508,617	-	9,508,617
Restricted assets:			
Cash and cash equivalents	61,097,903	24,044,617	85,142,520
Cash and cash equivalents with fiscal agent	5,744,571	14,662,154	20,406,725
Due from governments, net	111,743	-	111,743
Reimbursement agreement	15,796,300	-	15,796,300
Notes and loan receivable, net	54,208,522	-	54,208,522
Capital assets:			
Land and construction in progress	94,411,927	265,625,881	360,037,808
Other capital assets, net of accumulated depreciation	325,257,030	604,935,729	930,192,759
Total assets	<u>654,490,473</u>	<u>1,115,247,315</u>	<u>1,769,737,788</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred pensions	46,619,235	10,683,150	57,302,385
Loss on refunding	-	940,799	940,799
Accumulated decrease in fair value of hedging derivatives	9,456,835	33,207,249	42,664,084
Total deferred outflows of resources	<u>56,076,070</u>	<u>44,831,198</u>	<u>100,907,268</u>
Total assets and deferred outflows of resources	<u>710,566,543</u>	<u>1,160,078,513</u>	<u>1,870,645,056</u>
<u>LIABILITIES</u>			
Accounts payable	5,634,080	10,589,858	16,223,938
Accrued salaries and benefits	2,024,650	597,281	2,621,931
Approved loans payable	246,654	-	246,654
Interest payable	29,239	223,592	252,831
Unearned revenue	2,081,389	7,538,904	9,620,293
Refundable deposits	3,664,085	2,518,656	6,182,741
Derivative instrument - interest swap	9,456,835	33,207,249	42,664,084
Pollution remediation liability	-	18,772,486	18,772,486
Long-term liabilities:			
Due within one year	11,378,420	13,682,442	25,060,862
Due in more than one year	86,921,799	320,854,405	407,776,204
Net OPEB obligation	40,250,410	14,248,974	54,499,384
Net pension liability	229,264,281	45,211,806	274,476,087
Total liabilities	<u>390,951,842</u>	<u>467,445,653</u>	<u>858,397,495</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred pensions	10,503,691	2,347,701	12,851,392
Total liabilities and deferred inflows of resources	<u>401,455,533</u>	<u>469,793,354</u>	<u>871,248,887</u>
<u>NET POSITION</u>			
Net investment in capital assets	376,743,556	555,163,217	931,906,773
Restricted for:			
Capital projects	49,191,971	-	49,191,971
Housing and community development	55,297,487	-	55,297,487
Other purposes	19,361,624	21,525,961	40,887,585
Unrestricted	(191,483,628)	113,595,981	(77,887,647)
Total net position	<u>\$ 309,111,010</u>	<u>\$ 690,285,159</u>	<u>\$ 999,396,169</u>

The notes to basic financial statements are an integral part of this statement.

**CITY OF MODESTO
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2017**

	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTIONS/PROGRAMS:				
Governmental activities:				
General government	\$ 13,945,824	\$ 5,082,405	\$ -	\$ -
Community development	15,419,529	10,378,999	4,293,247	-
Highways and streets	22,481,002	1,101,813	-	2,096,237
Public works	13,169,149	5,908,332	-	-
Parks and recreation	3,947,898	1,614,443	-	21,630
Public safety	104,348,464	4,847,914	757,524	-
Interest on long-term debt	2,500,849	-	-	-
Total governmental activities	<u>175,812,715</u>	<u>28,933,906</u>	<u>5,050,771</u>	<u>2,117,867</u>
Business-type activities:				
Water	63,008,231	69,075,873	80,920	-
Sewer	36,248,877	49,905,078	245,540	13,823,598
Bus	21,979,360	3,253,046	15,020,647	4,020,089
Parking	1,628,226	1,284,269	-	-
Storm drain	6,119,472	5,910,988	-	-
Compost	9,648,481	8,903,917	325,147	-
Airport	1,744,557	596,152	303,449	1,773,826
Golf	2,871,167	2,236,100	-	-
Community center	1,934,179	305,436	-	-
Abatement and public nuisance	51,624	117,677	-	-
Total business-type activities	<u>145,234,174</u>	<u>141,588,536</u>	<u>15,975,703</u>	<u>19,617,513</u>
Total	\$ <u>321,046,889</u>	\$ <u>170,522,442</u>	\$ <u>21,026,474</u>	\$ <u>21,735,380</u>

General revenues:

Taxes:

Utility users tax

Property taxes, levied for general purposes

Property taxes, generated by and allocated to the airport

Transient occupancy tax

Franchise tax

Business license tax, levied for general purposes

Business license tax, levied for downtown improvement district

Intergovernmental revenue:

Sales tax (state appropriation)

Motor vehicle license fee

Gas tax funding

Community facilities district fees

Special assessments, levied

Other

Unrestricted investment earnings

Miscellaneous

Transfers, net

Total general revenues and transfers

Changes in net position

Net position, July 1

Net position, June 30

The notes to basic financial statements are an integral part of this statement.

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (8,863,419)	\$ -	\$ (8,863,419)
(747,283)	-	(747,283)
(19,282,952)	-	(19,282,952)
(7,260,817)	-	(7,260,817)
(2,311,825)	-	(2,311,825)
(98,743,026)	-	(98,743,026)
(2,500,849)	-	(2,500,849)
<u>(139,710,171)</u>	<u>-</u>	<u>(139,710,171)</u>
-	6,148,562	6,148,562
-	27,725,339	27,725,339
-	314,422	314,422
-	(343,957)	(343,957)
-	(208,484)	(208,484)
-	(419,417)	(419,417)
-	928,870	928,870
-	(635,067)	(635,067)
-	(1,628,743)	(1,628,743)
-	66,053	66,053
<u>-</u>	<u>31,947,578</u>	<u>31,947,578</u>
<u>(139,710,171)</u>	<u>31,947,578</u>	<u>(107,762,593)</u>
20,113,023	-	20,113,023
15,384,518	-	15,384,518
-	199,124	199,124
2,669,484	-	2,669,484
6,431,223	-	6,431,223
12,255,062	-	12,255,062
192,540	-	192,540
30,204,125	-	30,204,125
15,385,069	-	15,385,069
3,968,029	-	3,968,029
1,830	-	1,830
3,014,768	-	3,014,768
15,842,047	-	15,842,047
362,856	872,935	1,235,791
515,206	1,316,801	1,832,007
(1,750,401)	1,750,401	-
<u>124,589,379</u>	<u>4,139,261</u>	<u>128,728,640</u>
(15,120,792)	36,086,839	20,966,047
<u>324,231,802</u>	<u>654,198,320</u>	<u>978,430,122</u>
<u>\$ 309,111,010</u>	<u>\$ 690,285,159</u>	<u>\$ 999,396,169</u>

CITY OF MODESTO
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	<u>General</u>	<u>Housing and Community Development</u>	<u>Other Governmental</u>	<u>Total Governmental</u>
<u>ASSETS</u>				
Cash and cash equivalents	\$ 13,137,675	\$ 3,657,936	\$ 9,218,022	\$ 26,013,633
Receivables:				
Accounts, net	622,180	22,331	436,094	1,080,605
Interest	91,031	7,447	127,939	226,417
Utilities, net	786,504	-	-	786,504
Taxes	11,508,097	-	404,328	11,912,425
Due from governments	1,612,050	778,929	8,592,238	10,983,217
Due from other funds	5,212,884	-	-	5,212,884
Prepaid expenditures	54,842	-	1,007	55,849
Restricted assets:				
Cash and cash equivalents	1,970,622	-	50,312,569	52,283,191
Cash and cash equivalents with fiscal agent	-	-	5,594,309	5,594,309
Due from governments	-	-	111,743	111,743
Notes receivable, net	-	51,927,343	2,281,179	54,208,522
Advances to other funds	2,460,304	-	80,000	2,540,304
Total assets	\$ 37,456,189	\$ 56,393,986	\$ 77,159,428	\$ 171,009,603
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</u>				
Liabilities:				
Accounts payable	\$ 1,737,760	\$ 832,327	\$ 1,982,116	\$ 4,552,203
Accrued salaries and benefits	1,647,546	10,740	239,313	1,897,599
Accrued interest payable	-	6,778	1,634	8,412
Approved loans payable	-	246,654	-	246,654
Due to other funds	-	-	4,682,858	4,682,858
Unearned revenue	425,631	-	1,559,372	1,985,003
Refundable deposits	3,643,905	-	20,180	3,664,085
Advances from other funds	188,647	-	1,226,414	1,415,061
Total liabilities	7,643,489	1,096,499	9,711,887	18,451,875
Deferred inflows of resources:				
Unavailable revenue	162,932	28,065,876	4,247,548	32,476,356
Fund balances:				
Nonspendable	2,515,146	-	81,007	2,596,153
Restricted	1,970,622	27,231,611	58,299,800	87,502,033
Committed	15,800,000	-	-	15,800,000
Assigned	4,854,307	-	7,975,865	12,830,172
Unassigned	4,509,693	-	(3,156,679)	1,353,014
Total fund balances	29,649,768	27,231,611	63,199,993	120,081,372
Total liabilities, deferred inflows of resources, and fund balances	\$ 37,456,189	\$ 56,393,986	\$ 77,159,428	\$ 171,009,603

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

Total fund balances - total governmental funds \$ 120,081,372

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

General capital assets:

Nondepreciable	\$ 91,923,693	
Depreciable	154,317,507	
Accumulated depreciation on general capital assets	(83,253,824)	
Infrastructure:		
Depreciable	569,094,750	
Accumulated depreciation on infrastructure	<u>(331,652,437)</u>	400,429,689

Other long-term assets are not available to pay for current-period expenditures and, therefore, are:

Deferred in the governmental funds	\$ 32,476,356	
Reimbursement agreement with Successor Agency	15,796,300	
Investments in joint ventures	<u>9,508,617</u>	57,781,273

Derivative instruments:

Rate swaps are not reported in governmental funds.	\$ (9,456,835)	
Deferred outflows of resources used to accumulate decreases in fair value of hedging derivatives also are not reported in governmental funds.	<u>9,456,835</u>	-

Internal service funds are used by management to charge the costs of activities to individual funds. The assets, liabilities, and deferred inflows of resources of internal service funds are included in governmental activities in the statement of net position. (20,971,112)

Deferred outflows and inflows of resources for pension items in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Deferred outflows of resources	\$ 44,238,755	
Deferred inflows of resources	<u>(9,833,502)</u>	34,405,253

Some liabilities, are not due and payable in the current period and therefore are not reported in the funds.

Net pension liability	\$ (218,930,918)	
Bonds payable, and other long-term debt	(63,663,720)	
Accrued interest	<u>(20,827)</u>	<u>(282,615,465)</u>

Net position of governmental activities \$ 309,111,010

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	General	Housing and Community Development	Other Governmental	Total Governmental
REVENUES:				
Taxes	\$ 55,259,431	\$ -	\$ 1,786,419	\$ 57,045,850
Licenses and permits	109,784	-	91,661	201,445
Intergovernmental	48,821,026	4,277,482	18,971,231	72,069,739
Charges for services	13,362,353	-	11,091,933	24,454,286
Special assessments levied	-	-	3,014,768	3,014,768
Interest and rent	819,908	-	582,479	1,402,387
Net decrease in fair value of investments	(206,156)	-	(366,460)	(572,616)
Fines and forfeits	560,250	-	703,157	1,263,407
Miscellaneous	85,573	3,242	428,029	516,844
Total revenues	<u>118,812,169</u>	<u>4,280,724</u>	<u>36,303,217</u>	<u>159,396,110</u>
EXPENDITURES:				
Current:				
General government	11,269,221	-	272,910	11,542,131
Community development	6,355,248	2,120,560	4,788,242	13,264,050
Highways and streets	-	-	9,240,654	9,240,654
Public works	6,516,710	-	4,402,392	10,919,102
Parks and recreation	3,203,519	-	65,841	3,269,360
Public safety	82,664,376	-	3,811,515	86,475,891
Capital outlay	6,438,534	-	14,992,652	21,431,186
Debt service:				
Principal retirement	467,093	233,000	1,835,000	2,535,093
Interest	15,884	50,951	2,008,367	2,075,202
Other	-	-	430,779	430,779
Total expenditures	<u>116,930,585</u>	<u>2,404,511</u>	<u>41,848,352</u>	<u>161,183,448</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,881,584</u>	<u>1,876,213</u>	<u>(5,545,135)</u>	<u>(1,787,338)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	836,204	-	4,723,516	5,559,720
Transfers out	(6,021,176)	(177,835)	(460,748)	(6,659,759)
Capital leases	5,883,756	-	-	5,883,756
Sale of assets	3,679	-	27,560	31,239
TOTAL OTHER FINANCING SOURCES (USES)	<u>702,463</u>	<u>(177,835)</u>	<u>4,290,328</u>	<u>4,814,956</u>
CHANGES IN FUND BALANCES FUND BALANCES, JULY 1	<u>2,584,047</u>	<u>1,698,378</u>	<u>(1,254,807)</u>	<u>3,027,618</u>
FUND BALANCES, JUNE 30	<u>\$ 29,649,768</u>	<u>\$ 27,231,611</u>	<u>\$ 63,199,993</u>	<u>\$ 120,081,372</u>

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2017

Net change in fund balances - total governmental funds	\$	3,027,618
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	\$ 21,431,186	
Depreciation expense	<u>(17,811,385)</u>	3,619,801
In the statement of activities, only the gain or loss on the sales of capital assets is reported, whereas in the governmental funds, the proceeds from such sales increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the assets sold.		
		(5,678,850)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Change in unearned revenues	\$ 4,046,917	
Change in investments in joint ventures	<u>(697,409)</u>	3,349,508
Recognition of Successor Agency annual payment for their Reimbursement Agreement receivable associated with long-term debt.		
		(532,150)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal retirement	\$ 2,535,093	
Proceeds of long-term debt	<u>(5,883,756)</u>	(3,348,663)
Some expenses reported in the statement of activities require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in accrued interest	\$ 5,132	
Approved loan payable disbursement	575,000	
Pension expense associated with net pension liability	<u>(3,481,394)</u>	(2,901,262)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of internal service funds is reported with governmental activities.		
		<u>(12,656,794)</u>
Change in net position of governmental activities	\$	<u><u>(15,120,792)</u></u>

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
JUNE 30, 2017

	Enterprise					Internal Service
	Water	Sewer	Bus	Other Enterprise	Total Enterprise	
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 76,319,916	\$ 77,052,149	\$ 6,612,999	\$ 17,423,789	\$ 177,408,853	\$ 28,001,481
Receivables:						
Accounts, net	6,793	39,013	93,013	1,318,275	1,457,094	1,314,665
Interest	213,480	232,073	14,809	54,458	514,820	171,571
Taxes	-	-	-	1,752	1,752	-
Utilities, net	7,819,393	4,582,431	-	809,157	13,210,981	-
Prepaid expenses	2,539,751	27,072	42,339	24,260	2,633,422	491,488
Due from governments	803,454	12,426,232	4,441,449	297,833	17,968,968	45,291
Inventories	-	95	-	34,521	34,616	19,142
Total current assets	<u>87,702,787</u>	<u>94,359,065</u>	<u>11,204,609</u>	<u>19,964,045</u>	<u>213,230,506</u>	<u>30,043,638</u>
Noncurrent assets:						
Advances to other funds	110,814	889,200	-	-	1,000,014	88,647
Restricted cash and cash equivalents	9,770,756	14,273,861	-	-	24,044,617	8,814,712
Restricted cash and cash equivalents with fiscal agent	12,502,170	1,474,998	-	684,986	14,662,154	150,262
Land and construction in progress	64,869,479	182,252,098	4,283,145	14,221,159	265,625,881	2,488,234
Other capital assets, net of accumulated depreciation	381,369,510	156,163,134	34,879,740	32,523,345	604,935,729	16,751,034
Total noncurrent assets	<u>468,622,729</u>	<u>355,053,291</u>	<u>39,162,885</u>	<u>47,429,490</u>	<u>910,268,395</u>	<u>28,292,889</u>
Total assets	<u>556,325,516</u>	<u>449,412,356</u>	<u>50,367,494</u>	<u>67,393,535</u>	<u>1,123,498,901</u>	<u>58,336,527</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred pensions	3,913,247	3,901,518	675,660	2,192,705	10,683,150	2,380,480
Loss on refunding	452,045	488,754	-	-	940,799	-
Accumulated decrease in fair value of hedging derivatives	33,207,249	-	-	-	33,207,249	-
Total deferred outflows of resources	<u>37,572,541</u>	<u>4,390,272</u>	<u>675,660</u>	<u>2,192,705</u>	<u>44,831,198</u>	<u>2,380,480</u>
Total assets and deferred outflows of resources	<u>\$ 593,898,057</u>	<u>\$ 453,802,628</u>	<u>\$ 51,043,174</u>	<u>\$ 69,586,240</u>	<u>\$ 1,168,330,099</u>	<u>\$ 60,717,007</u>
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 2,886,278	\$ 2,905,953	\$ 2,694,636	\$ 2,102,991	\$ 10,589,858	\$ 1,081,877
Accrued salaries and benefits	209,281	216,862	37,515	133,603	597,281	127,051
Interest payable	3,765	185,937	-	33,890	223,592	-
Due to other funds	-	-	-	530,026	530,026	-
Current portion - compensated absences	-	-	-	-	-	3,176,739
Current portion - claims liability	-	-	-	-	-	5,682,904
Current portion - long-term debt	4,925,149	7,478,616	-	355,000	12,758,765	-
Current portion - developer advances	93,112	-	-	-	93,112	-
Unearned revenue	4,635	737,926	6,337,253	459,090	7,536,904	96,386
Total current liabilities	<u>8,122,220</u>	<u>11,525,314</u>	<u>9,069,404</u>	<u>3,614,600</u>	<u>32,331,538</u>	<u>10,164,957</u>
Noncurrent liabilities:						
Payable from restricted assets - refundable deposits	1,408,341	1,110,315	-	-	2,518,656	-
Advances from other funds	-	-	-	2,213,904	2,213,904	-
Compensated absences	-	-	-	-	-	5,965,142
Claims liability	-	-	-	-	-	22,201,877
Derivative instrument - interest swap	33,207,249	-	-	-	33,207,249	-
Pollution remediation liability	8,677,433	7,495,053	-	2,600,000	18,772,486	-
Long-term debt:						
Reimbursement agreement related to MID debt	122,949,358	-	-	-	122,949,358	-
Revenue bonds payable	-	29,211,432	-	-	29,211,432	-
Loans payable	426,398	118,744,841	-	-	119,171,239	-
Certificates of participation	44,345,552	-	-	2,565,000	46,910,552	-
Developer advances	1,052,226	-	-	-	1,052,226	-
Net OPEB obligation	-	-	-	-	-	54,499,384
Net pension liability	16,822,777	16,367,801	2,759,942	9,261,286	45,211,806	10,333,363
Total noncurrent liabilities	<u>228,689,334</u>	<u>172,929,442</u>	<u>2,759,942</u>	<u>16,640,190</u>	<u>421,218,908</u>	<u>92,999,766</u>
Total liabilities	<u>237,011,554</u>	<u>184,454,756</u>	<u>11,829,346</u>	<u>20,254,790</u>	<u>453,550,446</u>	<u>103,164,723</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred pensions	971,135	815,014	124,743	436,809	2,347,701	670,189
NET POSITION						
Net investment in capital assets	286,546,747	184,944,095	39,162,885	44,509,490	555,163,217	19,239,268
Restricted for other purposes	8,362,415	13,163,546	-	-	21,525,961	8,814,712
Unrestricted	61,006,206	70,425,217	(73,800)	4,385,151	135,742,774	(71,171,885)
Total net position	<u>355,915,368</u>	<u>268,532,858</u>	<u>39,089,085</u>	<u>48,894,641</u>	<u>712,431,952</u>	<u>(43,117,905)</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 593,898,057</u>	<u>\$ 453,802,628</u>	<u>\$ 51,043,174</u>	<u>\$ 69,586,240</u>	<u>\$ 1,168,330,099</u>	<u>\$ 60,717,007</u>
Adjustment to reflect the consolidation of internal service fund activities					(22,146,793)	
Net position of business-type activities					<u>\$ 690,285,159</u>	

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	Enterprise				Total Enterprise	Internal Service
	Water	Sewer	Bus	Other Enterprise		
OPERATING REVENUES:						
Charges for services	\$ 68,896,549	\$ 48,559,686	\$ 2,777,228	\$ 19,330,481	\$ 139,563,944	\$ 39,780,791
Sales	-	-	-	-	-	1,486,322
Miscellaneous	179,324	847	475,818	24,058	680,047	-
Total operating revenues	<u>69,075,873</u>	<u>48,560,533</u>	<u>3,253,046</u>	<u>19,354,539</u>	<u>140,243,991</u>	<u>41,267,113</u>
OPERATING EXPENSES:						
Salaries and wages	8,377,197	8,304,335	1,430,275	5,234,975	23,346,782	4,582,141
Cost of sales	-	-	-	-	-	1,111,541
Contractual services	8,223,537	2,117,430	12,873,108	5,164,224	28,378,299	5,576,258
Utilities	2,012,949	3,092,743	160,043	605,763	5,871,498	260,957
Maintenance and supplies	2,869,316	2,605,825	2,046,094	4,559,210	12,080,445	2,683,893
Water purchases	10,436,459	-	-	-	10,436,459	-
Insurance	183,037	420,836	34,319	264,086	902,278	16,355,662
Claims	-	-	-	-	-	13,619,346
Employee benefits	3,226,818	2,063,081	569,719	2,004,893	7,864,511	4,244,621
Administration services	985,297	3,185,779	839,572	3,173,510	8,184,158	643,735
Allocated indirect administrative costs	1,193,621	642,202	285,638	440,394	2,541,855	274,466
Depreciation	17,194,247	9,055,194	2,762,050	2,662,590	31,674,081	3,028,262
Total operating expenses	<u>54,702,478</u>	<u>31,487,425</u>	<u>20,980,818</u>	<u>24,109,645</u>	<u>131,280,366</u>	<u>52,380,882</u>
OPERATING INCOME (LOSS)	<u>14,373,395</u>	<u>17,073,108</u>	<u>(17,727,772)</u>	<u>(4,755,106)</u>	<u>8,963,625</u>	<u>(11,113,769)</u>
NONOPERATING REVENUES (EXPENSES)						
Operating grants	80,920	245,540	15,020,647	628,596	15,975,703	-
Gain (loss) on disposition of capital assets	33,239	14,247	(1,155,602)	42,248	(1,065,868)	36,800
Tax revenue	-	-	-	199,124	199,124	-
Tax expense	(79,795)	(136,993)	-	(20,649)	(237,437)	-
Interest income	678,239	791,151	(18,507)	114,069	1,564,952	660,080
Net increase (decrease) in fair value of investments	77,762	(618,319)	(41,433)	(110,027)	(692,017)	(429,586)
Connection fees	-	1,344,545	-	-	1,344,545	-
Rental income	38,208	503,969	91,033	683,591	1,316,801	-
Interest expense and amortization	(8,306,138)	(4,922,906)	-	(151,666)	(13,380,710)	-
Trustee and letter of credit fees	(444,678)	(3,678)	-	(3,638)	(451,992)	-
Total nonoperating revenues (expenses)	<u>(7,922,243)</u>	<u>(2,782,442)</u>	<u>13,896,138</u>	<u>1,381,648</u>	<u>4,573,101</u>	<u>267,294</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>6,451,152</u>	<u>14,290,666</u>	<u>(3,831,634)</u>	<u>(3,373,458)</u>	<u>13,536,726</u>	<u>(10,846,475)</u>
Capital contributions	-	13,823,598	4,020,089	1,773,826	19,617,513	22,242
Transfers in	315,500	286,441	1,500	2,143,776	2,747,217	280,937
Transfers out	(807,172)	(75,288)	-	(114,356)	(996,816)	(931,299)
CHANGES IN NET POSITION	<u>5,959,480</u>	<u>28,325,417</u>	<u>189,955</u>	<u>429,788</u>	<u>34,904,640</u>	<u>(11,474,595)</u>
NET POSITION, JULY 1	<u>349,955,888</u>	<u>240,207,441</u>	<u>38,899,130</u>	<u>48,464,853</u>		<u>(31,643,310)</u>
NET POSITION, JUNE 30	<u>\$ 355,915,368</u>	<u>\$ 268,532,858</u>	<u>\$ 39,089,085</u>	<u>\$ 48,894,641</u>		<u>\$ (43,117,905)</u>
Adjustment to reflect the consolidation of internal service funds					1,182,199	
Change in net position of business-type activities					<u>\$ 36,086,839</u>	

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	Enterprise				Total Enterprise	Internal Service
	Water	Sewer	Bus	Other Enterprise		
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from customers and users	\$ 66,561,254	\$ 40,502,227	\$ 3,205,164	\$ 20,524,381	\$ 130,793,026	\$ 1,488,493
Receipts from interfund services provided	56,852	592,985	-	50,277	700,114	39,960,356
Payments to suppliers	(20,264,040)	(8,348,014)	(15,892,986)	(7,919,492)	(52,424,532)	(27,113,476)
Payment of insurance claims	-	-	-	-	-	(9,331,096)
Payments to employees	(11,714,198)	(10,455,703)	(2,013,527)	(7,303,167)	(31,486,595)	(10,228,381)
Payments for interfund services used	(5,808,557)	(6,521,778)	-	(7,117,090)	(19,447,425)	(1,878,025)
Net cash provided (used) by operating activities	<u>28,831,311</u>	<u>15,769,717</u>	<u>(14,701,349)</u>	<u>(1,765,091)</u>	<u>28,134,588</u>	<u>(7,102,129)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Operating grants received	80,920	245,540	15,024,531	628,596	15,979,587	-
Taxes received	-	-	-	199,124	199,124	-
Transfers in	315,500	131,719	1,500	2,143,776	2,592,495	279,785
Transfers out	(807,172)	(75,288)	-	(114,356)	(996,816)	(157,334)
Payments on advances from other funds	-	-	-	(34,200)	(34,200)	-
Receipts on advances to other funds	60,846	34,200	-	-	95,046	75,000
Net cash provided (used) by noncapital financing activities	<u>(349,906)</u>	<u>336,171</u>	<u>15,026,031</u>	<u>2,822,940</u>	<u>17,835,236</u>	<u>197,451</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and construction of capital assets	(15,132,918)	(27,899,450)	(3,699,403)	(2,630,145)	(49,361,916)	(4,045,577)
Proceeds from sale of capital assets	40,996	767,271	45,245	45,073	898,585	199,087
Proceeds of debt issues	-	3,254,000	-	-	3,254,000	-
Principal repayments	(4,802,643)	(7,086,336)	-	(340,000)	(12,228,979)	-
Interest paid	(7,904,142)	(4,213,149)	-	(117,776)	(12,235,067)	-
Trustee and letter of credit fees	(444,678)	(3,676)	-	(3,638)	(451,992)	-
Capital contributions	-	11,618,005	1,165,053	1,773,826	14,556,884	-
Connection fees for capital purposes	-	1,344,545	-	-	1,344,545	-
Net cash provided (used) by capital and related financing activities	<u>(28,243,385)</u>	<u>(22,218,790)</u>	<u>(2,489,105)</u>	<u>(1,272,660)</u>	<u>(54,223,940)</u>	<u>(3,846,490)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	644,253	782,312	(57,338)	75,344	1,444,571	636,149
Net increase (decrease) in the fair value of investments	77,762	(618,319)	-	(110,027)	(650,584)	(429,586)
Rental income received	38,208	503,969	91,033	683,591	1,316,801	-
Net cash provided (used) by investing activities	<u>760,223</u>	<u>667,962</u>	<u>33,695</u>	<u>648,908</u>	<u>2,110,788</u>	<u>206,563</u>
Net increase (decrease) in cash and cash equivalents	998,243	(5,444,940)	(2,130,728)	434,097	(6,143,328)	(10,544,605)
CASH AND CASH EQUIVALENTS, JULY 1	<u>97,594,599</u>	<u>98,245,948</u>	<u>8,743,727</u>	<u>17,674,678</u>	<u>222,258,952</u>	<u>47,511,060</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 98,592,842</u>	<u>\$ 92,801,008</u>	<u>\$ 6,612,999</u>	<u>\$ 18,108,775</u>	<u>\$ 216,115,624</u>	<u>\$ 36,966,455</u>
RECONCILIATION TO STATEMENT OF NET POSITION:						
Cash and cash equivalents	\$ 76,319,916	\$ 77,052,149	\$ 6,612,999	\$ 17,423,789	\$ 177,408,853	\$ 28,001,481
Restricted cash and cash equivalents	9,770,756	14,273,861	-	-	24,044,617	8,814,712
Restricted cash and cash equivalents with fiscal agent	12,502,170	1,474,998	-	684,986	14,662,154	150,262
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 98,592,842</u>	<u>\$ 92,801,008</u>	<u>\$ 6,612,999</u>	<u>\$ 18,108,775</u>	<u>\$ 216,115,624</u>	<u>\$ 36,966,455</u>

(continued)

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS (Continued)
FISCAL YEAR ENDED JUNE 30, 2017

	Enterprise				Total Enterprise	Internal Service
	Water	Sewer	Bus	Other Enterprise		
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	\$ 14,373,395	\$ 17,073,108	\$ (17,727,772)	\$ (4,755,106)	\$ 8,963,625	\$ (11,113,769)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation	17,194,247	9,055,194	2,762,050	2,662,590	31,674,081	3,028,262
Taxes paid	(79,795)	(136,993)	-	(20,649)	(237,437)	-
Change in assets, liabilities, and deferred resources:						
(Increase) decrease in accounts receivable	6,853	36,392	(22,353)	(34,634)	(13,742)	168,916
Increase in taxes receivable	-	-	-	(1,752)	(1,752)	-
Increase in utilities receivable	(1,890,496)	(576,954)	-	(32,383)	(2,499,833)	-
(Increase) decrease in due from governments	(675,090)	(6,766,127)	-	1,063,602	(6,377,615)	(26,448)
(Increase) decrease in prepaid expenses	(52,906)	9,077	(25,529)	40,018	(29,340)	(208,984)
Decrease in inventories	-	-	-	1,804	1,804	314,097
Increase (decrease) in accounts payable	285,294	38,884	325,788	(850,568)	(200,602)	(2,190,102)
Decrease in accrued salaries and benefits	(47,138)	(24,687)	(2,369)	(27,715)	(101,909)	(23,394)
Increase in compensated absences	-	-	-	-	-	351,931
Decrease in net OPEB obligation	-	-	-	-	-	(1,691,947)
Decrease in net pension liability and deferred resources	(63,045)	(63,600)	(11,164)	(35,584)	(173,393)	(38,209)
Increase in claims liability	-	-	-	-	-	4,288,250
Decrease in pollution remediation liability	(320,975)	(2,715,946)	-	-	(3,036,921)	-
Increase in due to other funds	-	-	-	187,646	187,646	-
Increase (decrease) in unearned revenue	4,635	(239,022)	-	37,640	(196,747)	-
Increase in refundable deposits	96,332	80,391	-	-	176,723	39,268
Total adjustments	14,457,916	(1,303,391)	3,026,423	2,990,015	19,170,963	4,011,640
Net cash provided (used) by operating activities	\$ 28,831,311	\$ 15,769,717	\$ (14,701,349)	\$ (1,765,091)	\$ 28,134,588	\$ (7,102,129)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:						
Capital asset transfers	\$ -	\$ 154,722	\$ -	\$ -	\$ 154,722	\$ (154,722)
Capital contribution from transfer of Empire Sanitary District	-	2,205,593	-	-	2,205,593	-
Interfund loan transfer correction	-	-	-	-	-	(618,091)
Amortization of debt items	600,014	10,447	-	-	610,461	-

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS
JUNE 30, 2017

	<u>Private-Purpose Trust</u>	<u>Agency</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 3,213,643	\$ 3,050,868
Cash and cash equivalents held with fiscal agent	1,977,938	2,942,479
Interest receivable	14,816	-
Other assets	9,924	-
Total assets	<u>5,216,321</u>	<u>\$ 5,993,347</u>
<u>LIABILITIES</u>		
Due to special district bondholders	\$ -	\$ 3,408,080
Deposits held as agent for others	-	2,585,267
Other payables	168,936	-
Due to other agencies	1,192,004	-
Loans payable:		
Due within one year	2,091,550	-
Due in more than one year	23,869,750	-
Total liabilities	<u>27,322,240</u>	<u>\$ 5,993,347</u>
<u>NET POSITION</u>		
Unrestricted	<u>\$ (22,105,919)</u>	

The notes to basic financial statements are an integral part of this statement.

CITY OF MODESTO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -
PRIVATE PURPOSE TRUST FUND
FISCAL YEAR ENDED JUNE 30, 2017

		Private-Purpose Trust
ADDITIONS:		
Redevelopment Agency Property Tax Trust Fund	\$	3,271,733
Gain on capital assets		568,950
Interest and Investment Revenue:		
Use of money and property		233,683
Total additions		4,074,366
DEDUCTIONS:		
Distribution of property taxes to other taxing entities		768,933
Obligation retirements:		
Interest on note payable		597,708
Administrative expenses:		
City administrative expenses		215,560
Depreciation expense		43,729
Total administrative expenses		259,289
Total deductions		1,625,930
Change in net position		2,448,436
Net position, July 1		(24,554,355)
Net position, June 30	\$	(22,105,919)

The notes to basic financial statements are an integral part of this statement.

**CITY OF MODESTO
NOTES TO BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2017**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

The City of Modesto (the City) was incorporated in 1884 and operates under a Council-Manager form of government as authorized by its charter adopted in 1951. The City Council consists of seven elected members. The following services are provided by the City to its citizens: public safety (fire and police), highways and streets, drinking water, wastewater collection and treatment, storm drainage, public transit, recreation, public improvements, community development, planning and zoning, and general administrative services.

These financial statements present the financial status of the City and its component units. The component units discussed in the following paragraphs are included in the City's reporting entity because the City is financially accountable for their operations.

1. The MPFA (Modesto Public Financing Authority) was established as a separate legal entity whose sole purpose is to provide financing for various City capital projects.
2. The City of Modesto has established several Community Facilities Districts to provide funding and reimbursement mechanisms for public facilities and services required by each District Specific Plan. These Districts are the vehicles used to ensure that all landowners in the Districts contribute to the cost of public improvements. There are currently nine active Districts, which are combined for presentation in these financial statements. Individual component unit financial statements are prepared for each District.

The Redevelopment Successor Agency (Successor Agency) operates under the auspices of a legislatively formed Oversight Board comprised of representatives of the local agencies that serve the development project area. The Oversight Board, in its fiduciary capacity, has authority over the operations and the timely dissolution of the former Redevelopment Agency (RDA). It is tasked with fulfilling the obligations of the former RDA, and is also responsible for revenue collection, maintaining necessary loan reserves and disposing of excess property. This agency is reported as a private-purpose trust fund based on the generally accepted accounting standards requirement.

Although these component units are legally separate from the City, they are reported on a blended basis as part of the primary government because their boards consist of all seven members of the City Council and operational responsibility. There is an operational responsibility for the City related to these component units and for the MPFA it provides services solely for the City. Component unit financial statements may be obtained from the City's Finance Department.

The joint ventures and jointly governed organizations described in Note III-E are not considered part of the reporting entity because the City is not financially accountable for their operations.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. BASIS OF PRESENTATION, BASIS OF ACCOUNTING, AND MEASUREMENT FOCUS

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. For grant revenues, the City considers this type of revenue to be available if collected within 180 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest, compensated absences, claims and judgement expenditures are recorded as fund liabilities when due or when amounts have been accumulated in the debt service funds for payments to be made early in the following year.

Substantially all property taxes, taxpayer-assessed taxes (such as sales and use, utility users, business license, transient occupancy, franchise fees, and gas taxes), interest, special assessments levied, state and federal grants, and charges for current services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Revenues from licenses, permits, and fines and forfeits are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Housing and Community Development Fund accounts for various grant funds received from Federal Community Development Block grants to be used for a variety of housing related programs primarily targeted at low-income housing. Additionally, this fund accounts for the City's revolving fund, which provides housing loans to low-income individuals and accounts for emergency shelter grant revenue received from the Housing and Urban Development Department.

The City reports the following major proprietary funds:

The Water Fund accounts for all revenues collected by the City for the purpose of financing the construction, operation, and maintenance of the City water distribution system. Revenues are derived from water service charges and various installation fees.

The Sewer Fund accounts for revenues collected by the City for the purpose of financing the construction, operation, and maintenance of the City sewer system. Revenues include, but are not limited to, sewer service charges and sewer lateral charges.

The Bus Fund accounts for operations, maintenance, and capital expenditures of the City's mass transportation service. This system operates pursuant to the terms of a Federal grant agreement. Buses are operated by a private contractor under the terms of a supervisory agreement with the City. A separate contract provides Dial-a-Ride service for the elderly and handicapped.

Additionally, the City reports the following fund types:

Internal service funds account for fleet management, central services, information and technology services, insurance, employee benefits management, and building services provided to other departments or agencies of

the City on a cost-reimbursement basis.

Agency funds account for cash and investments held by the City as agent for various assessment districts, governmental entities and non-public organizations. Agency funds cannot be major funds.

Private-purpose Trust Fund accounts as the fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. The fund reports the assets, liabilities, and net position of the Successor Agency.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are exchange or exchange-like transactions between functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise and internal service funds are charges to customers for sales and services. The Sewer Fund also recognize as non-operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the systems. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period including the note disclosures. Actual results could differ from those estimates.

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

1. Cash and Cash Equivalents

Cash and investments (including restricted assets) held in the City's investment pool are reported as cash and cash equivalents on the statement of net position and balance sheet because funds can spend cash at any time without prior notice or penalty. All investments with fiscal agents are also considered cash equivalents because they are highly liquid and have maturities of 3 months or less at the time of purchase. Investments are stated at fair value. Valuations are obtained based on various levels identified further under Note II-A – Fair value measurements.

2. Restricted Assets - Cash and Cash Equivalents

Refundable deposits of the General Fund are classified as restricted assets – cash and cash equivalents on the governmental funds balance sheet because their use is restricted for repayment of those refundable deposits. Legal or contractual obligations associated with the nonmajor governmental funds have been reported as restricted assets due to the restrictions identified on the revenue sources generated from these funds. Refundable deposits in the Water and Sewer funds are also reported as restricted assets on the proprietary funds statement of net position. In addition, certain proceeds of Water certificates of participation and Sewer revenue bonds are considered restricted assets because their use is limited by applicable debt covenants. These proceeds are reported as part of "restricted assets – cash and cash equivalents" on the proprietary funds statement of net position. The Employee Benefits Management Fund collects funds which are restricted for future payouts for leave balances due to employees who terminate or retire from the City as well as any severance payouts. These assets are restricted due to management's designation of assets for future payments for employee uses.

3. Receivables and Payables

Balances representing lending/borrowing transactions between funds outstanding at the end of the fiscal year are reported as either "due from/due to other funds" (amounts due within one year), or "advances to/from other funds" (non-current portions of interfund lending/borrowing transactions). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances to other funds and prepaid items are offset by a nonspendable fund balance in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources to indicate that they are not in spendable form.

All property taxes are collected and allocated by the County of Stanislaus to the various taxing entities. Property taxes are determined annually as of March 1 and attach as an enforceable lien on real property as of January 1. Taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The City participates in the County "Teeter Plan" method of property tax distribution. Under the Teeter Plan, the County remits property taxes to the City based on assessments, not on collections, according to the following schedule: 55 percent in December, 40 percent in April, and 5 percent at the end of the fiscal year. Property taxes are recognized in governmental funds when it is available and measurable. The City considers property tax as available if it is received within 60 days after year-end.

Revenue from taxpayer-assessed taxes (sales and use, business license, transient occupancy, utility users, gas, and franchise fees) are accrued in the governmental funds when they are both measurable and available. The City considers these revenues available if they are received during the period when settlement of prior fiscal year accounts payable occurs. Historically, the majority of these taxes are received within 60 days of the fiscal year end; therefore, revenue from taxpayer-assessed taxes is accrued if it is received by August 31.

Grant and entitlement revenues are recorded as receivables in the funds when they are susceptible to accrual (i.e., when all eligibility requirements have been met). The corresponding governmental fund revenues are recorded when they become available, with the differences recorded as deferred inflow of resources. The corresponding proprietary fund revenues are recorded as nonoperating revenues when the receivables are recorded. Some grant and entitlement revenues are not susceptible to accrual, in which case the corresponding revenues are recorded when received. The total amount due from governments for grants, entitlements, and shared receivables and revenues at June 30, 2017 is \$29,109,219.

Utility service accounts receivable are \$13,997,485 net of an allowance for doubtful collections of \$735,430 and include unbilled receivables using actual amounts billed in July for June services for all City funds. City accounts receivable of \$3,852,364 are reported net of an allowance for doubtful collections of \$1,079,037, and are based on miscellaneous receivables from the City's invoice system as well as other receivables accrued at year-end.

4. Inventories and Prepaid Expenses/Expenditures

Inventories of material and supplies held by governmental and proprietary funds are stated at average cost. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses/expenditures.

5. Capital Assets

Capital assets, which include property, plant and equipment, intangible assets and infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received in a service concession agreement and all other types are recorded at acquisition value rather than fair value.

In the case of the initial capitalization of infrastructure assets reported by governmental activities, the City chose to include them regardless of their acquisition date or amount. Historical values were estimated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities and enterprise funds are included as part of the capitalized value of the assets constructed. The amount of interest capitalized is determined by offsetting interest expense incurred from the date of borrowing until completion of the project, against interest earned on invested proceeds of tax-exempted debt over the same period.

Depreciation is recorded using the straight line method over the estimated useful lives of the assets, which are 75 years for pipelines, 30 years for buildings, 20 years for improvements, 12 years for buses, 10 years for furnishings and equipment, 2 to 10 years for vehicles, 5 to 15 years for intangible assets, 30 to 50 years for streets, 20 years for signalization, 30 years for water rights, and 50 years for bridges. Operating expenses include depreciation on all depreciable capital assets.

Capital leases are recorded as an asset and an obligation at an amount equal to the present value at the beginning of the lease term of minimum lease payments during the lease term.

6. Deferred Outflows and Inflows of Resources

The Governmental Accounting Standards Board (GASB) establishes criteria for recognizing deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note II. N for a detail listing of the deferred outflows and inflows of resources the City has recognized.

7. Compensated Absences

All earned vacation, holiday, and compensating time, and a portion of accumulated sick leave payable upon termination or retirement, are accrued in the Employee Benefits Management Internal Service Fund as compensated absences. Estimated sick leave termination payments have been calculated using the GASB Statement 16 vesting method. Under this method, a liability is accrued for a portion of the sick leave balances of all employees who are currently eligible, or are assumed to become eligible in the future, to receive a payment for sick leave upon termination. As of June 30, 2017, the total estimated liability for all compensated absences, including vacation and sick leave, is \$9,141,881.

8. Fund Equity

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- *Nonspendable fund balance* – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.
- *Restricted fund balance* – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* – amounts that can only be used for specific purposes determined by formal action of the City's highest level of decision-making authority (City Council) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- *Assigned fund balance* – amounts that are constrained by the City's intent to be used for specific purposes. The intent can be established at either the highest level of decision making, which includes City Council or by an official designated such as the City Manager for such purpose.
- *Unassigned fund balance* – the residual classification for the City's General Fund that includes amounts not contained in other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed or

assigned to those purposes.

The City establishes and modifies or rescinds fund balance commitments by passage of an ordinance. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget as a commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the City through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by the unrestricted committed, assigned, and unassigned resources as they are needed.

9. Fund Balance Policy

The City believes that sound financial management principles require that sufficient funds be retained by the City to provide a stable financial base at all times. To retain this stable financial base, the City needs to maintain unrestricted fund balance in its City funds sufficient to fund cash flows of the City and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned and unassigned fund balances are considered unrestricted.

The purpose of the City's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures.

The City has adopted a policy to achieve and maintain unrestricted fund balance in the General Fund of a flat \$7 million for fiscal year 2016-2017.

E. OTHER SIGNIFICANT ACCOUNTING POLICIES

1. Employee Benefits

The City established the Employee Benefits Management Internal Service Fund to account for all compensated absences and non-insurance benefits. Insurance benefits for current employees are paid from the Insurance Internal Service Fund. The Employee Benefits Management Fund is reimbursed based on actual benefits paid and leave taken, through payroll charges to the City's operating funds. Leave earned but not taken is being funded over a reasonable period of time.

2. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) Safety (police and fire) and Miscellaneous (all other) Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, the benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB 68 requires that the reported results must pertain to the liability and asset information within certain defined timeframes. For this report, the following:

Valuation Date: June 30, 2015

Measurement Date: June 30, 2016

Measurement Period: June 30, 2015 to June 30, 2016

3. Interfund Transactions

The City transfers resources among funds in the course of normal operations. Interfund services provided and used, such as equipment pool rental, are accounted for as revenues and expenditures or expenses. Transactions to reimburse a fund for expenditures/expenses initially made from it that are applicable to another fund are recorded as expenditures/expenses in the correct fund and as reductions of expenditures/expenses in the original fund. All other interfund transactions are reported as transfers.

F. NEW ACCOUNTING STANDARDS

During the fiscal year ended June 30, 2017, the City implemented the following GASB standards:

In June 2015, GASB issued **Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans**. This statement addresses reporting by OPEB plans that administer benefits on behalf of governments. This statement did not have any impacts to the City's financial statements.

In August 2015, GASB issued **Statement No. 77, Tax Abatement Disclosures**. This statement requires governments that enter into tax abatement agreements to disclose the following information about the agreements: (i) brief descriptive information; (ii) the gross dollar amount of taxes abated during the period; and (iii) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. This Statement did not have a significant impact to the City's financial statements.

In December 2015, the GASB issued **Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans**. The objective of this statement is to address a practice issue regarding the scope and applicability of Statement No. 68 associated with pensions provided through certain cost-sharing multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. Such plans are not considered a state or local government pension plan and are used to provide benefits to both employees of state and local governments and employees of employers that are not state or local governments. This statement did not have any impacts to the City's financial statements.

In January 2016, the GASB issued **Statement No. 80, Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14**. The objective of this statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This statement amends the blending requirements established in GASB Statement No. 14, The Financial Reporting Entity, as amended. This Statement did not have a significant impact to the City's financial statements.

In March 2016, the GASB issued **Statement No. 82, Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73**, to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. The statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practices for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This Statement did not have a significant impact to the City's financial statements.

The City is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In June 2015, GASB issued **Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions**. This statement addresses reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. This Statement is effective for the City's fiscal year ending June 30, 2018.

In March 2016, the GASB issued **Statement No. 81, Irrevocable Split-Interest Agreements**. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the City's fiscal year ending June 30, 2018.

In November 2016, the GASB issued **Statement No. 83, Certain Asset Retirement Obligations**, which addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement is effective for the City's fiscal year ending June 30, 2019.

In January 2017, the GASB issued **Statement No. 84, Fiduciary Activities**, which improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the City's fiscal year ending June 30, 2020.

In March 2017, the GASB issued **Statement No. 85, Omnibus 2017**, which addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the City's fiscal year ending June 30, 2018.

In May 2017, the GASB issued **Statement No. 86, Certain Debt Extinguishment Issues**, which improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the City's fiscal year ending June 30, 2018.

In June 2017, the GASB issued **Statement No. 87, Leases**, which increases the usefulness of government' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the City's fiscal year ending June 30, 2021.

II. DETAILED NOTES

A. CASH AND INVESTMENTS

The City maintains a cash and investment pool that is used by all funds. Each fund's portion of the City's cash and investment pool is displayed on the balance sheet and proprietary and fiduciary fund statements of net position as "cash and cash equivalents." Each fund is allocated interest on average monthly cash balances held by the funds throughout the year. Certain deposits held in trust are displayed on the governmental funds balance sheet and the proprietary funds statement of net position as "restricted assets – cash and cash equivalents." The City also maintains "cash and cash equivalents with fiscal agent", which represent monies held by fiscal agents for payment of various City debt and capital projects costs.

The City's cash and investments are reported as follows:

Primary government:		
Cash and cash equivalents	\$	231,423,967
Restricted cash and cash equivalents		85,142,520
Restricted cash and cash equivalents with fiscal agent		20,406,725
Successor Agency Private-Purpose Trust Fund		
Cash and cash equivalents		3,213,643
Cash and cash equivalents held with fiscal agent		1,977,938
Agency funds		
Cash and cash equivalents		3,050,868
Cash and cash equivalents held with fiscal agent		2,942,479
		<hr/>
Total cash and investments	\$	<u>348,158,140</u>

Investments Authorized by the California Government Code and the City's Investment Policy

The City's investment policy and the California Government Code allow the City to invest in the following types of instruments, and the table also identifies certain provisions of the California Government Code, or the City's investment policy where it is more restrictive:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Specified % of Portfolio</u>	<u>Maximum Percentage Of Issuer</u>	<u>Maximum Quality Requirements</u>
Local Agency Bonds	5 years	None	None	None
Treasury Obligations	5 years	None	None	None
State Obligations	5 years	None	None	A rating
CA Local Agency Obligations	5 years	None	None	A rating
Federal Agencies	5 years	None	None	None
Banker's Acceptances	180 days	40 %	5 %	Federal Reserve eligible
Commercial Paper	270 days	25 %	5 %	A1/P1 rating
Negotiable Certificates of Deposit	5 years	30 %	5 %	A rating
Certificates of Deposit	1 year	20 %	5 %	FDIC insured or collateralized
Repurchase Agreements	90 days	None	5 %	None
Reverse Repurchase Agreements	92 days	20 % of combined base value	5 %	None
Medium Term Notes	5 years	30 %	5 %	A rating
Money Market Mutual Funds	N/A	15 %	10 %	Multiple
Mortgage and Asset-backed Securities	5 years	20 %	5 %	AA Rating
CAMP	N/A	None	None	N/A
LAIF	N/A	N/A	None	N/A

The City is a voluntary participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of its participants to invest certain proceeds of debt issues and surplus funds. The Pool's investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. Security types prohibited include, but are not limited to: Investments in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages. At June 30, 2017, the fair value approximated the City's cost. At June 30, 2017, these investments range from a maximum maturity of 5 years to some maturity limits of 180 days or less. The City reports its investments in CAMP at the fair value amounts provided by CAMP.

Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged as reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City ordinance, bond indentures or State statute. All current bond indentures authorize the same investments as the City's investment policy.

Custodial Credit Risk – Deposits

The Custodial Credit Risk for Deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits, or will not be able to recover collateral securities that are in the possession of an outside party. The City does not, currently, have a Custodial Credit Risk – Deposits Policy. Under California Government Code Section 53651, depending on specific types of eligible securities, a bank must deposit eligible securities posted as collateral with its Agent having a fair value of 110% to 150% of the City's cash on deposit. All of the City's deposits are either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with pledged securities held in custody at the Bank of New York Trust Company N.A. under the name of the California Local Agency Collateral Pool as administered by the California Department of Business Oversight (Pool Administrator).

The City of Modesto has 10 deposit accounts at Bank of America that are monitored for deposit collateral purposes. As per the CA Government Code, the bank must provide collateral for the collected deposit balances at 110% coverage. The City is collateralized as part of the California Local Agency Collateral Pool Program. As of June 30, 2017 the City had collected deposit balances of \$16,574,956. On this amount, the FDIC insurance coverage was \$500,000. (\$250,000 for their time and savings accounts and \$250,000 for their demand accounts). The remainder of their balances were collateralized as part of the California Local Agency Pool Program.

For further information, on June 30, 2017, the total collected deposit balances at Bank of America from California Local Agency Pool Program participants was \$1,851,155,231 of which \$84,735,990 was FDIC insured. The remaining uninsured balances, \$1,766,419,241 were collateralized by securities pledged by Bank of America that had a market value of \$2,228,055,232. This results in collateral margin coverage of 124% far in excess of the 110% required by the California Government Code.

Custodial Credit Risk – Investments

The Custodial Credit Risk for Investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy limits its exposure to custodial credit risk by requiring that all security transactions entered into by the City, including collateral for repurchase agreements, be conducted on a delivery-versus-payment basis. Securities are to be held by a third party custodian.

The City's investments consist of pooled investments, dedicated investments, and other funds held by trustees. The dedicated investment funds represent restricted funds and relate to bond proceeds of the Water and Sewer Enterprise Funds, assessment districts (reported under Agency Funds) and the Successor Agency. The other funds held by trustees are made either in accordance with bond covenants and are pledged for payment of principal, interest, and specified capital improvements or in accordance with trust agreements. All investments held by a custodian are in the City's name excluding the Successor Agency.

Interest Rate Risk

Interest Rate Risk is the risk that interest rates will rise and reduce the fair value of an investment. Long-term fixed-income securities have the greatest amount of interest rate risk, due to their duration, or sensitivity to interest rate changes, being greater.

As of June 30, 2017, the City owned two callable bonds. There were no Federal Agency callables in the portfolio. Information on those bonds has been provided as follows:

Corporate Notes			
Amount	Maturity Date	Call Date	Call Terms
\$1,095,000	11/5/2018	10/5/2018	Callable on and any time after 10/05/18
\$5,475,000	5/22/2018	4/22/2018	Callable on and any time after 4/22/18

Disclosures Related to Credit Risk

Generally, Credit Risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City may from time to time be invested in a security whose rating is downgraded subsequent to the date of purchase. In the event a rating drops below the minimum allowed rating category for that given investment type, the investment advisor shall notify the Finance Director and recommend a plan of action. The City will limit investments in any one non-government issuers, except investment pools to no more than 5% regardless of security type.

The following table summarizes the City's investments based on maturity dates of various investments:

Investment Type	Credit Rating		Remaining Time to Maturity				
	Standard & Poor's	Moody's Investors Service	Total	Less Than 1 Year	1-2 Years	2-3 Years	3-18 years
U.S. Treasury Notes	AA+	Aaa	\$ 20,187,552	\$ -	\$ 6,691,262	\$ -	\$ 13,496,290
Federal Agencies:							
Collateralized Mortgage Obligation	AA+	Aaa	7,564,435	1,641,979	4,039,694	1,882,762	-
Federal Agency Bond/Notes	AA+	Aaa	117,812,611	-	60,079,004	57,733,607	-
Corporate Notes	See Below	See Below	38,806,370	9,398,506	16,063,570	13,344,294	-
Negotiable Certificates of Deposit	See Below	See Below	45,931,235	14,876,079	31,055,156	-	-
CAMP Pool	AAAm	N/A	79,653,435	79,653,435	-	-	-
Total			<u>\$ 309,955,638</u>	<u>\$ 105,569,999</u>	<u>\$ 117,928,686</u>	<u>\$ 72,960,663</u>	<u>\$ 13,496,290</u>
Held By Fiscal Agent							
Money Market Funds	AAAm	Aaa-mf	5,709,055	5,709,055	-	-	-
CAMP	AAAm	N/A	9,609,203	9,609,203	-	-	-
MID – Collateral Agreement	A+	Aa3	10,008,884	10,008,884	-	-	-
Fiscal Agent Total			<u>\$ 25,327,142</u>	<u>\$ 25,327,142</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City of Modesto Banking Accts & Cash on Hand	A/A-1	A1/P1	12,735,527				
Timing Differences for Deposit & Electronic Vendor Payments			139,833				
Total Cash and Investments			<u>\$ 348,158,140</u>				

The following is a table indicating the credit ratings for the City's investment in Corporate Notes:

Amount	Standard & Poors	Moody's Investors Service
\$ 3,513,804	AA+	Aaa
1,854,881	AA	Aa2
680,475	AA-	Aa2
3,717,716	AA-	Aa3
5,477,875	A	A1
6,966,283	A+	A1
2,997,141	AA	A1
7,254,704	A	A2
3,527,207	A-	A2
2,816,284	A-	A3
<u>\$ 38,806,370</u>		

The following is a table indicating the credit ratings for the City's investment in Negotiable Certificates of Deposit:

Amount	Standard & Poors	Moody's Investors Service
\$ 11,461,716	AA-	Aa2
8,095,669	AA-	Aa3
4,506,840	A	A1
16,155,376	A+	Aa3
5,711,634	A+	A1
<u>\$ 45,931,235</u>		

Concentration of Credit Risk

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer, other than U.S. Treasury securities, mutual funds, and external investment pools that represent 5% or more of total entity-wide investments are as follows at June 30, 2017:

Issuer	Investment Type	Reported Amount	Percent of Portfolio
Fannie Mae (FNMA)	Federal agency securities	\$59,148,971	16.99%
Federal Home Loan Banks	Federal agency securities	27,185,443	7.81%
Freddie Mac (FHLMC)	Federal agency securities	39,042,632	11.21%

Fair Value measurements

The Pool categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered fair value hierarchy, of which levels 1 & 2 apply to the City as follows:

- Level 1: Valuations are based on quoted prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgement. Examples would be securities with prices derived from the major exchanges.
- Level 2: Valuations are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuations for which all significant assumptions are observable or can be corroborated by observable market data. Examples would be securities with prices derived from market corroborated sources such as indices and yield curves; and matrix pricing, such as for most debt securities.

Union Bank is the custodian of the City's investments. Union Bank utilizes pricing services that deliver current market values and security information which is input into their trust accounting systems. A security will be valued on the basis of valuations provided by a pricing service vendor if it has a substantial public market (i.e. is not thinly traded), and is freely tradable without restriction, has a valid CUSIP or SEDOL and resides on one of the depositories. Based on their direction, Union Bank will continue to obtain valuations for all other securities and assets, for which they do not receive a pricing feed and/or descriptive information from their pricing service vendors, from various sources independent of Union Bank. If no current market value price is available from their pricing service vendors and their agents have provided Union Bank with pricing information, Union Bank will show the value of the asset at such value as Union Bank shall determine, such value to be for administrative purposes only and not be any indication of any market value.

The Pool has the following recurring fair value measurements as of June 30, 2017:

Investments by Fair Value Level Investment Type	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs
		(Level 1)	(Level 2)
U.S Treasury Notes	\$ 20,187,552	\$ 20,187,552	\$ -
Corporate Notes	38,806,370	-	38,806,370
Negotiable Certificates of Deposit	45,931,235	-	45,931,235
Collateralized Mortgage Obligation	7,564,435	-	7,564,435
Federal Agency Bond/Notes	117,812,611	-	117,812,611
Total Investments measured at fair value	230,302,203	20,187,552	210,114,651
Investments not subject to Fair Value hierarchy			
CAMP	79,653,435		
	<u>\$ 309,955,638</u>		
Investments by Fair Value for Fiscal Agents			
Money Market Funds	\$ 5,709,055	\$ -	\$ 5,709,055
Total Fiscal Agent investments measured at fair value	5,709,055	-	5,709,055
Investments not subject to Fair Value hierarchy			
CAMP	9,609,203		
MID Collateral Agreement	10,008,884		
	<u>\$ 25,327,142</u>		

B. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017 was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	Ending <u>Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 33,219,069	\$ -	\$ (4,951,623)	\$ 28,267,446
Construction in progress	49,050,112	21,133,342	(4,038,973)	66,144,481
Total capital assets, not being depreciated:	<u>82,269,181</u>	<u>21,133,342</u>	<u>(8,990,596)</u>	<u>94,411,927</u>
Capital assets being depreciated:				
Buildings	34,507,293	20,921	(1,668,446)	32,859,768
Improvements other than buildings	107,637,168	1,542,230	(3,383)	109,176,015
Furnishings & equipment	16,195,762	484,315	(720,239)	15,959,838
Buses and fareboxes	278,852	-	-	278,852
Service animals	42,549	-	-	42,549
Intangible assets	8,513,126	-	-	8,513,126
Equipment pool	34,722,836	4,004,320	(2,040,939)	36,686,217
Infrastructure				
Streets	508,430,143	2,174,963	-	510,605,106
Signals	21,789,400	923	-	21,790,323
Bridges	36,699,321	-	-	36,699,321
Total capital assets, being depreciated:	<u>768,816,450</u>	<u>8,227,672</u>	<u>(4,433,007)</u>	<u>772,611,115</u>
Less accumulated depreciation for:				
Buildings	(19,903,465)	(937,534)	922,108	(19,918,891)
Improvements	(50,570,093)	(4,436,500)	3,045	(55,003,548)
Furnishings & equipment	(12,864,983)	(769,264)	769,785	(12,864,462)
Buses and fareboxes	(253,749)	-	-	(253,749)
Service animals	(16,705)	(8,510)	-	(25,215)
Intangible assets	(4,490,969)	(439,116)	-	(4,930,085)
Equipment pool	(21,669,190)	(2,907,305)	1,870,797	(22,705,698)
Infrastructure				
Streets	(296,813,332)	(10,193,267)	-	(307,006,599)
Signals	(16,745,761)	(414,164)	-	(17,159,925)
Bridges	(6,751,927)	(733,986)	-	(7,485,913)
Total accumulated depreciation	<u>(430,080,174)</u>	<u>(20,839,646)</u>	<u>3,565,735</u>	<u>(447,354,085)</u>
Total capital assets being depreciated, net	<u>338,736,276</u>	<u>(12,611,974)</u>	<u>(867,272)</u>	<u>325,257,030</u>
Governmental activities capital assets, net	<u>\$ 421,005,457</u>	<u>\$ 8,521,368</u>	<u>\$ (9,857,868)</u>	<u>\$ 419,668,957</u>

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 554,326
Community development	637,311
Highways and streets	11,785,211
Public works	524,404
Parks and recreation	157,015
Public safety	4,153,117
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>3,028,262</u>
Total depreciation expense – Governmental activities	<u>\$20,839,646</u>

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 33,515,655	\$ 338,748	\$ -	\$ 33,854,403
Construction in progress	201,922,158	46,435,022	(16,585,702)	231,771,478
Total capital assets, not being depreciated:	<u>235,437,813</u>	<u>46,773,770</u>	<u>(16,585,702)</u>	<u>265,625,881</u>
Capital assets being depreciated:				
Capitalized interest	19,496,181	-	-	19,496,181
Buildings	101,856,550	88,649	-	101,945,199
Improvements other than buildings	306,732,308	12,797,744	(1,525,990)	318,004,062
Furnishings and equipment	12,497,442	891,441	(272,018)	13,116,865
Intangible assets	416,557	41,215	(2,390)	455,382
Water rights	358,226,691	-	-	358,226,691
Buses and fareboxes	28,487,802	4,039,188	(2,573,883)	29,953,107
Pipelines	159,600,921	1,470,313	-	161,071,234
Total capital assets, being depreciated:	<u>987,314,452</u>	<u>19,328,550</u>	<u>(4,374,281)</u>	<u>1,002,268,721</u>
Less accumulated depreciation for:				
Capitalized interest	(10,272,954)	(974,809)	-	(11,247,763)
Buildings	(61,526,212)	(3,032,219)	-	(64,558,431)
Improvements other than buildings	(162,988,460)	(10,924,341)	415,911	(173,496,890)
Furnishings and equipment	(7,292,958)	(938,092)	253,650	(7,977,400)
Intangible assets	(260,581)	(78,969)	2,390	(337,160)
Water rights	(71,645,339)	(11,940,890)	-	(83,586,229)
Buses and fareboxes	(14,294,826)	(1,702,759)	2,342,897	(13,654,688)
Pipelines	(40,392,429)	(2,082,002)	-	(42,474,431)
Total accumulated depreciation	<u>(368,673,759)</u>	<u>(31,674,081)</u>	<u>3,014,848</u>	<u>(397,332,992)</u>
Total capital assets being depreciated, net	<u>618,640,693</u>	<u>(12,345,531)</u>	<u>(1,359,433)</u>	<u>604,935,729</u>
Business-type activities capital assets, net	<u>\$ 854,078,506</u>	<u>\$ 34,428,239</u>	<u>(17,945,135)</u>	<u>\$ 870,561,610</u>

Business-type activities:

Water	\$17,194,247
Sewer	9,055,194
Bus	2,762,050
Parking	448,424
Storm drain	521,532
Compost	149,997
Airport	738,580
Golf	51,227
Community center	752,830
Total depreciation expense – Business-type activities	<u>\$31,674,081</u>

C. LONG-TERM DEBT

Loans Payable

Governmental Activities:

No-interest loan payable to the Stanislaus County Economic Development Bank loan program, to pay costs incurred by the City for the Kiernan Business Park East Project; loan intended to be repaid when the financing mechanism is established. As of June 30, 2017, no payments have been made to the Stanislaus County Economic Development Bank. According to the agreement, the Project will be completed as of the date the City first issues building permits within the Kiernan Business Park East area. To date, no building permits have been issued.

500,000

Total Principal Balance – Governmental-Type Activities

\$ 500,000

Business-Type Activities:

Water Enterprise Fund:

Loan payable to State of California Department of Public Health, also known as ARRA Water Grant. This Agreement constitutes funding in the form of a loan with forgiveness of principal made by the State under the provisions of California Safe Drinking Water State Revolving Fund Law of 1997, and the American Recovery and Reinvestment Act of 2009 (ARRA) Public Law 11 1-5. The purpose of the funding is to assist in financing construction of a project, which will enable the City to meet safe drinking water standards or to address other health concerns, herein referred to as the "Project". The total amount for the project was \$1,136,656, of which 50% was to be repaid as a loan. This original loan amount of \$568,328 has a payment term of 20 years at 2.5017% interest rate.

451,547

Sewer Enterprise Fund:

Loan payable to California State Water Resources Control Board, State Revolving Fund. The Project, commonly known as Tertiary Treatment Phase 1B Project generally consists of constructing a 12.6 million gallon per day tertiary treatment plant. Completion of construction date is established as June 1, 2016. Project completion date is established as December 1, 2016. The City agrees to repay all project funds at an interest rate of two and six-tenths percent (2.6%) per annum and an administrative service charge of zero percent (0%) per annum. The total loan approved by the State Water Resources Control Board is \$121,829,278, plus \$5,328,665 in Accrued Construction Period Interest. The loan repayment term is 20 years (final payment due on December 1, 2035) and after an initial annual payment of \$7,891,411 in the fiscal year ending June 30, 2017, the annual principal and interest payment is \$8,245,564 beginning in the fiscal year ending June 30, 2018.

122,421,633

Loan payable to California State Water Resources Control Board, State Revolving Fund. The Project, commonly known as North Valley Regional Recycled Water Program generally consists of constructing improvements to the City's existing pump station. The City will then distribute the recycled water to the Del Puerto Water District for agricultural use increasing recycled water supplies by 5.4 billion gallons per year within the first 5 years of operation and 9.9 billion gallons per year at build out. Completion of construction date is established as June 30, 2018. Project completion date is established as December 31, 2018. The City agrees to repay all project funds at an interest rate of one percent (1%) per annum and an administrative service charge of zero percent (0%) per annum. The total loan approved by the State Water Resources Control Board is \$41,862,028, plus

\$6,642,487 in Accrued Construction Period Interest. The loan repayment term is 30 years (final payment due on June 30, 2048) and after an initial and secondary annual payment of \$1,262,431 and \$1,506,587, respectively, in the fiscal year ending June 30, 2019 and June 30, 2020, the annual principal and interest payment is \$1,633,411 beginning in the fiscal year ending June 30, 2021. The current reported balance includes only the disbursements received as of June 30, 2017.

1,407,320

Total Principal Balances – Business-Type Activities

\$124,280,500

Annual debt service requirements to maturity for loans payable are as follows:

Year Ending June 30,	Governmental-Type Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2018	\$500,000	\$-	\$5,109,261	\$3,172,593
2019	-	-	6,197,547	3,075,356
2020	-	-	5,786,629	2,929,872
2021	-	-	5,495,526	2,786,327
2022	-	-	5,638,388	2,643,466
2023-2027	-	-	30,468,273	10,940,995
2028-2032	-	-	34,639,855	6,769,414
2033-2036	-	-	30,945,021	2,037,236
Total	<u>\$500,000</u>	<u>\$-</u>	<u>\$124,280,500</u>	<u>\$34,355,259</u>

Certificates of Participation:

Business-Type Activities:

Golf Enterprise Fund:

1993 Refunding Certificates of Participation issued to refund earlier certificates for the Creekside Golf Course capital project; serial certificates with annual maturities on November 1, in amounts from \$225,000 to \$235,000; interest rate of 5.5%; term certificates at 5.6% due November 1, 2016, and in the amount of \$3,585,000 at 5.0% due November 1, 2023, with annual payments ranging from \$250,000 to \$480,000 beginning in 2010. The certificates are repayable from any source of available funds of the City. However, the City has elected to repay the certificates from revenues of the Golf Enterprise Fund.

\$2,920,000

Water Enterprise Fund:

2008 Water Refunding Revenue Certificates of Participation issued to refund the 2006 issue, to provide funding for construction of new downstream water facilities and various water distribution system improvements in connection with Modesto Irrigation District's expansion of the regional water treatment plant; variable rate securities maturing October 1, 2036, with interest initially calculated weekly, fluctuating according to market conditions. The Certificates may be converted to a daily, term, flexible, or fixed rate.

While the 2008 COPs are in the Weekly Mode, they are subject to optional tender and mandatory tender for purchase. Funds for the payment of the purchase price of 2008 COPs that are tendered for purchase and that are not remarketed by the Remarketing Agent will be available (subject to certain conditions) under a Standby Certificate Purchase Agreement, dated May 1, 2008 (the "Liquidity Facility"). The Liquidity Facility does not support, secure or guaranty the payments of the

principal or interest with respect to the 2008 COPs. Subject to the terms and conditions of the Liquidity Facility, the Liquidity Facility Provider is to provide funds for the payment of the purchase price on each purchase of 2008 COPS up to \$47,625,000 in principal amount (the "Available Principal Commitment") and \$548,014 an amount equal to 35 days' interest on the Available Principal Commitment at an assumed rate of 12% and accrued interest on 2008 COPs subject to the Weekly Rate tendered or deemed tendered for purchase in the event that remarketing proceeds are not sufficient to pay the purchase price of such 2008 COPs.

The Liquidity Facility will not provide for the payment of principal and interest on any 2008 COPs other than with respect to the purchase price of the 2008 COPs tendered or deemed tendered and not remarketed. Barring an event of default, any such draws on the Letter of Credit will be repaid under the terms of the Reimbursement Agreement. Under the terms of the Reimbursement Agreement, the City will repay the amount drawn in ten equal semi-annual installments of principal, plus monthly interest at the Bank Rate, over a 5 year period. However, the entire balance of the amount drawn shall become due immediately if the 2008 COPs are cancelled or prepaid, are remarketed, or converted to bear interest at a rate other than a daily rate or weekly rate; an alternate credit facility is secured; or an event of default occurs. The Credit Facility and Reimbursement Agreement initially expired May 29, 2011, and were subsequently extended to July 14, 2017 at a commitment fee of 0.875%, then again to June 15, 2020 at a commitment fee of 0.7%.

The City entered into a 30-year interest rate swap agreement as discussed below. The combination of the variable rate 2008 COPs and the floating rate swap creates a synthetic fixed-rate debt for the City. The synthetic fixed-rate was 3.47% at June 30, 2017.	44,815,000
<hr/>	
Total Principal Balances – Business-Type Activities	47,735,000
Less:	
Unamortized Bond Discount – 2008 Water Refunding Certificates of Participation	<u>(104,448)</u>
Total Business-Type Activities – Certificates of Participation	<u>\$47,630,552</u>

The City has pledged future Water Enterprise Fund revenues, net of specified operating expenses, to repay the 2008 Certificates of Participation. The City has pledged future Golf Enterprise Fund revenues to pay the 1993 Certificates of Participation for the Golf Course Refinancing project. The Water and Golf Funds total principal and interest remaining to be paid on the certificates is \$56,977,331. The Water Fund's principal, interest and other debt service cost paid on certificates for the current year, along with payments to Modesto Irrigation District under the Treatment and Delivery Agreement, totaled \$12,706,785, and net operating revenues of the Fund were \$32,583,358, which represented coverage of 256%. The Golf Fund's principal and interest paid on certificates totaled \$491,666, and net operating revenues of the Fund were \$314,029, which represented coverage of 64%.

Annual debt service requirements to maturity for Certificates of Participation, for 2008 Water and 1993 Golf, are as follows:

Year Ending June 30,	Business-Type Activities	
	Principal	Interest
2018	\$720,000	\$809,519
2019	775,000	785,331
2020	795,000	759,906
2021	805,000	733,731
2022	860,000	706,344
2023-2027	11,210,000	2,925,812
2028-2032	14,700,000	1,875,825
2033-2037	17,870,000	645,863
Total	<u>\$47,735,000</u>	<u>\$9,242,331</u>

Lease Revenue Bonds – Governmental Activities:

2008 Lease Revenue Refunding Bonds in the amount of \$65,170,000 issued to refund the balance of the 1998 Lease Revenue Bonds and the 2007 Lease Revenue Refunding and Capital Improvement Bonds; variable rate securities maturing September 1, 2033, with interest initially calculated weekly, fluctuating according to market conditions. The bonds may be converted to a daily, term, flexible, or fixed rate. The combination of the variable rate bonds and a floating swap rate creates a synthetic fixed-rate debt for the City. The synthetic fixed-rate was 3.61% at June 30, 2017.

Regularly scheduled payments of principal and interest are supported by an irrevocable, direct pay Letter of Credit (the "Credit Facility") issued by Bank of America, N. A. The Trustee can draw funds under the Credit Facility to pay the purchase price of tendered bonds that are not remarketed. Barring an event of default, any such draws on the Letter of Credit will be paid under the terms of the Reimbursable Agreement. Under the terms of the Reimbursement Agreement, the City will repay the amount drawn in equal semi-annual instalments of principal plus monthly interest, at the Bank Rate, over a 5 year amortization period. However, the entire balance of the amount drawn shall become due immediately if the tendered bonds are remarketed or defeased, or an alternate credit facility is secured, or an event of default occurs. The Credit Facility and Reimbursement Agreement initially expired August 1, 2011, but were subsequently extended to June 22, 2019 at a commitment fee of 0.60%.

\$54,470,000

Annual debt service requirements to maturity for Lease Revenue Bonds are as follows:

Year Ending June 30,	Governmental-Type Activities	
	Principal	Interest
2018	\$1,695,000	\$797,981
2019	1,860,000	770,700
2020	2,000,000	741,225
2021	2,170,000	709,313
2022	2,390,000	674,287
2023-2027	15,070,000	2,738,363
2028-2032	20,010,000	1,394,363
2033-2034	9,275,000	105,956
Total	<u>\$54,470,000</u>	<u>\$7,932,188</u>

Revenue Bonds – Business-Type Activities:

Sewer Enterprise Fund:

Wastewater Revenue Bonds, Series 2006A; interest payable on November 1 and May 1; serial certificates with annual maturities on November 1, in amounts from \$880,000 to \$1,005,000, with interest rates from 4.2% to 4.5%; term certificates in the amount of \$5,710,000 maturing in 2031 and \$7,060,000 maturing in 2036, bearing interest at 4.25%, with annual payments beginning in 2024. There was a Partial Refunding of 2006A, in the amount of \$1,800,000, with the Private Placement of the Wastewater Revenue Refunding Bond Series 2015.

14,735,000

Wastewater Revenue Refunding Bond Series 2015; interest payable on November 1 and May 1, commencing May 1, 2016. Principal is payable in annual installments on each November 1, commencing November 1, 2016 and ending November 1, 2024. The Series 2015 Bond shall bear interest at a rate equal to 2.42% per annum; Payment of principal and interest on the Series 2015 Bond is secured by a pledge of Net Revenues; The Series 2015 Bond constitutes "Parity Debt" under the Indenture.

On October 30, 2015, the City issued the Series 2015 Bond, as a Parity Debt to fully refund the 2005A and partially refund the 2006A Wastewater Revenue Bonds. The proceeds were used to: 1) Refund the Wastewater Revenue Refunding Bonds, Series 2005A, which refinanced the acquisition and construction of improvements to the City's wastewater enterprise, 2) refund a portion of the Wastewater Revenue Bonds, Series 2006A, and 3) pay cost of issuance in connection with the financing. The Series 2005A Bonds have been fully redeemed and the 2023 and 2024 maturities of Series 2006A Bonds were redeemed. The City will realize significant savings from the refunding of the 2005A and 2006A Bonds, bearing an interest rate of 2.42%.

17,079,886

Total Principal Balances – Business-Type Activities

31,814,886

Less: Unamortized Bond Discount – 2006 Bonds

(208,950)

Total Business-Type Activities Revenue Bonds

\$ 31,605,936

The 2005 and 2006 bonds were issued to fund a variety of Sewer Enterprise Fund wastewater capital improvements. The City has pledged future Sewer Enterprise Fund revenues, net of specified operating expenses, to repay the 2005 and 2006 bonds through 2036. On October 30, 2015, the Wastewater Revenue Bonds, Series 2005A were Fully Refunded and the 2006A were Partially Refunded with the Private Placement of the Wastewater Revenue Refunding Bond Series 2015, in the amount of \$19,429,913. The Sewer Fund's total principal and interest remaining to be paid on the bonds is \$43,371,571. The Sewer Fund's principal and interest paid for the current year and total customer net revenues were \$11,311,098 and \$25,695,014, respectively.

Annual debt service requirements to maturity for Revenue Bonds are as follows:

Year Ending June 30,	Business-Type Activities	
	Principal	Interest
2018	\$2,394,504	\$1,010,118
2019	2,459,096	951,389
2020	2,521,327	891,124
2021	2,577,644	829,428
2022	2,644,114	766,245
2023-2027	6,448,201	3,165,866
2028-2032	5,710,000	2,592,290
2033-2037	7,060,000	1,350,225
Total	<u>\$31,814,886</u>	<u>\$11,556,685</u>

Notes Payable – Governmental Activities:

On March 26, 2015, the City received notice of a public offering to refinance the existing note, with an outstanding balance of \$2,789,000. The City agreed to refinance the note, as it reduced the interest on the HUD Section 108 Loan, a net savings of approximately \$502,908. The public offering date was May 28, 2015. The terms of the new promissory note include semi-annual payments on August and February through the maturity date of August 1, 2024. The interest rates range from 0.28% through 2.85%. No new security provisions were required, as the Contract for Fixed Rate Note incorporates the previous additional security provisions.

Total Notes Payable \$2,335,000

Annual debt service requirements to maturity for this Notes Payable are as follows:

Year Ending June 30,	Governmental-Type Activities	
	Principal	Interest
2018	\$245,000	\$48,845
2019	256,000	46,003
2020	269,000	41,773
2021	283,000	36,442
2022	297,000	30,150
2023-2025	985,000	42,178
Total	<u>\$2,335,000</u>	<u>\$245,391</u>

Reimbursement Agreement - Business-Type Activities:

Water Enterprise Fund:

In 1992, the City entered into a treatment and delivery agreement with the Modesto Irrigation District (MID) and the Del Este Water Company (Del Este). The City assumed Del Este's interest and obligations under the agreement when it acquired Del Este in July 1995. Under the agreement, MID built and operates a surface water treatment plant

on the Tuolumne River for the purpose of providing a long-term source of domestic treated water for the City. MID is the sole owner of the project, and has all management and operations responsibility. In exchange for the treated water, the City has agreed to pay: all debt service on bonds issued by MID for the construction of the project; a raw water charge as set forth in the agreement; project operation, administration, and maintenance costs; and insurance on the project. Gross revenues of the City's Water Fund are irrevocably pledged for the punctual payment of the MID debt service and all obligations of the City under any parity debt. Current parity debt of the City consists of the 2008 Water Revenue Certificates of Participation and the California Safe Drinking Water Act loan (as described previously). The treatment plant completed all tests and began commercial operations on May 15, 1995, at which time the City began paying for raw water and operations.

The City and MID have agreed upon an expansion of the initial Domestic Water Project facilities beyond the existing design capacity of 36 million gallons per day ("mgd") to a design capacity of 72 mgd. In June 2007, the MID issued \$93,190,000 Domestic Water Project revenue bonds pursuant to the terms of the existing treatment and delivery agreement. On August 14, 2013, Modesto Irrigation District Financing Authority refunded the 1998 D Bonds, with 2013 G Bonds. As of June 30, 2017, the total outstanding on the MID bonds is: \$30,870,000 for the 2013 G Bonds and \$93,190,000 for the 2007 F Bonds, for a total of \$124,060,000. For the 2013 G Bonds, the annual principal payments began on September 1, 2014 and mature on September 1, 2022, in amounts from \$3,970,000 to \$5,795,000, with interest rates from 2% to 5%. For the 2007F Bonds, the annual principal payments begin on September 1, 2023 and mature on September 1, 2037 in amounts from \$4,275,000 to \$11,870,000, with variable interest rates fluctuating according to market conditions. The City has entered into interest-rate swap agreements for the 2007F bonds to synthetically fix the rates that the City pays at 4.38% and 4.44%. Refer to the Interest Rate Swap agreement section below with more information about the debt schedule.

Annual debt service payments to maturity for the Reimbursement Agreement are as follows:

Year Ending June 30,	Business-Type Activities	
	Principal	Interest
2018	\$4,535,000	\$2,165,127
2019	4,760,000	1,932,751
2020	5,005,000	1,688,627
2021	5,260,000	1,432,002
2022	5,515,000	1,162,626
2023-2027	24,060,000	3,387,452
2028-2032	27,955,000	2,206,239
2033-2037	35,100,000	884,741
2038	11,870,000	-
Total	<u>\$124,060,000</u>	<u>\$14,859,565</u>

Interest Rate Swap Agreements:

Objective of the swaps – The primary objective of the swaps is to mitigate the effect of fluctuations in variable interest rates by paying a fixed-rate and receiving a floating rate on the swap. Combining a pay-fixed receive-variable rate swap with variable debt results in what is termed "synthetic" fixed-rate debt. It is called synthetic because the economics are similar to fixed-rate debt, but another instrument is involved unlike regular fixed-rate debt. Each time the City created synthetic fixed-rate debt a comparison and determination was made that the fixed-rate on regular debt would have been higher than the fixed rate on the swap.

During fiscal year 2007, the City entered into an interest swap agreement in connection with the 2006 Water Revenue Certificates of Participation. This transaction was updated due to the refunding of the 2006 Certificates by the 2008 Water Refunding Revenue Certificates of Participation (COPs). The swap agreement allows the City to create a synthetic fixed-rate on the COPs, protecting it against increases in short-term interest rates.

During fiscal year 2008, the City entered into an interest swap agreement in connection with the 1998 and 2007 Lease Revenue Bonds. The swap agreement allows the City to create a synthetic fixed rate on the Lease Revenue Bonds, protecting it against increases in short-term interest rates. The terms, fair value and credit risk of these swap agreements are disclosed below.

Additionally, in May 2007, the City approved the issuance of revenue bonds by the Modesto Irrigation District Financing Authority related to the financing of Phase 2 of the Domestic Water Treatment and Delivery System of the Modesto Irrigation District. The MID Water Refunding Bonds were issued with an interest swap feature with Bear Sterns, which was subsequently acquired by JP Morgan. Under the agreement between MID and JP Morgan, the City must post collateral when our negative position exceeds the Pledgor's Threshold of \$20 million. This negative position represents the present value of declining interest rates to date from issuance of bonds. In June 2010, the City Council authorized the City to post collateral up to \$18 million, which would support a negative position of \$38 million. In July 2010, the City Council increased the City's authorization to post collateral from \$18 million to up to \$20 million. At the end of fiscal year 2017, the City had posted a cumulative total of \$10,008,884 million of collateral posting, which is reported in the Water Enterprise Fund cash with fiscal agent.

Terms – The terms, including the counterparty credit rating of the outstanding swaps, as of June 30, 2017 are shown in the table below. The swap agreements contain scheduled reductions to the outstanding notional amounts that are expected to follow scheduled principal reductions in the associated debt issues.

<u>Related Debt Issue</u>	<u>Current Notional Amount</u>	<u>Effective Date</u>	<u>Counterparty</u>	<u>Credit Rating (S&P)</u>	<u>Fixed Rate Paid</u>	<u>Variable Rate Received</u>	<u>Termination Date</u>
2008 Water Refunding Revenue COPs	\$44,815,000	5/30/2008	Bank of America	A+	3.47%	63.7% of USD-LIBOR, plus .154%	10/1/2036
2008 Lease Revenue Refunding and Capital Improvement	54,470,000	8/28/2008	Bank of America	A+	3.61%	63.7% of USD-LIBOR, plus .154%	9/1/2033
2007 MID Domestic Water Revenue Bonds Series 2007F	23,370,000	6/26/2007	JP Morgan Chase Bank	A+	4.38%	67% of 3 Month LIBOR + 0.58%	9/1/2027
2007 MID Domestic Water Revenue Bonds Series 2007F	69,820,000	6/26/2007	JP Morgan Chase Bank	A+	4.44%	67% of 3 Month LIBOR + 0.63%	9/1/2037

Based on the swap agreement the City owes interest calculated at a fixed rate to the counterparty (Bank of America and JP Morgan). In return, the counterparty owes the City interest based on the variable rate that approximates the rate required by the associated COPs and lease revenue bonds. Debt principal is not exchanged; it is only the basis on which the swap receipts and payments are calculated.

GASB Statement 53 (GASB 53) addresses the recognition measurement and disclosure of information regarding derivative instruments entered into by state and local governments. All derivatives are to be reported on the statement of net position at fair value and all hedges must be tested for effectiveness to qualify for hedge accounting. The tests are outlined in GASB 53. Depending on the test results, the changes in fair value are either reported on the statement of net position as a deferral or in the statement of activities as investment revenue or loss.

Fair value – Fair value takes into consideration the prevailing interest rate environment, the specific terms and conditions of each transaction and any upfront payments that may have been received. Fair value was estimated using the zero-coupon discounting method, which calculates the future payments required by the swap, assuming that the current forward rates implied by the LIBOR swap yield curve are the market's best estimate of future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for a hypothetical zero-coupon rate bond due on the date of each future net settlement on the swaps.

As of June 30, 2017, the fair value of the swaps was in favor of the counterparty as shown in the following table:

Bond Issue	Fair Value
2008 Water Refunding Rev. Certificates of Participation	(\$8,939,766)
2008 Lease Revenue Bonds	(\$9,456,835)
2007 MID Domestic Water Revenue Bonds	(\$24,267,483)

Credit risk - As of June 30, 2017, the City was not exposed to credit risk on the swaps because the swaps had negative fair value. However, if interest rates increase and the fair value becomes positive, the City would be exposed to credit risk. The City will be exposed to interest rate risk only if the counterparty to the swap defaults or if the swap is terminated.

Basis risk - Basis risk is the risk that the interest rate paid by the City to the bondholders on the underlying variable rate bonds temporarily differs from the variable swap rates received from the counterparty. The swaps have basis risk since the City receives a percentage of the LIBOR Index to offset the actual variable bond rates the City pays on the underlying certificates of participation. The City is exposed to basis risk should the floating rate that it receives on the swap be less than the actual variable rate the City pays on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the expected cost of the basis risk may vary.

A portion of this basis risk is tax risk. The City is exposed to tax risk when the relationship between the taxable LIBOR based swaps and tax-exempt variable rate bonds changes as a result of a reduction in federal and state income tax rates. Should the relationship between LIBOR and the underlying tax-exempt variable rate bonds converge the City is exposed to this basis risk.

Termination risk - The City may terminate the swap contracts if the other party fails to perform under the terms of the contracts. The City will be exposed to variable rates if the counterparty defaults or if the swap contract is terminated. A termination of the swap contract may also result in the City's making or receiving a termination payment based on market interest rates at the time of the termination. If at the time of termination the swap has a negative fair value, the City would be liable to the counterparty for a payment equal to the swap's fair value.

Swap payments and associated debt - Using rates as of June 30, 2017, debt service requirements of the 2008 Water Refunding Revenue Certificates of Participation, the 2008 Lease Revenue Refunding Bonds, and the 2007 MID Domestic Water Revenue Bonds, including net swap payments and broker fees, are as shown in the following table assuming current interest rates remain the same for their term. The bond interest payments and net swap payments will vary as interest rates vary.

Year Ending	Variable-Rate Bonds		Net Swap Payments and Remarketing Fees	Total
	Principal	Interest		
June 30,				
2018	\$2,060,000	\$2,205,377	\$7,285,175	\$11,550,552
2019	2,255,000	2,172,282	7,454,216	11,881,498
2020	2,395,000	2,136,883	7,364,096	11,895,979
2021	2,565,000	2,099,046	7,244,982	11,909,028
2022	2,815,000	2,057,758	7,126,891	11,999,649
2023-2027	43,605,000	8,859,253	32,298,233	84,762,486
2028-2032	62,665,000	5,476,427	20,611,770	88,753,197
2033-2037	62,245,000	1,636,560	7,825,763	71,707,323
2038	11,870,000	-	263,514	12,133,514
Total	\$192,475,000	\$26,643,586	\$97,474,640	\$316,593,226

Changes in Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Loans Payable	\$498,362	\$1,638	\$-	\$500,000	\$500,000
Lease Revenue Bonds	56,305,000	-	1,835,000	54,470,000	1,695,000
Notes Payable	2,568,000	-	233,000	2,335,000	245,000
Obligations under Capital Leases	942,057	5,883,756	467,093	6,358,720	909,342
Compensated Absences	6,746,729	4,140,931	4,135,942	6,751,718	2,346,174
Claims liability	23,596,531	13,619,346	9,331,096	27,884,781	5,682,904
Total governmental activities	\$90,656,679	\$23,645,671	\$16,002,131	\$98,300,219	\$11,378,420
Business-type activities:					
Loans Payable	\$125,787,342	\$3,254,000	\$4,760,842	\$124,280,500	\$5,109,261
Compensated Absences	2,043,221	1,811,099	1,464,157	2,390,163	830,565
Certificates of participation	48,440,000	-	705,000	47,735,000	720,000
Unamortized Discounts	(109,947)	-	(5,499)	(104,448)	-
Reimbursement Agreement:					
MID Bonds	128,380,000	-	4,320,000	124,060,000	4,535,000
Unamortized Premium	3,995,084	-	570,726	3,424,358	-
Sewer Bonds	34,164,913	-	2,350,027	31,814,886	2,394,504
Unamortized Discount	(219,397)	-	(10,447)	(208,950)	-
Developer advances	1,238,449	-	93,111	1,145,338	93,112
Business-type activities	\$343,719,665	\$5,065,099	\$14,247,917	\$334,536,847	\$13,682,442

Principal balances are reported on the government-wide and enterprise funds statements of net position, net of unamortized issuance discounts and premiums. Deferred losses on refundings are reported as deferred outflows of resources. Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for the internal service funds are included as part of the above totals for governmental activities. At year-end, internal service funds obligations were zero under notes payable, and zero in capital leases. Also, the compensated absences and claims liability balances relate to the internal service funds, and as such they are liquidated by the internal service funds. The predominant contributors for these internal service funds include the General Fund, Water Fund, and Sewer Fund.

D. OBLIGATIONS UNDER CAPITAL LEASES

Governmental Activities

Prior to the fiscal year ending June 30, 2017, the City of Modesto entered into two capital lease agreements with Pierce Manufacturing Inc.: 1) for the purchase of two Pierce Velocity 1500 GPM Pumpers valued at \$1,070,472, less \$155,599 of depreciation accumulated as of June 30, 2017, and 2) for the purchase of one 4x4 Freightliner Wildland Pumper valued at \$330,947, less \$57,961 of depreciation accumulated as of June 30, 2017. In the fiscal year ending

June 30, 2017, the City entered into another capital lease agreement with Pierce Manufacturing Inc. for the purchase of five Velocity Pumps and two Velocity Tillers valued at \$5,883,756.

The following is a schedule of the future minimum lease payments, as of June 30, 2017:

<u>Year Ending June 30,</u>	
2018	\$ 1,081,521
2019	598,544
2020	598,544
2021	598,544
2022	598,544
2023-2027	2,992,720
2028	954,214
Total minimum lease payments	<u>7,422,631</u>
Less: amount representing interest	<u>(1,063,911)</u>
Present value of minimum lease payments	<u>\$6,358,720</u>

E. DEVELOPER ADVANCES

The Del Este Water Company (Del Este) entered into various agreements with developers under which infrastructure components were either constructed on behalf of Del Este or cash was advanced to the company to construct the infrastructure. Agreements in existence at the time of the City's acquisition of Del Este were assumed by the City. The terms of repayment call for no interest, with principal paid over a 40-year period. As of June 30, 2017, the total outstanding balance due under the agreements is \$1,145,338. The total annual payments fluctuate depending on the ending date of each agreement. At June 30, 2017, the amount of \$93,112 due during fiscal year 2018 has been reported as "current portion-developer advances" on the Water Enterprise Fund statement of net position. The remaining \$1,052,226 of outstanding principal has been reported under noncurrent liabilities, as "developer advances."

F. INTERFUND BALANCES

Interfund balances as of June 30, 2017 consist of the following:

Due to General Fund from:

Other governmental funds	\$4,682,858
Other enterprise funds	<u>530,026</u>
Total Due to General Fund	<u>5,212,884</u>

Total Due to/Due From: \$ 5,212,884

Advances from General Fund to:

Other governmental funds	\$1,135,600
Other enterprise funds	<u>1,324,704</u>
Advances from General Fund	<u>2,460,304</u>

Advances from Water Fund to:

General Fund	100,000
Other governmental funds	<u>10,814</u>
Advances from Water Fund	<u>110,814</u>

Advances from other governmental funds to other governmental funds	<u>80,000</u>
Advances from Sewer Fund to other enterprise funds	<u>889,200</u>
Advance from internal service funds to General Fund	<u>88,647</u>
Total Advances from/Advances to	<u>\$3,628,965</u>

All balances reported as "due to/due from" are short-term loans to cover temporary fund cash shortages as of June 30, 2017, and were repaid early in fiscal year 2018. Balances reported as "advance to/advance from" were for capital projects expenditures and are either in the process of being repaid or have scheduled repayments in future years.

G. Fund Balance

Detailed classifications of the City's Fund Balances, as of June 30, 2017, are provided below:

	General Fund	Housing and Community Development	Other Governmental	Total Governmental Funds
Nonspendable				
Advances to other funds	\$ 2,460,304	\$ -	\$ 80,000	\$ 2,540,304
Prepaid Items	54,842	-	1,007	55,849
Total Nonspendable Fund Balance	<u>2,515,146</u>	<u>-</u>	<u>81,007</u>	<u>2,596,153</u>
Restricted				
Capital Facility Fees	-	-	29,284,573	29,284,573
Cash with Fiscal Agent	-	-	5,594,309	5,594,309
Community Facilities District	-	-	16,774,444	16,774,444
Grants and Donations	-	3,370,144	1,166,534	4,536,678
Notes Receivable	-	23,861,467	2,281,179	26,142,646
Deposits	1,970,622	-	-	1,970,622
Traffic Fines	-	-	3,198,761	3,198,761
Total Restricted Fund Balance	<u>1,970,622</u>	<u>27,231,611</u>	<u>58,299,800</u>	<u>87,502,033</u>
Committed				
General Fund Set-Aside	15,800,000	-	-	15,800,000
Total Committed Fund Balance	<u>15,800,000</u>	<u>-</u>	<u>-</u>	<u>15,800,000</u>
Assigned				
Encumbrances - Vendor Contracts	2,854,307	-	-	2,854,307
FY 17-18 Budget Carryover	2,000,000	-	-	2,000,000
Downtown Improvement District	-	-	78,515	78,515
Successor Redevelopment Housing Agency	-	-	452,405	452,405
Gas Tax Funding	-	-	5,835,074	5,835,074
Special Capital Outlay Projects	-	-	281,476	281,476
Strategic Planning and Development	-	-	1,328,395	1,328,395
Total Assigned Fund Balance	<u>4,854,307</u>	<u>-</u>	<u>7,975,865</u>	<u>12,830,172</u>
Unassigned - General Fund	4,509,693	-	-	4,509,693
Unassigned - Special Revenue Funds	-	-	(2,002,193)	(2,002,193)
Unassigned - Debt Service Funds	-	-	(92,198)	(92,198)
Unassigned - Capital Project Funds	-	-	(1,062,288)	(1,062,288)
Total Unassigned Fund Balance	<u>4,509,693</u>	<u>-</u>	<u>(3,156,679)</u>	<u>1,353,014</u>
Total Fund Balance	<u>\$ 29,649,768</u>	<u>\$ 27,231,611</u>	<u>\$ 63,199,993</u>	<u>\$ 120,081,372</u>

H. DEFICIT FUND EQUITY

The Operating Grants fund has a fund balance deficit of \$1,279,609, which will be recovered through future revenues and local matches covered through the General Fund or other City funds.

The Capital Grants fund has a fund balance deficit of \$1,062,288, which will be recovered through future revenues and local matches covered through the General Fund or other City funds.

The Compost Fund has a net position deficit of \$2,211,505, due to the pollution remediation liability reported for the Carpenter Landfill. The remediation funding has been incorporated into the utility fees related to garbage rates to cover the anticipated cost.

The Golf Enterprise Fund has a net position deficit of \$1,459,554, due to a change in accounting policy several years ago, as well as revenues not keeping up with expenses. The City originally classified the 1993 Refunding Certificates of Participation as debt of the governmental funds, with construction proceeds transferred to the Golf Enterprise Fund when the certificates were issued. However, since the Golf Fund is paying, and is expected to continue paying, the entire debt service cost, it was decided that the balance of the debt should be recorded in the Golf Fund. The Golf Fund also has struggled due to competition and lagging revenues. Depreciation expense further contributes to the deficit. The City is looking at various options to resolve this funding deficit.

The Employee Benefits Management Internal Service Fund has a net position deficit of \$55,025,905. It exists partially because the total compensated absences and other post-employment benefit balance previously classified as debt of the governmental funds was included in this fund at its inception several years ago, and has never been fully funded. The City is continuing to charge a higher benefit rate to help reduce this deficit. In addition, one-time revenues having to do with employee benefits are deposited to this fund.

The Insurance Fund has a net position deficit of \$14,966,774, due mainly to the recognition of settlements that were reached both in the current and prior fiscal year which have been reported as liabilities of the Liability Insurance Fund. Both settlements involved matters that represented city-wide policies and practices and therefore are allocable to all of the funds that make annual contributions to the liability insurance program. The liability insurance program will recover the full amount of the settlement from charges to the funds that participate in the liability insurance program over a period of 5 years based on this methodology being factored into the Internal Service Fund allocation that is distributed to City departments.

I. INTERFUND TRANSFERS

The following is a schedule of interfund transfers.

Transfers (in) to:	Transfers from (out):							Total
	General Fund	Housing & Community Development	Other Governmental	Water	Sewer	Other Enterprise Funds	Internal Service	
General Fund	-	-	\$ 84,473	\$ 65,000	\$ 68,640	-	\$ 618,091	\$ 836,204
Other Governmental	\$ 4,146,400	\$ 161,725	190,612	-	-	\$ 82,419	142,360	4,723,516
Water	315,500	-	-	-	-	-	-	315,500
Sewer	114,000	-	-	-	-	17,719	154,722	286,441
Bus	1,500	-	-	-	-	-	-	1,500
Other Enterprise	1,443,776	-	-	700,000	-	-	-	2,143,776
Internal Service	-	16,110	185,663	42,172	6,648	14,218	16,126	280,937
Grand Total	\$ 6,021,176	\$ 177,835	\$ 460,748	\$ 807,172	\$ 75,288	\$ 114,356	\$ 931,299	\$ 8,587,874

In general, the City uses interfund transfers to (1) move revenues from the funds that collect them to the funds that statute or budget requires to expend them, (2) use unrestricted revenues collected in the General Fund to help finance various programs and capital projects accounted for in other funds in accordance with budgetary authorization, and (3) move cash to debt service funds from the funds responsible for payment as debt service payments become due.

J. SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (Bill) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On

January 24, 2012, the City Council elected to become the Successor Agency for the former Redevelopment Agency (RDA) in accordance with the Bill as part of County Resolution number 12-7.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directs the State Controller to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former RDA due to the City are valid enforceable obligations payable by the Successor Agency trust under the requirements of the Bill.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

After the date of dissolution, as allowed under Section 34176(a) of the Bill, the City elected to retain the housing assets and functions previously performed by the former RDA. The assets and activities for the Successor Agency Housing fund continue to be reported in the City's governmental fund financial statements. The remaining assets, liabilities, and activities of the dissolved RDA, are reported in the Successor Agency fiduciary fund (private-purpose trust fund) in the financial statements of the City.

As of June 30, 2017, one of the obligations under the Successor Agency trust is associated with the 10th Street Place Project:

Reimbursement agreement with the City totaling \$19,566,862. The original loan is from the City's 1998 Lease Revenue Bonds and the 2007 Lease Revenue Bonds that pertain to the Successor Agency. On August 28, 2008, the City refinanced the entire outstanding balance of the City's 1998 Lease Revenue Bonds and the 2007 Lease Revenue Bonds with variable rate 2008 Lease Revenue Bonds. The new balance has been provided as of June 30, 2017 that pertains to the Successor Agency. Additional information related to the 2008 Lease Revenue bonds is provided in Note II-C under the Lease Revenue Bonds – Governmental Activities section. \$15,796,300

Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	\$491,550	\$846,886	\$1,338,436
2019	539,400	858,041	1,397,441
2020	580,000	826,731	1,406,731
2021	629,300	789,305	1,418,605
2022	693,100	750,050	1,443,150
2023-2027	4,370,300	3,042,802	7,413,102
2028-2032	5,802,900	1,539,354	7,342,254
2033-2035	2,689,750	107,912	2,797,662
Total	<u>\$15,796,300</u>	<u>\$8,761,081</u>	<u>\$24,557,381</u>

The reserves for the Reimbursement Agreement are recorded in the Public Financing Authority debt service fund for the City.

No-interest loan payable to the Stanislaus County Economic Development Bank loan program, for the purpose of funding the Kansas Avenue Business Park Project's Master Plan costs. The Agency has no obligation to begin repayment until the Project is completed and revenues begin.

Future debt service requirements to maturity for loans payable, as of June 30, 2017, are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 405,000	\$ -	\$ 405,000
Total	\$ 405,000	\$ -	\$ 405,000

As of June 30, 2017, the Successor Agency was obligated for the following long-term debt in conjunction with the Community Center Project:

1993 Refunding Certificates of Participation; serial certificates with annual maturities on November 1 in amounts ranging from \$800,000 to \$1,040,000; interest rates from 5.3% to 5.6%; and in the amount of \$12,235,000 at 5.0% maturing November 1, 2023, with annual payment of \$1,090,000 to \$1,610,000 beginning in 2011. \$9,760,000

Future debt service requirements to maturity for the Certificates of Participation, as of June 30, 2017, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$1,195,000	\$458,125	\$1,653,125
2019	1,260,000	396,750	1,656,750
2020	1,320,000	332,250	1,652,250
2021	1,385,000	264,625	1,649,625
2022	1,455,000	193,625	1,648,625
2023-2024	3,145,000	159,125	3,304,125
Total	\$9,760,000	\$1,804,500	\$11,654,500

The former RDA also has a few outstanding obligations related to reimbursements for parking expenses with Westland Development Company and payments to the Tenth Street Joint Power Agency for maintenance for common areas in the Tenth Street Place. These amounts are all reported in the Successor Agency in the Fiduciary financial statements under the Private-Purpose Trust Fund.

K. NOTES AND LOANS RECEIVABLE

The notes receivable in the Housing and Community Development and Other Governmental Funds of \$54,208,522 net of \$167,637 allowance for doubtful accounts, consist of loans made for low-income housing rehabilitation, first-time homebuyers, property improvement and small business origination. The loans are collateralized by deeds of trust on the improved properties or business assets, and are generally bearing annual interest at 3 or 5 percent. Some direct loans may be subject to forgiveness, some are interest free and require no repayment of principal until the loans reach maturity, and some are subject to residual receipt payment agreements. Loan terms range from 5 to 55 years.

L. APPROVED LOANS PAYABLE

The approved loans payable in the Housing and Community Development Special Revenue Fund of \$246,654 consist of amounts being held for housing projects using funds provided by federal grants. This liability is expected to be liquidated in less than a year.

M. POLLUTION REMEDIATION LIABILITY

The City reported a liability in the Water and Sewer Enterprise funds, which represents the recoveries the City has collected less any remediation and legal costs incurred in pursuit of mitigating damages from the manufacturers of perchlorethylene, or PCE, a common chemical used in the dry cleaning industry. This chemical has seeped into the groundwater through sewer lines when improperly disposed, and threatens the City's groundwater supplies. Modesto has been proactive in attempting to recover damages and future cleanup costs from the dry cleaners and their insurers, and has also initiated litigation with the manufacturers. As of June 30, 2017, the City reported a pollution remediation liability from the Water and Sewer funds in the amount of \$8,677,433 and \$7,495,053, respectively.

In addition, in the Compost Fund, a liability was reported related to the Carpenter Road Landfill which is a 39-acre City owned landfill, located on both the east and west sides of Carpenter Road between Kenneth and Robertson Roads and the Tuolumne River, which was in operation from 1956 to 1968. This landfill precedes Subtitle-D and had no liner or leachate collection or removal system. In 1993, six methane gas monitoring wells were installed. In December 2005, there was a spike in the methane gas level at the landfill's Northern boundary. The State required the City to determine the cause and develop a mitigation and monitoring plan to ensure the landfill remained in compliance with the state statutes. In November of 2010, a Corrective Action Plan was proposed for the landfill involving hydrogen releasing compound injection. In October 2014, a revised Corrective Action Plan and post closure maintenance plan was submitted to the Central Valley Regional Water Quality Control Board (CVRWQCB). In March 2015, a Cleanup and Abatement Order was issued to the City of Modesto for the Carpenter Road Landfill by the California Regional Water Quality Control Board to complete the clean closure correction action plan by January 15, 2017. Construction was to begin in Spring of 2017, however, due to flooding during the Winter of 2016, the groundwater level increased to a level too high to begin construction. The City has submitted a request to the CVRWQCB to delay the project until Spring of 2018. As of June 30, 2017, the City reported a pollution remediation liability from Compost Fund in the amount of \$2,600,000.

N. DEFERRED INFLOWS/OUTFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position", the City recognized deferred outflows and inflows of resources in the entitywide and governmental fund statements. These items are an acquisition of net position by the City that is applicable to a future reporting period. On the governmental fund statements, the Housing and Community Development Fund reported deferred inflow of resources in the amount of \$ 28,065,876 for unavailable resources related to note and grant receivables not meeting the period of availability. Previous financial reporting standards do not include guidance for reporting these in the financial statements, which are distinct from assets and liabilities. The items relate to outflows and inflows for net pension liability (Note III-G), swap hedging (Note II-C) and loss on refunding.

III. OTHER INFORMATION

A. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to and illnesses of employees; and natural disasters. The City maintains the Insurance Internal Service Fund to account for and finance its risks of loss. Under this program, the City is self-insured for the following risks up to the maximum amount per claim/occurrence as follows: workers' compensation \$500,000; liability \$1,000,000. The City purchases commercial insurance for property loss, airport liability, and for claims in excess of the preceding self-insured coverage amounts.

For liability claims, the City is one of twelve members of the Authority for California Cities Excess Liability (ACCEL) risk pool. This pool covers City claims between \$1,000,000 and \$5,000,000. The purpose of the pool is to spread the adverse effect of losses among the member agencies. The City contributes its pro rata share of anticipated losses to the pool. Should actual losses among participants be greater than anticipated, the City will be assessed its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess. Commercial insurance covers claims over \$5,000,000 in four excess layers, of \$10,000,000 each and one additional layer of \$5,000,000 above \$45,000,000; for additional total coverage of \$50,000,000 per claim. Settled claims have not exceeded this commercial coverage in any of the past five fiscal years.

All operating funds participate in the program and make payments to the Insurance Fund based on historical cost and/or actuarial estimates of the amounts needed to pay prior and current year claims, and to allow accrual of

estimated incurred but not reported claims and allocated loss adjustment expenses. Insurance premiums to commercial insurers are also processed through the Insurance Fund. The total claims liability at June 30, 2017 is \$27,884,781 consisting of \$23,042,810 workers' compensation, \$4,610,484 general liability, \$190,785 dental, and \$40,702 vision. Workers' compensation and general liability claims liabilities are estimated on an actuarial basis, and are reported at their net present value using an expected future investment yield assumption of 3% (general liability) and 3% (workers' compensation). The undiscounted workers' compensation and liability claims totaled \$27,482,468 and \$4,902,954, respectively. The actuarial liability for workers' compensation and general liability were based on January 2017 actuarial reports.

The current portion of the total claims liability is estimated to be \$5,682,904 and the balance of \$22,201,877 is reported as a long-term liability on the statement of net position. Changes in the Insurance Fund claims liability during the fiscal years ended June 30, 2016 through June 30, 2017 were:

	<u>Claims Liability July 1</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Current-Year Claim Payments</u>	<u>Claims Liability June 30</u>
2015-16	\$22,530,631	\$9,732,872	\$(8,666,972)	\$23,596,531
2016-17	23,596,531	13,619,346	(9,331,096)	27,884,781

B. COMMUNITY FACILITIES DEBT WITHOUT CITY COMMITMENT

Special assessment and community facilities districts have been established in various areas of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of the improvements; these assessments are payable solely by the property owners over the term of the debt issued to finance the improvements. The City is not legally obligated to pay these debts or be the purchaser of last resort of foreclosed properties in the special assessment districts, nor is it obligated to advance City funds to repay this debt in the event of default by any property owners. The City functions as an agent for the property owners by collecting assessments and forwarding collections to trustees for payment to bond holders.

At June 30, 2017, the balance of these districts' outstanding debt was as follows:

<u>Issue</u>	<u>Outstanding Amount</u>
Village One #2 Community Facilities District	\$28,525,000
Fairview Village Community Facilities District	4,155,000

C. CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial, commercial, health care, and multiple-family housing facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from developer payments on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are considered conduit debt obligations and are not reported as liabilities in the accompanying financial statements.

As of June 30, 2017, there were two series of conduit revenue bonds outstanding. The aggregate principal amount payable for these multiple-family housing bond issues, issued between 1994 and 2002, was \$7,475,000.

D. COMMITMENTS AND CONTINGENCIES

The City is involved in litigation relating to tort claims, workers' compensation claims and other claims such as contract actions and inverse condemnation actions for which the City is self-insured, as disclosed in Note III-A. The City is a defendant in various matters of litigation.

The City receives funding from a number of federal, state and local grant programs, principally the Federal Highway Administration, Community Development Block Grants, and Federal Transit Administration grants. These programs are subject to financial and compliance review by the grantors. Accordingly, the City's compliance with applicable grant requirements will be determined at some future date. Expenditures, if any, which may be disallowed by the

granting agencies, cannot be determined at this time. The City does not expect the undeterminable amounts of disallowed expenditures, if any, to materially affect the basic financial statements. Receipt of these federal, state and local grant revenues is not assured in the future.

The City has both operating and capital commitments of \$16,581,596 for the City's governmental funds as of June 30, 2017 for contracts awarded but not completed and other outstanding purchase requisitions and orders. This amount consists of \$2,854,307 in the General Fund, \$712,248 in the Housing and Community Development, and \$13,015,041 in other governmental funds. Commitments of the governmental funds are recorded in one of the classifications of fund balance based on the various funding restrictions on the balance sheet. As of June 30, 2017, there are major contracts for water (Conco West Inc - \$5.9 million), sewer system improvements (Myers-Rados - \$16.1 million), street improvement projects (Knife River Construction - \$2.6 million), State Route 132 Project (Dokken Engineering \$6.7 million) and Pelandale interchange reconstruction (Teichert - \$1.1 million).

E. JOINT VENTURES AND JOINTLY GOVERNED ORGANIZATION

Tuolumne River Regional Park

The City participates with Stanislaus County and the City of Ceres in the operation and development of the Tuolumne River Regional Park (TRRP). The governing body consists of 2 members from the County Board of Supervisors, 2 members from the Modesto City Council, and 1 member from the Ceres City Council. The TRRP board prepares the annual budget, which must be approved by both cities' councils and the board of supervisors. Each participant has an equity interest in the capital assets of TRRP based on the percentage of cumulative contributions paid. The City's contribution to TRRP was \$162,693 for the fiscal year ended June 30, 2017. As of June 30, 2017 the City's investment in this joint venture was \$803,331, and is included in governmental activities on the statement of net position. Financial statements for TRRP are prepared by the City of Modesto Finance Department.

Stanislaus Drug Enforcement Agency

Stanislaus County (County) and the cities of Modesto, Oakdale, Ceres, Patterson, Turlock, Riverbank, Hughson, Waterford and Newman are the participants in the Stanislaus Drug Enforcement Agency (SDEA). The purpose of the SDEA is to maintain a specially trained police unit to assist each of the participating agencies in the enforcement of drug control laws, and to study, plan, and set priorities for effective enforcement of such laws throughout Stanislaus County. The governing board consists of the sheriff of Stanislaus County and the chief of police of each participating city. All participants contribute to the funding of the SDEA budgeted expenditures, based on population and assessed property value. The City's cash contribution to the SDEA for the fiscal year ended June 30, 2017 was \$74,678. The City's investment in this joint venture was estimated to be \$154,973 as of June 30, 2017, based on the most recent available information. This amount is reported in governmental activities in the statement of net position. Financial statements of the SDEA are prepared by the City of Modesto Finance Department. Starting in January 1, 2018 the County Sheriff's office will become the fiscal administrator.

City-County Capital Improvements and Financing Agency

The City and Stanislaus County formed the City-County Capital Improvements and Financing Agency (Agency) to provide for the design, construction, ownership, operation, management and financing of a City-County administration center located in Modesto's downtown redevelopment area. The governing body is a commission consisting of 2 members of the City Council, 2 members of the County Board of Supervisors, the County Chief Executive Officer, and the City Manager. The commission is responsible for developing an annual budget and determining the annual contribution rates, subject to approval by both the City and the County. The Stanislaus County Auditor Controller was the fiscal administrator during the construction phase, which was final at the end of June 2003. Starting in July 1, 2010 the County Auditor Controller became the fiscal administrator. For the fiscal year ended June 30, 2017, the City's payments to the Agency were \$923,882 for operations and capital reserve. The City's equity interest in the Agency is \$8,550,313, equal to its capital asset contributions to date net of depreciation, and is reported in governmental activities as investments in joint ventures in the statement of net position. Financial statements of the Agency are prepared by the Stanislaus County Auditor Controller office.

Stanislaus Waste-to-Energy Financing Agency

The City participates with Stanislaus County in the Stanislaus Waste-to-Energy Financing Agency (Agency). The Agency was created to provide financing for a facility that generates power from solid waste. The costs of operating

the Agency, if any, are shared equally by the participants. The governing body consists of 2 members each from the County Board of Supervisors and the Modesto City Council. As of June 30, 2017, the City has no equity interest. Stanislaus County Treasurer's office prepares the Agency's financial statements.

Consolidated Emergency Dispatch Agency

The Modesto/Stanslaus Consolidated Emergency Dispatch Agency (the MSCEDA) was created on September 1, 1999, pursuant to a joint exercise of powers agreement between the City of Modesto and the County of Stanislaus. The MSCEDA is administered by a seven-member commission consisting of one member of the City Council, one member of the County Board of Supervisors, the County Chief Executive Officer, the City Manager, two members from the Dispatch Advisory Board, and one member from the City of Ceres' City Council or one member selected by the City Council of another participating City. The purpose of the MSCEDA is to consolidate the public safety communications system. The responsibilities of the agency include approval of annual budget, claims, liabilities, and the use of MSCEDA property as collateral. Each participant will contribute sufficient funds to pay for all costs and expenses associated with providing Emergency Dispatch Services. Upon termination of the agreement, assets will be distributed equally to the City and County, unless otherwise approved. The financial statements may be obtained by writing to the Modesto/Stanslaus Consolidated Emergency Dispatch, Office Manager, 3705 Oakdale Road, Modesto, California 95357.

North County Corridor Transportation Expressway Authority

On April 1, 2008, the City Council approved the establishment of a Joint Powers Authority between the County and the cities of Modesto, Oakdale and Riverbank to create the North County Corridor Transportation Expressway Authority (NCCTEA). The purpose of the Authority is to prepare, identify, and adopt a precise alignment, and prepare and certify environmental documents for a route to improve east/west traffic circulation in the County.

The intent of the NCCTEA is to provide a high capacity high speed east-west roadway to accommodate anticipated traffic growth, alleviate traffic on parallel roads, and to accommodate multi-modal travel. Under the terms of the agreement, the County will incur 40% of the costs of the project while each of the participating cities will be contributing 20%. The preliminary project development costs will be funded by State Transportation Program and Public Facility Fees. The NCCTEA Board of Directors will be comprised of two directors appointed by the County, and one director from each participating city. The board acts autonomously from the respective member agencies. The County of Stanislaus Public Works Director is designated as the NCCTEA's manager. Upon completion of the agreement, all assets will be distributed to the respective parties of the agreement as determined by the Board of Directors of the Authority. Financial statements may be obtained by writing to the County of Stanislaus, Public Works Department, 1716 Morgan Road, Modesto, CA 95358.

Stanislaus Animal Services Agency

The Stanislaus Animal Services Agency (SASA) was created October 27, 2009, pursuant to a joint powers agreement among the cities of Ceres, Hughson, Modesto, Patterson, Waterford, and the County of Stanislaus. SASA is administered by a six-member board comprised of the City Manager of each partner agency, and the Chief Executive Officer of the County. The purpose of SASA is to operate a regional agency providing animal services to their respective communities. The SASA Executive Director is responsible for the annual budget which must be approved by the SASA Board of Directors. Each partner agency will contribute sufficient funds to pay for all costs approved in the budget to provide animal services. Upon termination of the agreement, assets will be distributed in accordance with the joint powers agreement. The financial statements may be obtained by writing to the Stanislaus Animal Services Agency, Executive Director, 3647 Cornucopia Way, Modesto, CA 95358.

Regional Fire Training Center

The City has entered into an agreement with the Yosemite Community College District (YCCD) and Stanislaus County for the use and management of the regional fire training center at Modesto Junior College. The executive board consists of the YCCD Chancellor, the President of Modesto Junior College, the City Manager of the City of Modesto, and the Chief Executive Officer of Stanislaus County. The YCCD is responsible for accounting and for monitoring the center's budget. All three entities share in the operating costs. Initial construction costs were paid by the YCCD from borrowed funds, with the City and County reimbursing a portion of these costs in exchange for future use of the center. The City has paid its share of the construction costs in full. Title to the constructed asset is held by the YCCD; therefore, the City has no equity interest.

North Valley Regional Recycled Water Program (NVRWP)

The City participates in the NVRWP, which was established by the City of Modesto and Del Puerto Water District in November 2014. The purpose of this agreement is to develop, construct, operate and maintain water supply facilities and service. Through this agreement all partner agencies will cooperate and collaborate to use their best efforts regarding the submission of grants, loans and other funding resources to cover future cost related to the design and construction on future projects. At the end of the fiscal year June 30, 2017, the City has no equity interest.

F. POST-RETIREMENT HEALTH CARE DEFINED BENEFIT PLAN

Plan Description

In addition to the pension benefits described below in Note III-G, the City participates in an agent multiple-employer plan which provides health care benefits to employees who retire from the City based on certain criteria related to their hired and retirement date, under contractual agreements with all employee groups. All full-time employees hired before January 1, 2011, except firefighters who receive a cash payout, are eligible to set aside a percentage of accumulated sick leaves upon retirement to be used for payment of future health care premiums to a choice of insurance plans (sick leave conversion). The City has no obligation to pay the health insurance allowance for retirees with no accumulated sick leave. All employees hired on or after January 1, 2011 will not be eligible to participate in the sick leave conversion. As of June 30, 2017, there were 349 retirees receiving these health care benefits or a buy-out contribution to a retirement health savings account. If an employee elects to receive a buy-out contribution, they will be removed from the City's medical plan and will no longer be allowed to return to the City's medical plan.

The OPEB Plan provisions and benefits in effect at June 30, 2017, are summarized as follows:

Benefit Types Provided	Police (including Management) Medical, dental and vision	General Employees Medical, dental and vision	Management Medical, dental and vision	Fire Medical, dental and vision	Fire Management Medical, dental and vision
Duration of Benefits	One month per eight hours of converted sick leave	One month per eight hours of converted sick leave	One month per eight hours of converted sick leave	Lifetime	One month per eight hours of converted sick leave
City Health Allowance per month*	\$621 for retiree; \$858 for retiree plus spouse; \$1,214 with dependents	\$621 for retiree; \$858 for retiree plus spouse; \$1,214 with dependents	\$621 for retiree; \$858 for retiree plus spouse; \$1,214 with dependents	\$128.00	\$621 for retiree; \$858 for retiree plus spouse; \$1,214 with dependents
City Health Allowance per month**	Police (including Management) N/A	General Employees \$621 for retiree; \$858 for retiree plus spouse; \$1,214 with dependents	Management N/A	Fire N/A	Fire Management N/A
City Health Allowance per month***	N/A	N/A	N/A	N/A	N/A

*Employees hired before January 1, 2011 and retired on or after October 23, 2012 through December 31, 2014 have had their sick leave conversion frozen with the health allowance.

**Employees hired before January 1, 2011 and retire after January 31, 2015 through December 31, 2015.

***Employees hired before January 1, 2011 and retire after December 31, 2015 (after January 31, 2015 for General Employees, after July 1, 2014 for Modesto Police Officers Association, and after August 26, 2014 for Modesto Police Management Association) will be subject to the City's new retirement program. The new retirement program will provide a City contribution to a Retirement Health Savings (RHS) account based on allowance. More information about the new retirement program is available under the City of Modesto Human Resources Department website under Compensation and Labor Agreements.

Except for the Fire group, the City health allowance amounts may increase each year based on the health allowance

for active employees but for all union groups newly retired employees will not have this option due to these health allowances being frozen. For the Fire group, the City health allowance amounts increase each year in accordance with Government Code Section 22892.

Funding Policy and Actuarial Assumptions

The City's funding policy for the Plan is to fund benefits on a pay-as-you-go basis. The annual required contribution was determined as part of the January 1, 2017 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 4% investment rate of return, (b) 6.5% graded down to ultimate 4.5% rate over 8 years Medical cost trend rate; 4.5% Dental/Vision cost trend rate (c) Projected salary increases are based on California Public Employee Retirement System (CalPERS) experience study released in 2014 for miscellaneous, police and fire (refer to chart below).

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the short-term volatility in actuarial accrued liabilities and actuarial value of asset. Actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. The City's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis.

Projections of benefits for financial purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the plan members to that point. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future.

The remaining amortization period at June 30, 2017 was 20 years.

Projected Salary Increases
(CalPERS experience study released in 2014)

<u>Service</u>	<u>Miscellaneous</u>	<u>Police</u>	<u>Fire</u>
0	11.60%	14.70%	19.80%
3	8.10%	7.80%	9.40%
5	6.00%	5.80%	6.40%
10	4.30%	4.30%	4.60%
15	4.00%	4.30%	4.20%
20	3.80%	4.30%	3.90%
25	3.60%	4.30%	3.70%
30	3.40%	4.30%	3.60%

The City has set aside \$8,814,712 of Employee Benefits Management Internal Service Fund cash and investments to be used to fund the above benefits. Generally accepted accounting principles permit assets to be treated as OPEB assets and deducted from the Actuarial Accrued Liability when such assets are placed in an irrevocable trust or equivalent arrangement. Since the City's Internal Service Fund does not meet this requirement, the assets have been excluded from the actuarial study and calculation. This funding policy means that the City contributions are considered to be on a pay-as-you-go basis. As a result, the City has calculated and recorded the Net OPEB Obligation, representing the difference between the annual required contribution and the pay-as-you-go contributions.

In prior years, the City estimated and recorded an accrued liability representing unfunded retiree pension costs in its Employee Benefits Management Internal Service Fund. In accordance with GASB 45, municipalities are permitted to retain an estimated liability for prior years unfunded OPEB costs, so long as it is calculated in a manner consistent

with GASB Statement 27, which employed methodologies consistent with those now required under GASB 45.

The Plan annual required contributions and actual contributions for the fiscal year ended June 30, 2017 and the prior two years is set forth below:

Fiscal Year	Annual Required Contribution (ARC)	Interest on Net OPEB Obligations	ARC Adjustments	Annual OPEB Cost	Actual Contribution	Net OPEB Obligation	Percentage of Annual OPEB Cost Contributed
6/30/2015	\$ 3,189,054	\$ 2,382,790	\$ (4,383,246)	\$ 1,188,598	\$ 3,806,476	\$ 56,951,862	320.25%
6/30/2016	3,189,054	2,382,790	(4,383,246)	1,188,598	1,949,129	56,191,331	163.99%
6/30/2017	2,806,942	2,247,653	(4,134,656)	919,939	2,611,886	54,499,384	283.92%

The Schedule of Funding Progress is based on the most recent actuarial valuation as of January 1, 2017.

Actuarial Valuation Date	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	(Underfunded) Actuarial Accrued Liability (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	(Underfunded) Actuarial Liability as Percentage of Covered Payroll [(A-B)/C]
01/01/2017	\$0	\$28,645,234	(\$28,645,234)	0.00%	\$43,842,302	-65.34%

The schedule of funding progress, presented as RSI following the notes to the basic financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of benefits.

G. PENSION PLANS

I. General Information about the Pension Plans

Plan Descriptions

All City of Modesto qualified employees are eligible to participate in the City of Modesto separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multi-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by the State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. This report is available online at www.calpers.ca.gov.

The California Legislature passed and the Governor signed the "Public Employees' Pension Reform Act of 2013" (PEPRA) on September 12, 2012. PEPRA contained a number of provisions intended to reduce future pension obligations. PEPRA primarily affects new pension plan members who are enrolled for the first time after December 2012. Benefit provisions and other requirements are established by State statute.

Benefits Provided

The benefits for the Plans are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years of credited service.

The Plans' provisions and benefits in effect at June 30, 2017 are summarized as follows:

Miscellaneous Plan:

Hire date	Prior to January 17, 2012	January 17, 2012 to December 31, 2012	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 67	50 to 67	52 to 67
Monthly benefits, as a % of eligible compensation	1.426 to 2.418%	1.092 to 2.418%	1.0 to 2.5%

Safety Plan:

Hire date	Prior to September 11, 2012	September 11, 2012 through December 31, 2012	On or after January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 55	50 to 55	50 to 57
Monthly benefits, as a % of eligible compensation	3.0%	2.4 to 3.0%	2.0 to 2.7%

Contributions

Section 20814(c) of the California Public Employees Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2016 (the measurement date) for the Plans, the average active employee contribution rate was 6.846% of annual pay for Miscellaneous and 9.183% for Safety and the employer's contribution rate is 7.079% of annual payroll for Miscellaneous and 19.089% for Safety. The employee and employer contributions made in for fiscal year June 30, 2017 was \$11.66 million for the Miscellaneous plan and \$15.76 million for the Safety plan. Employer contribution rates may change if plan contracts are amended.

II. Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures.

A summary of principal assumptions and methods used to determine the net pension liability is shown below:

	Miscellaneous Plan	Safety Plan
	Entry-Age Normal	Entry-Age Normal
Actuarial Cost Method		
Actuarial Assumptions:		
Discount Rate	7.65%	7.65%
Inflation	2.75%	2.75%
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.5% ⁽¹⁾	7.5% ⁽¹⁾
Mortality Rate Table ⁽²⁾	CalPERS Membership Data	CalPERS Membership Data
Post Retirement Benefit Increase	Up to 2.75%	Up to 2.75%

⁽¹⁾ Net of Pension Plan Investment and Administrative Expenses; includes inflation

⁽²⁾ The mortality table used was developed based on CalPERS specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one-quarter of one percent.

The table below reflects long-term expected real rate of return by asset class as of the target allocation for the June 30, 2016 measurement date. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 – 10 ⁽¹⁾	Real Return Years 11+ ⁽²⁾
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0	0.99	2.43
Inflation Sensitive	6.0	0.45	3.36
Private Equity	10.0	6.83	6.95
Real Estate	10.0	4.50	5.13
Infrastructure and Forestland	2.0	4.50	5.09
Liquidity	1.0	(0.55)	(1.05)

(1) An expected inflation of 2.5% used for this period

(2) An expected inflation of 3.0% used for this period

III. Changes in the Net Pension Liability

The changes in the Net Pension Liability for each Plan follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2015 (1)	\$ 398,719,890	\$ 315,056,908	\$ 83,662,982
Changes Recognized for the Measurement Period:			
Service Cost	6,092,179	-	6,092,179
Interest on the Total Pension Liability	29,752,178	-	29,752,178
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	(2,005,545)	-	(2,005,545)
Plan to Plan Resource Movement	-	(1,118)	1,118
Contributions - Employer	-	6,920,358	(6,920,358)
Contributions - Employees	-	3,349,400	(3,349,400)
Net Investment Income	-	1,667,540	(1,667,540)
Benefit Payments, including Refunds of Employee	(21,686,131)	(21,686,131)	-
Administrative Expense	-	(192,011)	192,011
Net Change during 2015-16	12,152,681	(9,941,962)	22,094,643
Balance at June 30, 2016 (1)	\$ 410,872,571	\$ 305,114,946	\$ 105,757,625

(1) The fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance and OPEB expense. This may differ from the plan assets reported in the funding actuarial valuation report.

Safety Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2015 (1)	\$ 508,339,261	\$ 367,858,289	\$ 140,480,972
Changes Recognized for the Measurement Period:			
Service Cost	8,193,455	-	8,193,455
Interest on the Total Pension Liability	38,004,835	-	38,004,835
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	(2,184,871)	-	(2,184,871)
Plan to Plan Resource Movement	-	1,118	(1,118)
Contributions - Employer	-	11,137,899	(11,137,899)
Contributions - Employees	-	2,962,566	(2,962,566)
Net Investment Income	-	1,898,536	(1,898,536)
Benefit Payments, including Refunds of Employee	(26,911,771)	(26,911,771)	-
Administrative Expense	-	(224,190)	224,190
Net Change during 2015-16	17,101,648	(11,135,842)	28,237,490
Balance at June 30, 2016 (1)	\$ 525,440,909	\$ 356,722,447	\$ 168,718,462

(1) The fiduciary net position includes receivables for employee service buybacks, deficiency reserves, fiduciary self-insurance and OPEB expense. This may differ from the plan assets reported in the funding actuarial valuation report.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

Miscellaneous Plan:

	Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate + 1% (8.65%)
Plan's Net Pension Liability/ (Asset)	\$ 156,954,819	\$ 105,757,625	\$ 63,129,842

Safety Plan:

	Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate + 1% (8.65%)
Plan's Net Pension Liability/ (Asset)	\$ 240,006,863	\$ 168,718,462	\$ 110,259,534

IV. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of the start of the measurement period (July 1, 2015), the net pension liability was \$83,662,982 for the Miscellaneous Plan and \$140,480,972 for the Safety Plan.

For the measurement period ended June 30, 2016 (the measurement date), the City incurred a pension expense of \$7,977,607 for the Miscellaneous Plan and \$15,612,477 for the Safety Plan.

As of June 30, 2017, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

Miscellaneous Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$ -	\$ (2,981,936)
Differences between Expected and Actual Experiences	-	(2,875,591)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	16,532,404	-
Contributions subsequent to the measurement date	8,380,299	-
Total	\$ 24,912,703	\$ (5,857,527)

Safety Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$ -	\$ (4,914,722)
Differences between Expected and Actual Experiences	-	(2,079,143)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	19,429,205	-
Contributions subsequent to the measurement date	12,960,477	-
Total	\$ 32,389,682	\$ (6,993,865)

The amounts above are net of outflows and inflows recognized in the 2015-2016 measurement period expense. The amounts above reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2017.

Other amounts reported as deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Fiscal Year Ended June 30	Miscellaneous Plan	Safety Plan
2018	(1,099,761)	(282,906)
2019	(1,256)	(282,907)
2020	7,387,260	7,868,176
2021	4,388,634	5,132,977
2022	-	-
Thereafter	-	-
Total	\$ 10,674,877	\$ 12,435,340

H. DEFICIENCY OF EXPENDITURES OVER APPROPRIATIONS

For the fiscal year ended June 30, 2017, expenditures exceeded appropriations as follows:

General Fund

Expenditures

Interest Expenditures

Amount
\$5,606

Other Governmental Funds

Expenditures

Local Transportation Fund – Transfer out
Special Gas Tax Street Improvement Fund - Transfer out

Amount
\$4,506
156,506

I. SUBSEQUENT EVENTS

In September 2016, the Finance Committee received an informational report about potential net present value savings of \$1.2 million to \$1.6 million on a refunding of the outstanding Modesto Wastewater Revenue Bonds, Series 2006 A in the amount of \$14,735,000.

REQUIRED SUPPLEMENTARY INFORMATION

City of Modesto
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Year Ended June 30th

Miscellaneous Plan

Measurement Period	2015-2016	2014-2015	2013-2014
TOTAL PENSION LIABILITY			
Service Cost	\$ 6,092,179	\$ 5,768,082	\$ 6,400,912
Interest on Total Pension Liability	29,752,178	28,873,755	28,037,915
Changes of Assumptions	-	(6,709,358)	-
Difference Between Expected and Actual Experience	(2,005,545)	(3,177,191)	-
Benefit Payments, Including Refunds of Employee Contributions	(21,686,131)	(20,945,229)	(20,334,821)
Net Change in Total Pension Liability	12,152,681	3,810,059	14,104,006
Total Pension Liability – Beginning	398,719,890	394,909,831	380,805,825
Total Pension Liability – Ending (a)	\$ 410,872,571	\$ 398,719,890	\$ 394,909,831
PLAN FIDUCIARY NET POSITION			
Contributions – Employer	\$ 6,920,358	\$ 5,632,179	\$ 4,654,055
Contributions – Employee	3,349,400	3,061,157	2,853,492
Net Investment Income	1,667,540	7,093,159	48,702,803
Benefit Payments, Including Refunds of Employee Contributions	(21,686,131)	(20,945,229)	(20,334,821)
Plan to Plan Resource Movement	(1,118)	(188)	-
Administrative Expense	(192,011)	(355,544)	-
Net Change in Fiduciary Net Position	(9,941,962)	(5,514,466)	35,875,529
Plan Fiduciary Net Position – Beginning	315,056,908	320,571,374	284,695,845
Plan Fiduciary Net Position – Ending (b)	305,114,946	315,056,908	320,571,374
Plan Net Pension Liability – Ending (a) - (b)	\$ 105,757,625	\$ 83,662,982	\$ 74,338,457
Plan Fiduciary Net Position as a Percentage of the Total Pension	74.26%	79.02%	81.18%
Covered Payroll (1)	\$ 45,207,621	\$ 41,562,776	\$ 44,125,963
Plan Net Pension Liability as a Percentage of Covered Payroll	233.94%	201.29%	168.47%

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2015 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2016, there were no changes. In 2015, the discount rate was changed from 7.5 percent (net of administrative expenses) to 7.65 percent.

The pension schedules are required to show ten years of data and the additional years' information will be displayed as it becomes available.

City of Modesto
Schedule of Changes in the Net Pension Liability and Related Ratios
For the Year Ended June 30th

Safety Plan

Measurement Period	2015-2016	2014-2015	2013-2014
TOTAL PENSION LIABILITY			
Service Cost	\$ 8,193,455	\$ 8,633,865	\$ 8,970,868
Interest on Total Pension Liability	38,004,835	36,721,112	35,310,732
Changes of Assumptions	-	(9,188,394)	-
Difference Between Expected and Actual Experience	(2,184,871)	(849,707)	-
Benefit Payments, Including Refunds of Employee Contributions	(26,911,771)	(25,426,619)	(24,313,823)
Net Change in Total Pension Liability	17,101,648	9,890,257	19,967,777
Total Pension Liability – Beginning	508,339,261	498,449,004	478,481,227
Total Pension Liability – Ending (a)	\$ 525,440,909	\$ 508,339,261	\$ 498,449,004
PLAN FIDUCIARY NET POSITION			
Contributions – Employer	\$ 11,137,899	\$ 10,210,101	\$ 8,963,542
Contributions – Employee	2,962,566	2,800,626	2,939,117
Net Investment Income	1,898,536	8,215,387	56,385,743
Benefit Payments, Including Refunds of Employee Contributions	(26,911,771)	(25,426,619)	(24,313,823)
Plan to Plan Resource Movement	1,118	211	-
Administrative Expense	(224,190)	(414,089)	-
Net Change in Fiduciary Net Position	(11,135,842)	(4,614,383)	43,974,579
Plan Fiduciary Net Position – Beginning	367,858,289	372,472,672	328,498,093
Plan Fiduciary Net Position – Ending (b)	356,722,447	367,858,289	372,472,672
Plan Net Pension Liability – Ending (a) - (b)	\$ 168,718,462	\$ 140,480,972	\$ 125,976,332
Plan Fiduciary Net Position as a Percentage of the Total Pension	67.89%	72.36%	74.73%
Covered Payroll (1)	\$ 30,022,552	\$ 31,202,983	\$ 31,090,551
Plan Net Pension Liability as a Percentage of Covered Payroll	561.97%	450.22%	405.19%

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes, which occurred after June 30, 2015 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2016, there were no changes. In 2015, the discount rate was changed from 7.5 percent (net of administrative expenses) to 7.65 percent.

The pension schedules are required to show ten years of data and the additional years' information will be displayed as it becomes available.

City of Modesto
Schedule of Plan Contributions (1)

Miscellaneous Plan

Fiscal Year	2016-2017	2015-2016	2014-2015	2013-2014
Actuarially Determined Contribution (2)	\$ 8,380,299	\$ 6,920,358	\$ 5,632,179	\$ 4,654,055
Contributions in Relation to the Actuarially Determined Contribution (2)	(8,380,299)	(6,920,358)	(5,632,179)	(4,654,055)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll (3)(4)	\$ 49,151,757	\$ 45,207,621	\$ 41,562,776	\$ 44,125,963
Contributions as a Percentage of Covered-Employee Payroll (3)	17.05%	15.31%	13.55%	10.55%

Safety Plan

Fiscal Year	2015-2016	2015-2016	2014-2015	2013-2014
Actuarially Determined Contribution (2)	\$ 12,960,477	\$ 11,137,899	\$ 10,210,101	\$ 8,963,542
Contributions in Relation to the Actuarially Determined Contribution (2)	(12,960,477)	(11,137,899)	(10,210,101)	(8,963,542)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll (3)(4)	\$ 31,404,842	\$ 30,022,552	\$ 31,202,983	\$ 31,090,551
Contributions as a Percentage of Covered-Employee Payroll (3)	41.27%	37.10%	32.72%	28.83%

(1) Historical information is required only for fiscal year for which GASB 68 is applicable. As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be determined as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

(2) Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

The pension schedules are required to show ten years of data and the additional years' information will be displayed as it becomes available.

Notes to schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2015-16 were as follows for June 30, 2014 actuarial valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2014 Funding Valuation Report.
Asset Valuation Method	Market Value of Assets
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.
Mortality	The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

SCHEDULE OF FUNDING PROGRESS FOR OPEB

Actuarial Valuation Date**	Actuarial Value of Assets (A)	Entry Age Actuarial Accrued Liability (B)	(Underfunded) Actuarial Accrued Liability (A-B)	Funded Ratio (A/B)	Covered Payroll (C)	(Underfunded) Actuarial Liability as Percentage of Covered Payroll [(A-B)/C]
1/1/2013	\$0	\$78,245,964	(\$78,245,964)	0.00%	\$77,058,743	(101.54%)
1/1/2015	0	31,691,066	(31,691,066)	0.00%	46,576,754 ⁽¹⁾	(68.04%)
1/1/2017	0	28,645,234	(28,645,234)	0.00%	43,842,302	(65.34%)

(1) Payroll decreased because it is limited to active participants with a liability.

CITY OF MODESTO
SCHEDULE OF REVENUES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<u>TAXES</u>				
Utility users tax	\$ 20,150,000	\$ 20,150,000	\$ 20,113,023	\$ (36,977)
Property tax	14,445,241	14,445,241	15,384,518	939,277
Transient occupancy tax	2,150,000	2,150,000	2,669,484	519,484
Franchise tax	5,525,849	5,525,849	4,837,344	(688,505)
Business license tax	11,479,228	11,479,228	12,255,062	775,834
Total taxes	53,750,318	53,750,318	55,259,431	1,509,113
<u>LICENSES AND PERMITS</u>	87,537	87,537	109,784	22,247
<u>INTERGOVERNMENTAL</u>				
Sales tax	30,050,000	30,050,000	30,204,125	154,125
In-lieu sales tax				
Motor vehicle license fees	14,934,334	14,934,334	15,385,069	450,735
State	720,000	720,000	881,171	161,171
County	64,782	66,356	38,533	(27,823)
Federal	-	-	19,542	19,542
Other intergovernmental	1,568,000	1,568,000	2,292,586	724,586
Total intergovernmental	47,337,116	47,338,690	48,821,026	1,482,336
<u>CHARGES FOR SERVICES</u>				
General government	2,225,822	2,253,322	1,917,776	(335,546)
Community development	2,678,588	2,678,588	2,664,612	(13,976)
Public works	1,682,060	1,716,077	1,630,103	(85,974)
Parks and recreation	978,315	992,315	834,050	(158,265)
Public safety	1,506,324	1,551,873	3,147,021	1,595,148
Indirect cost recovery	3,164,981	3,164,981	3,168,791	3,810
Total charges for services	12,236,090	12,357,156	13,362,353	1,005,197
<u>INTEREST AND RENT</u>	601,580	650,837	819,908	169,071
<u>NET DECREASE IN FAIR VALUE OF INVESTMENTS</u>	-	-	(206,156)	(206,156)
<u>FINES AND FORFEITS</u>	388,854	568,854	560,250	(8,604)
<u>MISCELLANEOUS</u>				
Mandated cost recovery	78,700	78,700	85,573	6,873
Other	263,963	263,963	-	(263,963)
Total miscellaneous	342,663	342,663	85,573	(257,090)
Total revenues	\$ 114,744,158	\$ 115,096,055	\$ 118,812,169	\$ 3,716,114

The notes to required supplementary information are an integral part of this schedule.

CITY OF MODESTO
SCHEDULE OF EXPENDITURES BY FUNCTION - BUDGET
(GAAP BASIS) AND ACTUAL - GENERAL FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
General government:				
City council	\$ 400,616	\$ 408,017	\$ 392,240	\$ 15,777
Human resources	1,615,353	1,668,820	1,282,002	386,818
City manager	1,783,146	2,630,356	2,315,922	314,434
City attorney	2,156,463	2,170,659	2,026,615	144,044
City clerk/auditor	799,358	833,889	651,219	182,670
Finance	5,011,607	4,517,812	4,218,012	299,800
Other	656,000	446,000	383,211	62,789
Total general government	<u>12,422,543</u>	<u>12,675,552</u>	<u>11,269,221</u>	<u>1,406,331</u>
Community development:	<u>6,946,085</u>	<u>7,172,747</u>	<u>6,372,162</u>	<u>800,585</u>
Public works:				
Administration	376,025	383,304	361,516	21,788
Operations Service and maintenance	5,105,131	5,263,141	5,236,003	27,138
Facilities	1,108,301	1,596,315	919,191	677,124
Total public works	<u>6,589,457</u>	<u>7,242,760</u>	<u>6,516,710</u>	<u>726,050</u>
Parks and recreation:				
Administration	872,782	1,005,805	876,478	129,327
Planning and development	449,917	446,557	377,761	68,796
Recreation division	2,274,871	2,215,195	1,949,280	265,915
Total parks and recreation	<u>3,597,570</u>	<u>3,667,557</u>	<u>3,203,519</u>	<u>464,038</u>
Public safety:				
Fire protection	28,158,706	34,697,149	34,615,598	81,551
Police protection	58,373,882	57,262,077	54,470,398	2,791,679
Total public safety	<u>86,532,588</u>	<u>91,959,226</u>	<u>89,085,996</u>	<u>2,873,230</u>
Debt service:				
Principal retirement	642,019	471,801	467,093	4,708
Interest expenditures	10,278	10,278	15,884	(5,606)
Total debt service	<u>652,297</u>	<u>482,079</u>	<u>482,977</u>	<u>(898)</u>
Total expenditures	<u>\$ 116,740,540</u>	<u>\$ 123,199,921</u>	<u>\$ 116,930,585</u>	<u>\$ 6,269,336</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

The notes to required supplementary information are an integral part of this schedule.

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - HOUSING
AND COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental - federal grants	\$ 2,609,380	\$ 3,611,652	\$ 4,277,482	\$ 665,830
Interest and rent - interest	13,556	13,556	-	(13,556)
Miscellaneous	-	-	3,242	3,242
Total revenues	<u>2,622,936</u>	<u>3,625,208</u>	<u>4,280,724</u>	<u>655,516</u>
EXPENDITURES				
Community development	2,020,441	2,605,515	2,120,560	484,955
Debt service:				
Principal retirement	233,000	233,000	233,000	-
Interest	50,951	50,951	50,951	-
Total expenditures	<u>2,304,392</u>	<u>2,889,466</u>	<u>2,404,511</u>	<u>484,955</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>318,544</u>	<u>735,742</u>	<u>1,876,213</u>	<u>1,140,471</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(637,554)	(177,835)	459,719
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(637,554)</u>	<u>(177,835)</u>	<u>459,719</u>
CHANGES IN FUND BALANCE	318,544	98,188	1,698,378	1,600,190
FUND BALANCE, JULY 1	<u>25,533,233</u>	<u>25,533,233</u>	<u>25,533,233</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 25,851,777</u>	<u>\$ 25,631,421</u>	<u>\$ 27,231,611</u>	<u>\$ 1,600,190</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

The notes to required supplementary information are an integral part of this schedule.

CITY OF MODESTO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2017

BUDGETARY INFORMATION - The City follows these procedures annually in establishing the budgetary data reflected in the budgetary comparison schedules for operating, non-capital multi-year, and capital budgets:

1. The City Manager submits to the City Council a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them for operating, non-capital multi-year and capital projects.
2. The City Council reviews the proposed budget at specially scheduled sessions, which are open to the public. The Council also conducts a public hearing on all proposed budgets to obtain comments from interested persons.
3. Prior to July 1, the budget is legally adopted through passage of an ordinance. This budget is reported as the Original Budget in the budgetary comparison schedules.
4. During the fiscal year, changes to the Adopted Budget may be authorized, as follows:
 - a. Authority to approve any adjustment in the amount of \$25,000 or less is delegated to the Director of Finance.
 - b. Authority to approve any adjustment in an amount between \$25,000 and \$50,000 is delegated to the City Manager.
 - c. Authority for any budget adjustment more than \$50,000 is delegated to the parties described below:
 - a. Items requiring City Council Action – appropriation of undesignated reserves; appropriation of new revenues; transfers of appropriations between funds (inter-fund transfers); creation of inter-fund loans; creation of, or increase in, any multi-year appropriation.
 - b. Items delegated to the City Manager – transfer appropriations between departments within a fund; changing any capital equipment appropriation; appropriation of reserves for litigation on a case-by-case basis; appropriation of developer payments not previously budgeted.
 - c. Items delegated to the Director of Finance – appropriation of grant interest; revise the allocation of Internal Service Fund charges between departments provided that the total allocated amount does not increase; changing any capital improvement budget line item appropriation; make technical budget corrections to implement the intent of Council approved actions and resolutions.
 - d. Items delegated to Department Directors – transfer appropriations within a department, within a single fund.
5. Formal budgetary accounting is employed as a management tool for all funds. Annual budgets are legally adopted and amended as required for the general, special revenue, enterprise and internal service funds. Project length budgets are adopted for the capital projects funds. All budgets are prepared on a basis consistent with generally accepted accounting principles (GAAP), and budgetary comparisons for the general and major special revenue funds are presented on this basis in the required supplementary information. A debt service payment schedule for the debt service funds is also approved as part of the budget process.
6. Budget amounts are reflected after all authorized amendments and revisions. This budget is reported as the Final Budget in the budgetary comparison schedules.

**CITY OF MODESTO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONT)
FISCAL YEAR ENDED JUNE 30, 2017**

7. For each legally adopted operating budget, expenditures may not exceed budgeted appropriations at the appropriation unit level. The legal appropriation basis is at the level called "department". A "department" for legal appropriation purposes may be a single organization (e.g., City Attorney), or an entire department having multiple organizations within the same fund (e.g., Operations and Maintenance), or an entire fund (e.g., Downtown Improvement District). All departments and funds complete the year within their legally authorized expenditures except the Local Transportation Fund due to a budget error. Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded to reserve the applicable appropriations, is employed in the governmental funds.

The City does, however, honor the contracts represented by year-end encumbrances and the subsequent year's appropriations provide authority to complete these transactions.

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**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Special Revenue Funds include funds which are restricted as to use by the Federal or State governments, and special purpose funds established by authority of the City Council. Nonmajor Special Revenue Funds include:

OPERATING GRANTS FUND – To account for a variety of governmental fund operating grants, including law enforcement grants.

LOCAL TRANSPORTATION FUND – To account for revenues and expenditures of Local Transportation Fund allocations for streets, urban trails, and non-motorized facilities. Allocations for the City bus system are reported directly in the Bus Enterprise Fund.

TRAFFIC SAFETY FUND – To account for receipts and expenditures of traffic safety fines.

DOWNTOWN IMPROVEMENT DISTRICT FUND – To account for the fiscal activities of Business Improvement Area A and Downtown Modesto Community Benefit District of the City of Modesto.

STRATEGIC PLANNING AND DEVELOPMENT FUND – Established to provide a funding source for future village planning, general plan update and other large expenses related to planning and development. This fund was originally financed with an apportionment of the PERS rebate related to AB702. Subsequent funding has been provided by transfers from the General Fund. Future funding will be provided by fees imposed on private development.

SPECIAL GAS TAX STREET IMPROVEMENT FUND – To account for state-collected, locally-shared gas tax monies. This fund may be used for all street and traffic purposes including construction, purchase of rights-of-way, and maintenance.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds. Nonmajor Capital Projects Funds include:

SPECIAL FUND FOR CAPITAL OUTLAYS – To account for capital outlay authorized by the City Council. No monies placed in this fund are to be disbursed except for this purpose unless authorized by a vote of the people.

PARKS FUND – To account for a discretionary transfer of General Fund property tax revenue to provide for the development of parks within the City, as directed by the City Council.

SECURITIES FOR FUTURE IMPROVEMENTS FUND – To account for the collection of impact fees for approved development projects to construct facilities needed for future development.

CAPITAL GRANTS – To account for receipts and disbursements of a variety of Governmental Fund capital grants.

COMMUNITY FACILITIES DISTRICTS FUND – To account for the construction of public improvements deemed to benefit properties against which special taxes are levied.

SUCCESSOR REDEVELOPMENT HOUSING AGENCY FUND – To account for the housing redevelopment capital projects financed by the Successor Redevelopment Housing Agency of the City of Modesto.

CAPITAL FACILITY FEES FUND – To account for special fees collected on new building permits to be used for construction of certain growth related projects. The fees and related capital projects include police department expansion, fire department expansion, expressway loop, street lights, street improvements, parks, new traffic signals, City downtown, wastewater treatment, public transportation, and air quality improvements.

Nonmajor Debt Service Fund

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Nonmajor Debt Service Fund includes:

PUBLIC FINANCING AUTHORITY FUND – To account for payment of debt issued to finance projects authorized by the Modesto Public Financing Authority.

CITY OF MODESTO
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue					
	Operating Grants	Local Transportation	Traffic Safety	Downtown Improvement District	Strategic Planning and Development	Special Gas Tax Street Improvement
ASSETS						
Cash and cash equivalents	\$ -	\$ 1,369,099	\$ -	\$ 83,539	\$ 1,006,830	\$ 5,809,229
Receivables:						
Accounts, net	16,950	-	-	-	381,775	26,812
Interest	3,041	3,525	-	171	2,294	13,657
Taxes	81,810	-	-	5,075	-	304,024
Due from governments	3,065,329	-	3,358	-	-	42,675
Prepaid expenditures	115	-	-	-	-	600
Restricted assets:						
Cash and cash equivalents	-	244,580	3,087,018	-	-	-
Cash and cash equivalents with fiscal agent	652,290	-	-	-	-	-
Due from governments	-	-	111,743	-	-	-
Notes receivable, net	70,179	-	-	-	-	-
Advances to other funds	-	-	-	-	-	-
Total assets	\$ 3,889,714	\$ 1,617,204	\$ 3,202,119	\$ 88,785	\$ 1,390,899	\$ 6,196,997
LIABILITIES AND AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 460,809	\$ -	\$ 496	\$ 10,270	\$ 62,504	\$ 258,755
Accrued salaries and benefits	134,834	-	2,862	-	-	88,752
Interest payable	-	-	-	-	-	-
Due to other funds	414,329	-	-	-	-	-
Unearned revenue	162,932	1,372,624	-	-	-	13,816
Refundable deposits	4,000	-	-	-	-	-
Advances from other funds	10,814	-	-	-	-	-
Total liabilities	1,187,718	1,372,624	3,358	10,270	62,504	361,323
Deferred inflows of resources:						
Unavailable revenue	3,981,605	-	-	-	-	-
Fund balances:						
Nonspendable	115	-	-	-	-	600
Restricted	722,469	244,580	3,198,761	-	-	-
Assigned	-	-	-	78,515	1,328,395	5,835,074
Unassigned	(2,002,193)	-	-	-	-	-
Total fund balances	(1,279,609)	244,580	3,198,761	78,515	1,328,395	5,835,674
Total liabilities and fund balances	\$ 3,889,714	\$ 1,617,204	\$ 3,202,119	\$ 88,785	\$ 1,390,899	\$ 6,196,997

Capital Projects						
Special Fund for Capital Outlays	Parks	Securities for Future Improvements	Capital Grants	Community Facilities Districts	Successor Redevelopment Housing Agency	Capital Facility Fees
\$ 295,754	\$ 2,076	\$ -	\$ 6,781	\$ 232,698	\$ -	\$ 412,016
10,000	-	-	-	-	557	-
32	1,774	-	-	38,468	-	64,977
-	-	-	-	13,419	-	-
-	-	-	3,464,446	184	1,192,004	824,242
-	-	-	-	-	-	-
-	855,557	66,397	-	16,774,444	-	29,284,573
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,211,000	-
-	-	-	-	-	-	80,000
<u>\$ 305,786</u>	<u>\$ 859,407</u>	<u>\$ 66,397</u>	<u>\$ 3,471,227</u>	<u>\$ 17,059,213</u>	<u>\$ 3,403,561</u>	<u>\$ 30,665,808</u>
\$ 14,310	\$ 3,850	\$ -	\$ 650,779	\$ 255,724	\$ -	\$ 231,362
-	-	-	-	12,865	-	-
-	-	-	-	-	1,634	-
10,000	-	-	3,616,793	-	592,795	-
-	-	-	-	-	-	-
-	-	-	-	16,180	-	-
-	-	-	-	-	145,727	1,069,873
<u>24,310</u>	<u>3,850</u>	<u>-</u>	<u>4,267,572</u>	<u>284,769</u>	<u>740,156</u>	<u>1,301,235</u>
-	-	-	265,943	-	-	-
-	-	-	-	-	-	80,000
-	855,557	66,397	-	16,774,444	2,211,000	29,284,573
281,476	-	-	-	-	452,405	-
-	-	-	(1,062,288)	-	-	-
<u>281,476</u>	<u>855,557</u>	<u>66,397</u>	<u>(1,062,288)</u>	<u>16,774,444</u>	<u>2,663,405</u>	<u>29,364,573</u>
<u>\$ 305,786</u>	<u>\$ 859,407</u>	<u>\$ 66,397</u>	<u>\$ 3,471,227</u>	<u>\$ 17,059,213</u>	<u>\$ 3,403,561</u>	<u>\$ 30,665,808</u>

CITY OF MODESTO
COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Debt Service Public Financing Authority	Total
<u>ASSETS</u>		
Cash and cash equivalents	\$ -	\$ 9,218,022
Receivables:		
Accounts, net	-	436,094
Interest	-	127,939
Taxes	-	404,328
Due from governments	-	8,592,238
Prepaid expenditures	292	1,007
Restricted assets:		
Cash and cash equivalents	-	50,312,569
Cash and cash equivalents with fiscal agent	4,942,019	5,594,309
Due from governments	-	111,743
Notes receivable, net	-	2,281,179
Advances to other funds	-	80,000
	\$ 4,942,311	\$ 77,159,428
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 33,257	\$ 1,982,116
Accrued salaries and benefits	-	239,313
Interest payable	-	1,634
Due to other funds	58,941	4,682,858
Unearned revenue	-	1,559,372
Refundable deposits	-	20,180
Advances from other funds	-	1,226,414
	92,198	9,711,887
Total liabilities		
Deferred inflows of resources:		
Unavailable revenue	-	4,247,548
Fund balances:		
Nonspendable	292	81,007
Restricted	4,942,019	58,299,800
Assigned	-	7,975,865
Unassigned	(92,198)	(3,156,679)
	4,850,113	63,199,993
Total fund balances		
	\$ 4,942,311	\$ 77,159,428
Total liabilities and fund balances		

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CITY OF MODESTO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue					
	Operating Grants	Local Transportation	Traffic Safety	Downtown Improvement District	Strategic Planning and Development	Special Gas Tax Street Improvement
REVENUES:						
Taxes	\$ 383,589	\$ -	\$ -	\$ 192,540	\$ -	\$ 1,210,290
Licenses and permits	58,224	-	-	-	-	33,437
Intergovernmental	1,620,094	2,725	-	-	366,775	3,968,029
Charges for services	4,994,538	-	193,771	-	19,070	1,068,376
Special assessments levied	57,619	-	-	678,616	-	-
Interest and rent	4,687	11,481	-	628	9,714	65,516
Net increase (decrease) in fair value of investments	(6,347)	(8,492)	-	(402)	(6,244)	(42,077)
Fines and forfeits	-	-	703,157	-	-	-
Miscellaneous	121,118	-	-	-	75,645	151,482
Total revenues	<u>7,233,522</u>	<u>5,714</u>	<u>896,928</u>	<u>871,382</u>	<u>464,960</u>	<u>6,455,053</u>
EXPENDITURES:						
Current:						
General government	272,910	-	-	-	-	-
Community development	872,793	-	-	850,528	457,243	-
Highways and streets	-	2,697	-	-	-	9,067,903
Public works	4,402,392	-	-	-	-	-
Parks and recreation	65,841	-	-	-	-	-
Public safety	3,622,769	-	188,746	-	-	-
Capital outlay:						
General government	-	-	-	-	-	-
Community development	-	-	-	-	33,883	-
Highways and streets	-	(25,177)	-	-	-	47,954
Public works	5,764	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Public safety	146,561	-	10,955	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total expenditures	<u>9,389,030</u>	<u>(22,480)</u>	<u>199,701</u>	<u>850,528</u>	<u>491,126</u>	<u>9,115,857</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,155,508)</u>	<u>28,194</u>	<u>697,227</u>	<u>20,854</u>	<u>(26,166)</u>	<u>(2,660,804)</u>
OTHER FINANCING SOURCES (USES):						
Transfers in	408,512	-	-	-	367,000	125,000
Transfers out	(167,365)	(4,506)	-	-	-	(204,174)
Sale of assets	8,465	-	-	-	-	19,095
TOTAL OTHER FINANCING SOURCES (USES)	<u>249,612</u>	<u>(4,506)</u>	<u>-</u>	<u>-</u>	<u>367,000</u>	<u>(60,079)</u>
CHANGES IN FUND BALANCES	<u>(1,905,896)</u>	<u>23,688</u>	<u>697,227</u>	<u>20,854</u>	<u>340,834</u>	<u>(2,720,883)</u>
FUND BALANCES, JULY 1	626,287	220,892	2,501,534	57,661	987,561	8,556,557
FUND BALANCES, JUNE 30	<u>\$ (1,279,609)</u>	<u>\$ 244,580</u>	<u>\$ 3,198,761</u>	<u>\$ 78,515</u>	<u>\$ 1,328,395</u>	<u>\$ 5,835,674</u>

Capital Projects						
Special Fund for Capital Outlays	Parks	Securities for Future Improvements	Capital Grants	Community Facilities Districts	Successor Redevelopment Housing Agency	Capital Facility Fees
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	4,365	-	11,412,110	1,830	11,005	287,580
-	-	-	-	732,999	-	4,078,814
-	-	-	-	2,278,533	-	-
1,448	6,977	-	-	190,398	(6,398)	261,936
-	-	-	-	-	-	-
143	(4,707)	-	-	(135,808)	4,361	(166,887)
-	-	-	-	-	-	-
-	21,463	-	-	58,321	-	-
<u>1,591</u>	<u>28,098</u>	<u>-</u>	<u>11,412,110</u>	<u>3,126,273</u>	<u>8,968</u>	<u>4,461,443</u>
-	-	-	-	-	-	-
17,461	-	-	-	2,505,936	-	84,281
-	-	-	170,054	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
59,620	-	-	-	859,045	-	230
-	-	-	11,984,735	-	-	1,200,693
-	-	-	-	-	-	-
-	42,930	-	181,041	-	-	318,813
125,605	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>202,686</u>	<u>42,930</u>	<u>-</u>	<u>12,335,830</u>	<u>3,364,981</u>	<u>-</u>	<u>1,604,017</u>
(201,095)	(14,832)	-	(923,720)	(238,708)	8,968	2,857,426
463,696	70,000	-	352,106	-	-	230
-	(230)	-	-	-	-	(84,473)
-	-	-	-	-	-	-
<u>463,696</u>	<u>69,770</u>	<u>-</u>	<u>352,106</u>	<u>-</u>	<u>-</u>	<u>(84,243)</u>
262,601	54,938	-	(571,614)	(238,708)	8,968	2,773,183
18,875	800,619	66,397	(490,674)	17,013,152	2,654,437	26,591,390
<u>\$ 281,476</u>	<u>\$ 855,557</u>	<u>\$ 66,397</u>	<u>\$ (1,062,288)</u>	<u>\$ 16,774,444</u>	<u>\$ 2,663,405</u>	<u>\$ 29,364,573</u>

CITY OF MODESTO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	Debt Service Public Financing Authority	Total
REVENUES:		
Taxes	\$ -	\$ 1,786,419
Licenses and permits	-	91,661
Intergovernmental	1,301,083	18,971,231
Charges for services	-	11,091,933
Special assessments levied	-	3,014,768
Interest and rent	36,092	582,479
Net increase (decrease) in fair value of investments	-	(366,460)
Fines and forfeits	-	703,157
Miscellaneous	-	428,029
Total revenues	1,337,175	36,303,217
EXPENDITURES:		
Current:		
General government	-	272,910
Community development	-	4,788,242
Highways and streets	-	9,240,654
Public works	-	4,402,392
Parks and recreation	-	65,841
Public safety	-	3,811,515
Capital outlay:		
General government	-	-
Community development	-	952,778
Highways and streets	-	13,208,205
Public works	-	5,764
Parks and recreation	-	542,784
Public safety	-	283,121
Debt service:		
Principal retirement	1,835,000	1,835,000
Interest	2,008,367	2,008,367
Other	430,779	430,779
Total expenditures	4,274,146	41,848,352
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,936,971)	(5,545,135)
OTHER FINANCING SOURCES (USES):		
Transfers in	2,936,972	4,723,516
Transfers out	-	(460,748)
Sale of assets	-	27,560
TOTAL OTHER FINANCING SOURCES (USES)	2,936,972	4,290,328
CHANGES IN FUND BALANCES	1	(1,254,807)
FUND BALANCES, JULY 1	4,850,112	64,454,800
FUND BALANCES, JUNE 30	\$ 4,850,113	\$ 63,199,993

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL - OPERATING GRANTS SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ -	\$ 400,000	\$ 383,589	\$ (16,411)
Licenses and permits	70,000	70,000	58,224	(11,776)
Intergovernmental	189,561	2,225,068	1,620,094	(604,974)
Charges for services	5,286,297	5,286,297	4,994,538	(291,759)
Special assessments	69,308	69,308	57,619	(11,689)
Interest and rent - interest	-	-	4,687	4,687
Net decrease in fair value of investments	-	-	(6,347)	(6,347)
Miscellaneous	142,360	142,360	121,118	(21,242)
Total revenues	<u>5,757,526</u>	<u>8,193,033</u>	<u>7,233,522</u>	<u>(959,511)</u>
EXPENDITURES:				
General government	284,720	509,945	272,910	237,035
Community development	939,487	939,599	872,793	66,806
Public works	5,639,406	4,553,116	4,408,156	144,960
Parks and recreation	189,561	630,888	65,841	565,047
Public safety	2,367,535	7,608,914	3,769,330	3,839,584
Total expenditures	<u>9,420,709</u>	<u>14,242,462</u>	<u>9,389,030</u>	<u>4,853,432</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	<u>(3,663,183)</u>	<u>(6,049,429)</u>	<u>(2,155,508)</u>	<u>3,893,921</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	142,360	496,905	408,512	(88,393)
Transfers out	-	(178,716)	(167,365)	11,351
Sale of assets	-	-	8,465	8,465
TOTAL OTHER FINANCING SOURCES (USES)	<u>142,360</u>	<u>318,189</u>	<u>249,612</u>	<u>2,030,376</u>
CHANGES IN FUND BALANCE	(3,520,823)	(5,731,240)	(1,905,896)	5,924,297
FUND BALANCE, JULY 1	626,287	626,287	626,287	-
FUND BALANCE (DEFICIT), JUNE 30	<u>\$ (2,894,536)</u>	<u>\$ (5,104,953)</u>	<u>\$ (1,279,609)</u>	<u>\$ 5,924,297</u>

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL - LOCAL TRANSPORTATION SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Original	Final	Actual	Variance with Final Budget - Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 2,725	\$ 1,848
Interest and rent - interest	-	-	11,481	11,481
Net decrease in fair value of investments	-	-	(8,492)	(8,492)
Total revenues	<u>-</u>	<u>-</u>	<u>5,714</u>	<u>4,837</u>
EXPENDITURES:				
Highways and streets	-	-	(22,480)	22,480
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>28,194</u>	<u>28,194</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(4,506)	(4,506)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>(4,506)</u>	<u>(4,506)</u>
CHANGES IN FUND BALANCE	-	-	23,688	23,688
FUND BALANCE, JULY 1	220,892	220,892	220,892	-
FUND BALANCE, JUNE 30	<u>\$ 220,892</u>	<u>\$ 220,892</u>	<u>\$ 244,580</u>	<u>\$ 23,688</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET (GAAP BASIS) AND ACTUAL - TRAFFIC SAFETY SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 146,190	\$ 146,190	\$ 193,771	\$ 47,581
Motor vehicle fines	330,057	330,057	703,157	373,100
Total revenues	<u>476,247</u>	<u>476,247</u>	<u>896,928</u>	<u>420,681</u>
EXPENDITURES:				
Public safety	<u>558,767</u>	<u>616,814</u>	<u>199,701</u>	<u>417,113</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(82,520)	(140,567)	697,227	837,794
OTHER FINANCING USES:				
Transfers out	<u>(500,000)</u>	<u>(500,000)</u>	-	<u>500,000</u>
CHANGES IN FUND BALANCE	(582,520)	(640,567)	697,227	1,337,794
FUND BALANCE, JULY 1	<u>2,501,534</u>	<u>2,501,534</u>	<u>2,501,534</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 1,919,014</u>	<u>\$ 1,860,967</u>	<u>\$ 3,198,761</u>	<u>\$ 1,337,794</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - DOWNTOWN
IMPROVEMENT DISTRICT SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Taxes - business license tax	\$ 176,010	\$ 176,010	\$ 192,540	\$ 16,530
Special assessments levied	700,000	700,000	678,616	(21,384)
Interest and rent - interest	-	-	628	628
Net decrease in fair value of investments	-	-	(402)	(402)
Total revenues	<u>876,010</u>	<u>876,010</u>	<u>871,382</u>	<u>(4,628)</u>
EXPENDITURES:				
Community development	<u>873,498</u>	<u>873,664</u>	<u>850,528</u>	<u>23,136</u>
CHANGES IN FUND BALANCE	2,512	2,346	20,854	18,508
FUND BALANCE, JULY 1	<u>57,661</u>	<u>57,661</u>	<u>57,661</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 60,173</u>	<u>\$ 60,007</u>	<u>\$ 78,515</u>	<u>\$ 18,508</u>

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - STRATEGIC
PLANNING AND DEVELOPMENT SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Charges for services	\$ 91,560	\$ 101,560	\$ 19,070	\$ (82,490)
Intergovernmental	100,000	272,302	366,775	94,473
Interest and rent - interest	150,054	150,054	9,714	(140,340)
Net decrease in fair value of investments	(75)	(75)	(6,244)	(6,169)
Miscellaneous	-	-	75,645	75,645
Total revenues	<u>341,539</u>	<u>523,841</u>	<u>464,960</u>	<u>(58,881)</u>
EXPENDITURES:				
Community development	<u>903,094</u>	<u>1,615,396</u>	<u>491,126</u>	<u>1,124,270</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	(561,555)	(1,091,555)	(26,166)	1,065,389
OTHER FINANCING SOURCES:				
Transfers in	<u>600,000</u>	<u>725,000</u>	<u>367,000</u>	<u>(358,000)</u>
CHANGES IN FUND BALANCE	38,445.00	(366,555)	340,834	707,389
FUND BALANCE, JULY 1	<u>987,561</u>	<u>987,561</u>	<u>987,561</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 1,026,006</u>	<u>\$ 621,006</u>	<u>\$ 1,328,395</u>	<u>\$ 707,389</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

CITY OF MODESTO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL - SPECIAL
GAS TAX STREET IMPROVEMENT SPECIAL REVENUE FUND
FISCAL YEAR ENDED JUNE 30, 2017

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental:				
Federal grants	\$ 4,266,705	\$ 5,266,705	\$ 3,968,029	\$ (1,298,676)
Taxes	1,000,000	-	1,210,290	1,210,290
Licenses and permits	-	-	33,437	33,437
Charges for services	546,215	546,215	1,068,376	522,161
Interest and rent	15,000	15,000	65,516	50,516
Net decrease in fair value of investments	-	-	(42,077)	(42,077)
Miscellaneous	-	-	151,482	151,482
Total revenues	<u>5,827,920</u>	<u>5,827,920</u>	<u>6,455,053</u>	<u>627,133</u>
EXPENDITURES:				
Highway and streets	<u>9,451,180</u>	<u>9,542,654</u>	<u>9,115,857</u>	<u>426,797</u>
(DEFICIENCY) OF REVENUES (UNDER) EXPENDITURES	<u>(3,623,260)</u>	<u>(3,714,734)</u>	<u>(2,660,804)</u>	<u>1,053,930</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	125,000	125,000	125,000	-
Transfers out	-	(47,668)	(204,174)	(156,506)
Sale of assets	-	-	19,095	19,095
TOTAL OTHER FINANCING SOURCES (USES)	<u>125,000</u>	<u>77,332</u>	<u>(60,079)</u>	<u>(137,411)</u>
CHANGES IN FUND BALANCE	(3,498,260)	(3,637,402)	(2,720,883)	916,519
FUND BALANCE, JULY 1	<u>8,556,557</u>	<u>8,556,557</u>	<u>8,556,557</u>	<u>-</u>
FUND BALANCE, JUNE 30	<u>\$ 5,058,297</u>	<u>\$ 4,919,155</u>	<u>\$ 5,835,674</u>	<u>\$ 916,519</u>

NOTE: The expenditures by function amounts listed above include the capital outlay expenditures within each department.

Nonmajor Enterprise Funds

Enterprise Funds are established to account for activities that render services on a user-charge basis to the general public. Nonmajor Enterprise Funds include:

PARKING FUND – Revenues in this fund consist of charges for off-street parking and the downtown parking garage, as well as in-lieu parking fees. The revenue is used to develop and maintain parking facilities.

STORM DRAIN FUND – To account for storm drain improvements, operations and maintenance. The activities of the fund include street cleaning, rock well maintenance, and compliance with Federal and State water quality standards on storm water discharge.

COMPOST FUND – To account for tip fees charged at the City's composting facility for processing various compostable materials and the sale of compost product. Excess revenues over expenses are set aside to protect the enterprise against market fluctuations, and to provide for capital improvements to the facility infrastructure.

AIRPORT FUND – To account for all airport operations as stipulated in the City-Stanislaus County agreement of January 1968. Amounts received from the Federal government, State of California, and Stanislaus County, requiring matching amounts by the City, are recorded in this fund and are appropriated to finance approved capital projects.

GOLF FUND – Revenues in this fund consist of fees charged for using the City's golf courses. The revenue is used to improve, operate, and maintain golf courses.

COMMUNITY CENTER FUND – Accounted for in this fund are all amounts collected for the purpose of operating and maintaining the Modesto Centre Plaza Community Center. Revenues include room rental, catering fees, ticket sales, and other charges for using the center.

ABATEMENT AND PUBLIC NUISANCE FUND – To account the activity for expenses and recovery for the cost for both dangerous and unsafe building and property abatements.

CITY OF MODESTO
COMBINING STATEMENT OF NET POSITION - NONMAJOR ENTERPRISE FUNDS
JUNE 30, 2017

	Parking	Storm Drain	Compost
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 454,254	\$ 10,483,768	\$ 4,300,162
Receivables:			
Accounts	4,222	2,774	921,520
Interest	949	23,222	10,567
Taxes	-	-	-
Utilities, net	-	498,843	310,314
Prepaid expenses	299	23,753	-
Due from governments	-	13,615	152,788
Inventories	-	-	-
	459,724	11,045,975	5,695,351
Total current assets			
Noncurrent assets:			
Restricted cash and cash equivalents with fiscal agent	-	-	-
Land and construction in progress	3,131,804	2,128,939	1,140,000
Other capital assets, net of accumulated depreciation	5,136,419	12,884,761	1,389,238
Total noncurrent assets	8,268,223	15,013,700	2,529,238
Total assets	8,727,947	26,059,675	8,224,589
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred pensions	165,577	251,680	1,489,958
Total assets and deferred outflows of resources	\$ 8,893,524	\$ 26,311,355	\$ 9,714,547
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 30,667	\$ 142,941	\$ 1,731,458
Accrued salaries and benefits	10,903	12,808	84,584
Interest payable	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	6,726	17,808
Current portion - long-term debt	-	-	-
Total current liabilities	41,570	162,475	1,833,850
Noncurrent liabilities:			
Pollution remediation liability	-	-	2,600,000
Certificates of participation	-	-	-
Advances from other funds	-	1,324,704	889,200
Net pension liability	661,330	1,095,013	6,285,986
Total liabilities	702,900	2,582,192	11,609,036
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred pensions	27,131	42,357	317,016
Total deferred inflows of resources	27,131	42,357	317,016
<u>NET POSITION</u>			
Net investment in capital assets	8,268,223	15,013,700	2,529,238
Unrestricted	(104,730)	8,673,106	(4,740,743)
Total net position	8,163,493	23,686,806	(2,211,505)
Total liabilities, deferred inflows of resources, and net position	\$ 8,893,524	\$ 26,311,355	\$ 9,714,547

Airport	Golf	Community Center	Abatement and Public Nuisance Fund	Total
\$ 1,418,220	\$ -	\$ 126,674	\$ 640,711	\$ 17,423,789
19,645	319,285	37,443	13,386	1,318,275
2,928	15,368	-	1,424	54,458
1,752	-	-	-	1,752
-	-	-	-	809,157
208	-	-	-	24,260
131,430	-	-	-	297,833
-	34,521	-	-	34,521
<u>1,574,183</u>	<u>369,174</u>	<u>164,117</u>	<u>655,521</u>	<u>19,964,045</u>
-	684,986	-	-	684,986
3,877,655	275,741	3,667,020	-	14,221,159
8,408,971	1,163,780	3,540,176	-	32,523,345
<u>12,286,626</u>	<u>2,124,507</u>	<u>7,207,196</u>	<u>-</u>	<u>47,429,490</u>
13,860,809	2,493,681	7,371,313	655,521	67,393,535
154,113	-	131,377	-	2,192,705
<u>\$ 14,014,922</u>	<u>\$ 2,493,681</u>	<u>\$ 7,502,690</u>	<u>\$ 655,521</u>	<u>\$ 69,586,240</u>
\$ 118,707	\$ 41,884	\$ 36,780	\$ 554	\$ 2,102,991
9,808	6,846	8,654	-	133,603
-	33,890	-	-	33,890
-	530,026	-	-	530,026
4,622	420,589	-	9,345	459,090
-	355,000	-	-	355,000
<u>133,137</u>	<u>1,388,235</u>	<u>45,434</u>	<u>9,899</u>	<u>3,614,600</u>
-	-	-	-	2,600,000
-	2,565,000	-	-	2,565,000
-	-	-	-	2,213,904
<u>631,162</u>	<u>-</u>	<u>587,795</u>	<u>-</u>	<u>9,261,286</u>
<u>764,299</u>	<u>3,953,235</u>	<u>633,229</u>	<u>9,899</u>	<u>20,254,790</u>
<u>9,780</u>	<u>-</u>	<u>40,525</u>	<u>-</u>	<u>436,809</u>
<u>9,780</u>	<u>-</u>	<u>40,525</u>	<u>-</u>	<u>436,809</u>
12,286,626	(795,493)	7,207,196	-	44,509,490
<u>954,217</u>	<u>(664,061)</u>	<u>(378,260)</u>	<u>645,622</u>	<u>4,385,151</u>
<u>13,240,843</u>	<u>(1,459,554)</u>	<u>6,828,936</u>	<u>645,622</u>	<u>48,894,641</u>
<u>\$ 14,014,922</u>	<u>\$ 2,493,681</u>	<u>\$ 7,502,690</u>	<u>\$ 655,521</u>	<u>\$ 69,586,240</u>

CITY OF MODESTO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION - NONMAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	<u>Parking</u>	<u>Storm Drain</u>	<u>Compost</u>
OPERATING REVENUES:			
Charges for services	\$ 1,284,269	\$ 5,894,268	\$ 8,902,276
Miscellaneous	-	16,720	1,641
Total operating revenues	<u>1,284,269</u>	<u>5,910,988</u>	<u>8,903,917</u>
OPERATING EXPENSES:			
Salaries and wages	424,024	513,747	3,509,986
Contractual services	254,048	555,996	1,705,883
Utilities	161,183	36,615	30,732
Maintenance and supplies	59,336	2,169,811	1,901,761
Insurance	61,038	8,617	101,778
Employee benefits	149,386	190,125	1,399,985
Administration services	32,897	2,077,655	771,095
Allocated indirect administrative costs	31,484	87,927	241,041
Depreciation	448,424	521,532	149,997
Total operating expenses	<u>1,621,820</u>	<u>6,162,025</u>	<u>9,812,258</u>
OPERATING INCOME (LOSS)	<u>(337,551)</u>	<u>(251,037)</u>	<u>(908,341)</u>
NONOPERATING REVENUES (EXPENSES):			
Gain on disposition of capital assets	-	2,304	39,944
Operating grants	-	-	325,147
Tax revenue	-	-	-
Tax expense	(20,141)	-	-
Interest income	4,247	72,384	38,583
Net decrease in fair value of investments	(2,930)	(60,410)	(26,959)
Rental income	-	-	-
Interest expense	-	-	-
Trustee fees	-	-	-
Total nonoperating revenues (expenses)	<u>(18,824)</u>	<u>14,278</u>	<u>376,715</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(356,375)</u>	<u>(236,759)</u>	<u>(531,626)</u>
Capital contributions	-	-	-
Transfers in	-	700,000	206,632
Transfers out	-	-	(114,356)
CHANGES IN NET POSITION	<u>(356,375)</u>	<u>463,241</u>	<u>(439,350)</u>
NET POSITION (DEFICIT), JULY 1	<u>8,519,868</u>	<u>23,223,565</u>	<u>(1,772,155)</u>
NET POSITION (DEFICIT), JUNE 30	<u>\$ 8,163,493</u>	<u>\$ 23,686,806</u>	<u>\$ (2,211,505)</u>

	Airport	Golf	Community Center	Abatement and Public Nuisance Fund	Total
\$	594,767	\$ 2,236,100	\$ 301,124	\$ 117,677	\$ 19,330,481
	<u>1,385</u>	<u>-</u>	<u>4,312</u>	<u>-</u>	<u>24,058</u>
	<u>596,152</u>	<u>2,236,100</u>	<u>305,436</u>	<u>117,677</u>	<u>19,354,539</u>
	343,815	-	443,403	-	5,234,975
	224,739	2,218,241	152,452	52,865	5,164,224
	105,757	52,312	219,164	-	605,763
	46,277	231,871	150,008	146	4,559,210
	30,174	34,782	27,697	-	264,086
	144,929	-	120,468	-	2,004,893
	93,827	109,665	82,653	5,718	3,173,510
	31,639	45,346	2,957	-	440,394
	<u>738,580</u>	<u>51,227</u>	<u>752,830</u>	<u>-</u>	<u>2,662,590</u>
	<u>1,759,737</u>	<u>2,743,444</u>	<u>1,951,632</u>	<u>58,729</u>	<u>24,109,645</u>
	<u>(1,163,585)</u>	<u>(507,344)</u>	<u>(1,646,196)</u>	<u>58,948</u>	<u>(4,755,106)</u>
	-	-	-	-	42,248
	303,449	-	-	-	628,596
	199,124	-	-	-	199,124
	(508)	-	-	-	(20,649)
	3,383	(9,980)	-	5,452	114,069
	(2,548)	(13,613)	-	(3,567)	(110,027)
	125,838	95,722	462,031	-	683,591
	-	(151,666)	-	-	(151,666)
	-	(3,638)	-	-	(3,638)
	<u>628,738</u>	<u>(83,175)</u>	<u>462,031</u>	<u>1,885</u>	<u>1,381,648</u>
	(534,847)	(590,519)	(1,184,165)	60,833	(3,373,458)
	1,773,826	-	-	-	1,773,826
	-	701,652	535,492	-	2,143,776
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(114,356)</u>
	1,238,979	111,133	(648,673)	60,833	429,788
	<u>12,001,864</u>	<u>(1,570,687)</u>	<u>7,477,609</u>	<u>584,789</u>	<u>48,464,853</u>
\$	<u>13,240,843</u>	<u>(1,459,554)</u>	<u>6,828,936</u>	<u>645,622</u>	<u>48,894,641</u>

CITY OF MODESTO
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	<u>Parking</u>	<u>Storm Drain</u>	<u>Compost</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 1,280,067	\$ 5,887,091	\$ 8,748,439
Receipts from interfund services provided	-	50,277	-
Payments to suppliers	(366,794)	(1,829,340)	(1,265,975)
Payments to employees	(575,479)	(712,422)	(4,956,782)
Payments for interfund services used	<u>(251,915)</u>	<u>(3,351,516)</u>	<u>(2,826,605)</u>
Net cash provided (used) by operating activities	<u>85,879</u>	<u>44,090</u>	<u>(300,923)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Operating grants received	-	-	325,147
Taxes received	-	-	-
Transfers in	-	700,000	206,632
Transfers out	-	-	(114,356)
Payments on advances from other funds	<u>-</u>	<u>-</u>	<u>(34,200)</u>
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>700,000</u>	<u>383,223</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(176,702)	(521,115)	(55,961)
Proceeds from sale of capital assets	-	2,304	42,769
Principal repayments	-	-	-
Interest paid	-	-	-
Trustee fees	-	-	-
Capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities	<u>(176,702)</u>	<u>(518,811)</u>	<u>(13,192)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received (paid)	4,348	71,883	39,791
Net increase in the fair value of investments	(2,930)	(60,410)	(26,959)
Rental income received	<u>-</u>	<u>-</u>	<u>-</u>
Net cash provided (used) by investing activities	<u>1,418</u>	<u>11,473</u>	<u>12,832</u>
Net increase (decrease) in cash and cash equivalents	(89,405)	236,752	81,940
CASH AND CASH EQUIVALENTS, JULY 1	<u>543,659</u>	<u>10,247,016</u>	<u>4,218,222</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 454,254</u>	<u>\$ 10,483,768</u>	<u>\$ 4,300,162</u>
RECONCILIATION TO STATEMENT OF NET POSITION:			
Cash and cash equivalents	\$ 454,254	\$ 10,483,768	\$ 4,300,162
Restricted cash and cash equivalents with fiscal agent	-	-	-
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 454,254</u>	<u>\$ 10,483,768</u>	<u>\$ 4,300,162</u>

	Airport	Golf	Community Center	Abatement and Public Nuisance Fund	Total
\$	1,680,743	\$ 2,449,342	\$ 345,059	\$ 133,640	\$ 20,524,381
	-	-	-	-	50,277
	(1,479,346)	(2,428,771)	(471,113)	(78,153)	(7,919,492)
	(491,170)	1,535	(568,849)	-	(7,303,167)
	<u>(269,525)</u>	<u>(237,375)</u>	<u>(180,154)</u>	<u>-</u>	<u>(7,117,090)</u>
	<u>(559,298)</u>	<u>(215,269)</u>	<u>(875,057)</u>	<u>55,487</u>	<u>(1,765,091)</u>
	303,449	-	-	-	628,596
	199,124	-	-	-	199,124
	-	701,652	535,492	-	2,143,776
	-	-	-	-	(114,356)
	-	-	-	-	<u>(34,200)</u>
	<u>502,573</u>	<u>701,652</u>	<u>535,492</u>	<u>-</u>	<u>2,822,940</u>
	(1,836,361)	-	(40,006)	-	(2,630,145)
	-	-	-	-	45,073
	-	(340,000)	-	-	(340,000)
	-	(117,776)	-	-	(117,776)
	-	(3,638)	-	-	(3,638)
	<u>1,773,826</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,773,826</u>
	<u>(62,535)</u>	<u>(461,414)</u>	<u>(40,006)</u>	<u>-</u>	<u>(1,272,660)</u>
	3,293	(49,234)	-	5,263	75,344
	(2,548)	(13,613)	-	(3,567)	(110,027)
	<u>125,838</u>	<u>95,722</u>	<u>462,031</u>	<u>-</u>	<u>683,591</u>
	<u>126,583</u>	<u>32,875</u>	<u>462,031</u>	<u>1,696</u>	<u>648,908</u>
	7,323	57,844	82,460	57,183	434,097
	<u>1,410,897</u>	<u>627,142</u>	<u>44,214</u>	<u>583,528</u>	<u>17,674,678</u>
\$	<u>1,418,220</u>	\$ <u>684,986</u>	\$ <u>126,674</u>	\$ <u>640,711</u>	\$ <u>18,108,775</u>
\$	1,418,220	\$ -	\$ 126,674	\$ 640,711	\$ 17,423,789
	-	684,986	-	-	684,986
\$	<u>1,418,220</u>	\$ <u>684,986</u>	\$ <u>126,674</u>	\$ <u>640,711</u>	\$ <u>18,108,775</u>

(continued)

CITY OF MODESTO
COMBINING STATEMENT OF CASH FLOWS - NONMAJOR ENTERPRISE FUNDS (Continued)
FISCAL YEAR ENDED JUNE 30, 2017

	<u>Parking</u>	<u>Storm Drain</u>	<u>Compost</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (337,551)	\$ (251,037)	\$ (908,341)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	448,424	521,532	149,997
Taxes paid	(20,141)	-	-
Change in assets, liabilities, and deferred resources:			
(Increase) decrease in accounts receivable	(4,202)	1,864	(111,140)
Increase in taxes receivable	-	-	-
(Increase) decrease in utilities receivable	-	17,791	(50,174)
(Increase) decrease in due from other governments	-	(1)	(11,972)
Increase (decrease) in accounts payable	1,717	(222,987)	659,056
Decrease in inventories	-	-	-
(Increase) decrease in prepaid expenses	(299)	(21,248)	654
Increase (decrease) in accrued salaries and benefits	697	(4,545)	(22,594)
Decrease in net pension liability and deferred resources	(2,766)	(4,005)	(24,217)
Increase in due to other funds	-	-	-
Increase (decrease) in unearned revenue	-	6,726	17,808
Total adjustments	<u>423,430</u>	<u>295,127</u>	<u>607,418</u>
Net cash provided (used) by operating activities	<u>\$ 85,879</u>	<u>\$ 44,090</u>	<u>\$ (300,923)</u>

<u>Airport</u>	<u>Golf</u>	<u>Community Center</u>	<u>Abatement and Public Nuisance Fund</u>	<u>Total</u>
\$ <u>(1,163,585)</u> \$	\$ <u>(507,344)</u>	\$ <u>(1,646,196)</u> \$	\$ <u>58,948</u>	\$ <u>(4,755,106)</u>
738,580	51,227	752,830	-	2,662,590
(508)	-	-	-	(20,649)
6,146	26,457	39,623	6,618	(34,634)
(1,752)	-	-	-	(1,752)
-	-	-	-	(32,383)
1,075,575	-	-	-	1,063,602
(1,215,742)	(36,623)	(16,565)	(19,424)	(850,568)
-	1,804	-	-	1,804
(208)	60,890	229	-	40,018
97	1,535	(2,905)	-	(27,715)
(2,523)	-	(2,073)	-	(35,584)
-	187,646	-	-	187,646
4,622	(861)	-	9,345	37,640
<u>604,287</u>	<u>292,075</u>	<u>771,139</u>	<u>(3,461)</u>	<u>2,990,015</u>
\$ <u><u>(559,298)</u></u> \$	\$ <u><u>(215,269)</u></u>	\$ <u><u>(875,057)</u></u> \$	\$ <u><u>55,487</u></u>	\$ <u><u>(1,765,091)</u></u>

Internal Service Funds

Internal Service Funds are established to finance and account for services and commodities furnished by a designated agency of a governmental unit to other departments of the same governmental unit. Since the services and commodities are supplied exclusively to other departments of a governmental jurisdiction, they are distinguishable from those public services which are rendered to the public in general and which are accounted for in General, Special Revenue, or Enterprise Funds. Internal Service Funds include:

FLEET MANAGEMENT FUND – To provide the maintenance necessary for the City's equipment pool, which serves the needs of all City departments.

CENTRAL SERVICES FUND – To provide office supplies, various maintenance and construction materials, records storage, and mail services to all City departments.

INFORMATION AND TECHNOLOGY SERVICES FUND – To finance and account for the replacement, upgrade and maintenance of the City's network and technology infrastructure, and to develop and implement a coordinated city-wide information technology plan.

INSURANCE FUND – To finance and account for the City's insurance and risk management programs.

EMPLOYEE BENEFITS MANAGEMENT FUND – To account for all compensated absences and other employee benefits. Insurance benefits for current employees are accounted for in the Insurance Fund.

BUILDING SERVICES FUND – To account for the true cost of occupying and maintaining office space, to better reflect the value of that space, and to accumulate amounts for future building repair costs.

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CITY OF MODESTO
COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS
JUNE 30, 2017

	Fleet Management	Central Services	Information & Technology Services
<u>ASSETS</u>			
Current assets:			
Cash and cash equivalents	\$ 8,981,025	\$ 1,561,495	\$ 4,559,712
Receivables:			
Accounts	19,726	-	-
Interest	19,303	3,585	11,068
Prepaid expenses	584	182	1,896
Due from governments	-	-	-
Inventories	-	19,142	-
Total current assets	9,020,638	1,584,404	4,572,676
Noncurrent assets:			
Advances to other funds	-	-	-
Restricted assets - cash and cash equivalents	-	-	-
Restricted assets - cash from fiscal agent	-	-	-
Land and construction in progress	1,167,334	-	1,320,900
Other capital assets, net of accumulated depreciation	12,518,430	66,385	4,084,368
Total noncurrent assets	13,685,764	66,385	5,405,268
Total assets	22,706,402	1,650,789	9,977,944
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred pensions	741,185	79,659	1,159,212
Total assets and deferred outflows of resources	\$ 23,447,587	\$ 1,730,448	\$ 11,137,156
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	\$ 153,342	\$ 4,387	\$ 241,964
Accrued salaries and benefits	42,628	1,083	61,256
Unearned revenue	14,335	-	-
Current portion - compensated absences	-	-	-
Current portion - claims liability	-	-	-
Total current liabilities	210,305	5,470	303,220
Noncurrent liabilities:			
Compensated absences	-	-	-
Claims liability	-	-	-
Net OPEB obligation	-	-	-
Net pension liability	3,139,056	441,856	5,111,605
Total liabilities	3,349,361	447,326	5,414,825
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred pensions	181,585	42,312	366,037
<u>NET POSITION</u>			
Net investment in capital assets	13,685,764	66,385	5,405,268
Restricted	-	-	-
Unrestricted	6,230,877	1,174,425	(48,974)
Total net position	19,916,641	1,240,810	5,356,294
Total liabilities, deferred inflows of resources, and net position	\$ 23,447,587	\$ 1,730,448	\$ 11,137,156

<u>Insurance</u>	<u>Employee Benefits Management</u>	<u>Building Services</u>	<u>Total</u>
\$ 12,015,889	\$ -	\$ 883,360	\$ 28,001,481
1,261,189	33,750	-	1,314,665
116,565	18,997	2,053	171,571
488,826	-	-	491,488
-	-	45,291	45,291
-	-	-	19,142
<u>13,882,469</u>	<u>52,747</u>	<u>930,704</u>	<u>30,043,638</u>
-	88,647	-	88,647
-	8,814,712	-	8,814,712
150,262	-	-	150,262
-	-	-	2,488,234
-	-	81,851	16,751,034
<u>150,262</u>	<u>8,903,359</u>	<u>81,851</u>	<u>28,292,889</u>
14,032,731	8,956,106	1,012,555	58,336,527
<u>151,798</u>	<u>59,721</u>	<u>188,905</u>	<u>2,380,480</u>
<u>\$ 14,184,529</u>	<u>\$ 9,015,827</u>	<u>\$ 1,201,460</u>	<u>\$ 60,717,007</u>
\$ 531,080	\$ 35,734	\$ 115,370	\$ 1,081,877
8,583	2,888	10,613	127,051
82,051	-	-	96,386
-	3,176,739	-	3,176,739
<u>5,682,904</u>	<u>-</u>	<u>-</u>	<u>5,682,904</u>
6,304,618	3,215,361	125,983	10,164,957
-	5,965,142	-	5,965,142
22,201,877	-	-	22,201,877
-	54,499,384	-	54,499,384
<u>604,712</u>	<u>334,996</u>	<u>701,138</u>	<u>10,333,363</u>
<u>29,111,207</u>	<u>64,014,883</u>	<u>827,121</u>	<u>103,164,723</u>
<u>40,096</u>	<u>26,849</u>	<u>13,310</u>	<u>670,189</u>
-	-	81,851	19,239,268
-	8,814,712	-	8,814,712
<u>(14,966,774)</u>	<u>(63,840,617)</u>	<u>279,178</u>	<u>(71,171,885)</u>
<u>(14,966,774)</u>	<u>(55,025,905)</u>	<u>361,029</u>	<u>(43,117,905)</u>
<u>\$ 14,184,529</u>	<u>\$ 9,015,827</u>	<u>\$ 1,201,460</u>	<u>\$ 60,717,007</u>

CITY OF MODESTO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION - INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	<u>Fleet Management</u>	<u>Central Services</u>
OPERATING REVENUES:		
Charges for services	\$ 6,964,494	\$ 16,695
Sales	-	1,486,322
Total operating revenues	<u>6,964,494</u>	<u>1,503,017</u>
OPERATING EXPENSES:		
Salaries and wages	1,286,378	140,666
Cost of sales	-	1,111,541
Contractual services	2,067,722	75,131
Utilities	3,964	656
Maintenance and supplies	1,587,341	132,617
Insurance	68,735	4,022
Claims	-	-
Employee benefits	575,954	65,354
Administration services	346,444	30,500
Allocated indirect administrative costs	274,466	-
Depreciation	2,372,920	11,370
Total operating expenses	<u>8,583,924</u>	<u>1,571,857</u>
OPERATING INCOME (LOSS)	<u>(1,619,430)</u>	<u>(68,840)</u>
NONOPERATING REVENUES (EXPENSES):		
Gain (loss) on disposition of capital assets	37,426	5,487
Interest income	78,983	14,626
Net decrease in fair value of investments	(53,073)	(9,749)
Total nonoperating revenues (expenses)	<u>63,336</u>	<u>10,364</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>(1,556,094)</u>	<u>(58,476)</u>
Capital contributions	22,242	-
Transfers in	112,824	-
Transfers out	(154,722)	(16,126)
CHANGES IN NET POSITION	<u>(1,575,750)</u>	<u>(74,602)</u>
NET POSITION (DEFICIT), JULY 1	<u>21,492,391</u>	<u>1,315,412</u>
NET POSITION (DEFICIT), JUNE 30	<u>\$ 19,916,641</u>	<u>\$ 1,240,810</u>

Information & Technology Services	Insurance	Employee Benefits Management	Building Services	Total
\$ 4,761,759	\$ 21,861,923	\$ 3,390,609	\$ 2,785,311	\$ 39,780,791
-	-	-	-	1,486,322
<u>4,761,759</u>	<u>21,861,923</u>	<u>3,390,609</u>	<u>2,785,311</u>	<u>41,267,113</u>
2,304,356	319,865	101,879	428,997	4,582,141
-	-	-	-	1,111,541
861,795	601,125	184,399	1,786,086	5,576,258
103,289	233	-	152,815	260,957
874,195	7,914	15,692	66,134	2,683,893
29,146	16,246,164	2,286	5,309	16,355,662
-	13,619,346	-	-	13,619,346
849,529	220,150	2,378,365	155,269	4,244,621
28,565	29,817	33,286	175,123	643,735
-	-	-	-	274,466
640,913	-	-	3,059	3,028,262
<u>5,691,788</u>	<u>31,044,614</u>	<u>2,715,907</u>	<u>2,772,792</u>	<u>52,380,882</u>
(930,029)	(9,182,691)	674,702	12,519	(11,113,769)
(6,113)	-	-	-	36,800
44,839	436,840	76,777	8,015	660,080
<u>(31,939)</u>	<u>(277,156)</u>	<u>(52,278)</u>	<u>(5,391)</u>	<u>(429,586)</u>
6,787	159,684	24,499	2,624	267,294
(923,242)	(9,023,007)	699,201	15,143	(10,846,475)
-	-	-	-	22,242
167,365	-	-	748	280,937
<u>(142,360)</u>	<u>-</u>	<u>(618,091)</u>	<u>-</u>	<u>(931,299)</u>
(898,237)	(9,023,007)	81,110	15,891	(11,474,595)
6,254,531	(5,943,767)	(55,107,015)	345,138	(31,643,310)
<u>\$ 5,356,294</u>	<u>\$ (14,966,774)</u>	<u>\$ (55,025,905)</u>	<u>\$ 361,029</u>	<u>\$ (43,117,905)</u>

CITY OF MODESTO
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

	<u>Fleet Management</u>	<u>Central Services</u>	<u>Information & Technology Services</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 295,386	\$ -	\$ -
Receipts from interfund services provided	6,672,154	1,503,017	4,761,759
Payments to suppliers	(3,722,136)	(1,211,902)	(1,924,423)
Payment of insurance claims	-	-	-
Payments to employees	(1,871,324)	(212,099)	(3,178,681)
Payments for interfund services used	<u>(1,207,555)</u>	<u>(115,809)</u>	<u>(119,798)</u>
Net cash provided (used) by operating activities	<u>166,525</u>	<u>(36,793)</u>	<u>(461,143)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Receipts on advances to other funds	-	-	-
Transfers in	112,420	-	167,365
Transfers out	-	(14,974)	(142,360)
Net cash provided (used) by noncapital financing activities	<u>112,420</u>	<u>(14,974)</u>	<u>25,005</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(2,816,066)	(19,324)	(1,210,187)
Proceeds from sale of capital assets	193,262	5,825	-
Net cash provided (used) by capital and related financing activities	<u>(2,622,804)</u>	<u>(13,499)</u>	<u>(1,210,187)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	78,754	14,436	47,516
Net increase in the fair value of investments	<u>(53,073)</u>	<u>(9,749)</u>	<u>(31,939)</u>
Net cash provided by investing activities	<u>25,681</u>	<u>4,687</u>	<u>15,577</u>
Net increase (decrease) in cash and cash equivalents	(2,318,178)	(60,579)	(1,630,748)
CASH AND CASH EQUIVALENTS, JULY 1	<u>11,299,203</u>	<u>1,622,074</u>	<u>6,190,460</u>
CASH AND CASH EQUIVALENTS, JUNE 30	<u>\$ 8,981,025</u>	<u>\$ 1,561,495</u>	<u>\$ 4,559,712</u>
RECONCILIATION TO STATEMENT OF NET POSITION:			
Cash and cash equivalents	\$ 8,981,025	\$ 1,561,495	\$ 4,559,712
Restricted cash and cash equivalents	-	-	-
Restricted cash and cash equivalents with fiscal agent	-	-	-
TOTAL CASH AND CASH EQUIVALENTS	<u>\$ 8,981,025</u>	<u>\$ 1,561,495</u>	<u>\$ 4,559,712</u>

<u>Insurance</u>	<u>Employee Benefits Management</u>	<u>Building Services</u>	<u>Total</u>
\$ -	\$ 517,177	\$ 675,930	\$ 1,488,493
22,067,061	2,873,432	2,082,933	39,960,356
(18,211,754)	(184,193)	(1,859,068)	(27,113,476)
(9,331,096)	-	-	(9,331,096)
(542,593)	(3,835,575)	(588,109)	(10,228,381)
(56,040)	(57,835)	(320,988)	(1,878,025)
<u>(6,074,422)</u>	<u>(686,994)</u>	<u>(9,302)</u>	<u>(7,102,129)</u>
-	75,000	-	75,000
-	-	-	279,785
-	-	-	(157,334)
<u>-</u>	<u>75,000</u>	<u>-</u>	<u>197,451</u>
-	-	-	(4,045,577)
-	-	-	199,087
<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,846,490)</u>
409,958	77,515	7,970	636,149
(277,156)	(52,278)	(5,391)	(429,586)
<u>132,802</u>	<u>25,237</u>	<u>2,579</u>	<u>206,563</u>
(5,941,620)	(586,757)	(6,723)	(10,544,605)
<u>18,107,771</u>	<u>9,401,469</u>	<u>890,083</u>	<u>47,511,060</u>
<u>\$ 12,166,151</u>	<u>\$ 8,814,712</u>	<u>\$ 883,360</u>	<u>\$ 36,966,455</u>
\$ 12,015,889	\$ -	\$ 883,360	\$ 28,001,481
-	8,814,712	-	8,814,712
150,262	-	-	150,262
<u>\$ 12,166,151</u>	<u>\$ 8,814,712</u>	<u>\$ 883,360</u>	<u>\$ 36,966,455</u>

CITY OF MODESTO
COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS (Continued)
FISCAL YEAR ENDED JUNE 30, 2017

	Fleet Management	Central Services
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
Operating income (loss)	\$ (1,619,430)	\$ (68,840)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	2,372,920	11,370
Change in assets, liabilities, and deferred resources:		
(Increase) decrease in accounts receivable	(11,289)	-
Increase in due from governments	-	-
(Increase) decrease in prepaid expenses	7,820	3,247
Decrease in inventories	-	314,097
Increase (decrease) in accounts payable	(588,839)	(290,588)
Increase (decrease) in accrued salaries and benefits	3,052	(4,994)
Increase in compensated absences	-	-
Decrease in net OPEB obligation	-	-
Decrease in net pension liability and deferred resources	(12,044)	(1,085)
Increase in unearned revenue	14,335	-
Increase in claims liability	-	-
Total adjustments	1,785,955	32,047
Net cash provided (used) by operating activities	\$ 166,525	\$ (36,793)
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Capital asset transfers	\$ (154,318)	\$ (1,152)
Interfund loan transfer correction	-	-

<u>Information & Technology Services</u>	<u>Insurance</u>	<u>Employee Benefits Management</u>	<u>Building Services</u>	<u>Total</u>
\$ (930,029)	\$ (9,182,691)	\$ 674,702	\$ 12,519	\$ (11,113,769)
640,913	-	-	3,059	3,028,262
-	180,205	-	-	168,916
-	-	-	(26,448)	(26,448)
264,447	(484,614)	-	116	(208,984)
-	-	-	-	314,097
(411,678)	(897,927)	(6,365)	5,295	(2,190,102)
(6,326)	(23)	(14,515)	(588)	(23,394)
-	-	351,931	-	351,931
-	-	(1,691,947)	-	(1,691,947)
(18,470)	(2,555)	(800)	(3,255)	(38,209)
-	24,933	-	-	39,268
-	4,288,250	-	-	4,288,250
<u>468,886</u>	<u>3,108,269</u>	<u>(1,361,696)</u>	<u>(21,821)</u>	<u>4,011,640</u>
\$ <u>(461,143)</u>	\$ <u>(6,074,422)</u>	\$ <u>(686,994)</u>	\$ <u>(9,302)</u>	\$ <u>(7,102,129)</u>
\$	\$	\$	\$	\$
	-	-	748	(154,722)
	-	(618,091)	-	(618,091)

AGENCY FUNDS

Agency Funds account for assets held by the City as an agent for individuals, governmental entities and non-public organizations.

SPECIAL DISTRICTS - To account for collection of special district assessments from property owners and forwarding these collections to trustees for payment to bondholders.

TUOLUMNE RIVER REGIONAL PARK - To account for cash and investments of the Tuolumne River Regional Park, a joint powers agency between the City of Modesto, Stanislaus County and City of Ceres. The agency provides financing, development, and maintenance of the Tuolumne River Regional Park facilities. The cash and investments of the Park are invested as part of the City's investment pool.

STANISLAUS DRUG ENFORCEMENT AGENCY - To account for cash and investments of the Stanislaus Drug Enforcement Agency, a joint powers agency between Stanislaus County and the cities of Modesto, Oakdale, Turlock, Ceres, Hughson, Newman, Patterson, Riverbank, and Waterford. The agency's purpose is to maintain a specially trained police unit to assist each of the participating agencies in the enforcement of drug control laws, and to study, plan, and set priorities for effective enforcement of such laws throughout Stanislaus County. Cash and investments of the Agency are invested in the City's investment pool.

MODESTO-CERES FIRE PROTECTION AGENCY - To record and distribute the special assessments for fire protection that were established under the Industrial Fire District. This is a joint powers agency between the Modesto Regional Fire Authority, the City of Ceres, and the Industrial Fire District. Cash and investments of the Agency are invested in the City's investment pool.

CITY/COUNTY JOINT POWERS FINANCING AUTHORITY - To account for cash and investments of the City/County Capital Improvements and Financing Agency, a joint powers agency between the City of Modesto and Stanislaus County. The agency builds and maintains a joint City-County government complex in downtown Modesto. The cash and investments of the Agency are invested as part of the City's investment pool.

CITY OF MODESTO
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FISCAL YEAR ENDED JUNE 30, 2017

Special Districts	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
<u>ASSETS</u>				
Cash and cash equivalents	\$ 680,457	\$ 1,856,688	\$ 2,071,544	\$ 465,601
Cash and cash equivalents with fiscal agent	2,936,138	2,042,710	2,036,369	2,942,479
	<u>\$ 3,616,595</u>	<u>\$ 3,899,398</u>	<u>\$ 4,107,913</u>	<u>\$ 3,408,080</u>
<u>LIABILITIES</u>				
Due to special district bondholders	\$ 3,616,595	\$ 3,899,398	\$ 4,107,913	\$ 3,408,080
<u>Tuolumne River Regional Park</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 22,126	\$ 1,363,804	\$ 1,378,975	\$ 6,955
<u>LIABILITIES</u>				
Deposits held as agent for others	\$ 22,126	\$ 1,363,804	\$ 1,378,975	\$ 6,955
<u>Stanislaus Drug Enforcement Agency</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 2,616,832	\$ 2,030,376	\$ 2,309,594	\$ 2,337,614
<u>LIABILITIES</u>				
Deposits held as agent for others	\$ 2,616,832	\$ 2,030,376	\$ 2,309,594	\$ 2,337,614
<u>Modesto-Ceres Fire Protection Agency</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 207,093	\$ 575,926	\$ 562,683	\$ 220,336
<u>LIABILITIES</u>				
Deposits held as agent for others	\$ 207,093	\$ 575,926	\$ 562,683	\$ 220,336
<u>City/County Joint Powers Financing Authority</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 18,631	\$ 1,848	\$ 117	\$ 20,362
<u>LIABILITIES</u>				
Deposits held as agent for others	\$ 18,631	\$ 1,848	\$ 117	\$ 20,362
<u>Totals - All Agency Funds</u>				
<u>ASSETS</u>				
Cash and cash equivalents	\$ 3,545,139	\$ 5,828,642	\$ 6,322,913	\$ 3,050,868
Cash and cash equivalents with fiscal agent	2,936,138	2,042,710	2,036,369	2,942,479
	<u>\$ 6,481,277</u>	<u>\$ 7,871,352</u>	<u>\$ 8,359,282</u>	<u>\$ 5,993,347</u>
<u>LIABILITIES</u>				
Due to special district bondholders	\$ 3,616,595	\$ 3,899,398	\$ 4,107,913	\$ 3,408,080
Deposits held as agent for others	2,864,682	3,971,954	4,251,369	2,585,267
	<u>\$ 6,481,277</u>	<u>\$ 7,871,352</u>	<u>\$ 8,359,282</u>	<u>\$ 5,993,347</u>

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STATISTICAL SECTION

Statistical Section

This part of the Comprehensive Annual Financial Report presents detailed information to aid in understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance has changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances of Governmental Funds

Revenue Capacity

This schedule gives information on the City's most significant local revenue source, the water usage charges:

1. Water Utility System – Ten Largest Customers
2. Water revenues by customer class
3. Water rates

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Debt Margin
4. Revenue Bond Coverage, Wastewater Revenue Bonds

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place:

1. Demographic and Economic Statistics
2. Principal Employers
3. Principal Property Taxpayers

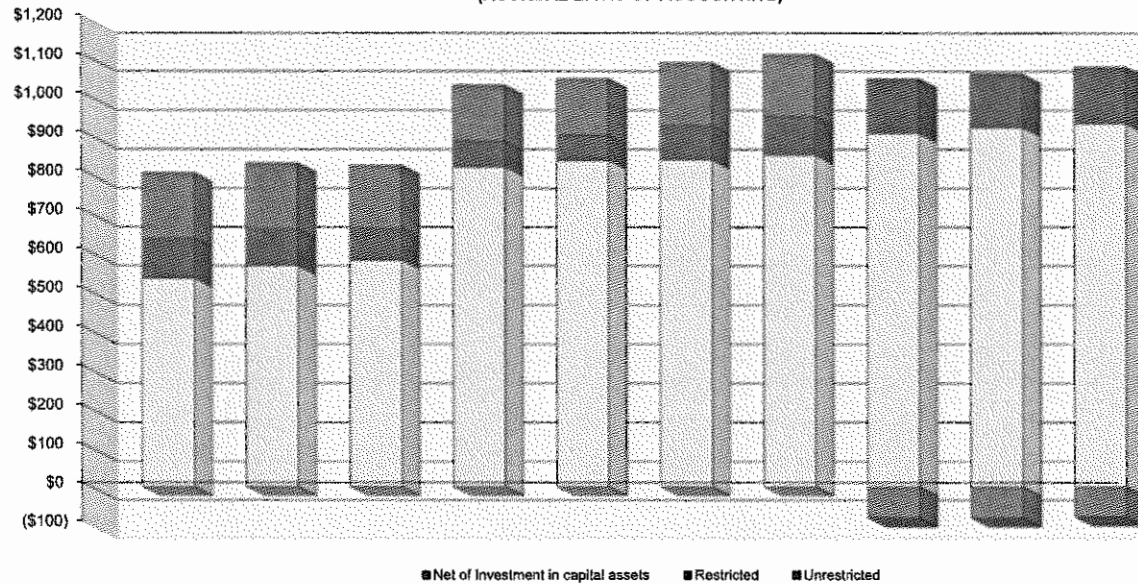
Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs:

1. Full-Time City Government Employees by Function
2. Operating Indicators by Function
3. Capital Asset Statistics by Function/Program

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

**CITY OF MODESTO
NET POSITION BY COMPONENT (1)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**



	2008	2009	2010	2011	2012	2013	2014	2015 (2)	2016	2017
Governmental activities										
Net investment in capital assets	\$339,396,266	\$347,357,492	\$329,592,169	\$338,010,133	\$362,755,958	\$361,582,237	\$347,647,419	\$378,145,625	\$381,887,289	\$376,743,556
Restricted	102,602,698	94,819,773	81,528,516	66,570,581	63,498,187	63,381,356	77,564,677	121,105,182	115,619,807	123,851,082
Unrestricted	4,627,884	(472,402)	14,399,778	6,540,870	(4,326,456)	(1,102,658)	9,167,253	(179,570,210)	(173,275,294)	(191,483,628)
Total governmental activities net position	<u>\$446,626,848</u>	<u>\$441,704,863</u>	<u>\$425,520,463</u>	<u>\$411,121,584</u>	<u>\$421,927,689</u>	<u>\$423,860,935</u>	<u>\$434,379,349</u>	<u>\$319,680,597</u>	<u>\$324,231,802</u>	<u>\$309,111,010</u>
Business-type activities										
Net investment in capital assets	\$194,435,373	\$218,432,739	\$251,025,494	\$481,186,894	\$473,757,198	\$476,681,835	\$502,684,950	\$527,784,338	\$539,821,175	\$555,163,217
Restricted	-	-	-	-	-	25,571,860	22,398,957	20,622,619	22,052,595	21,525,961
Unrestricted	163,792,245	169,639,845	147,661,517	138,033,147	152,003,655	162,882,299	150,187,831	99,450,370	92,324,550	113,595,981
Total business-type activities net position	<u>\$358,227,618</u>	<u>\$388,072,584</u>	<u>\$398,687,011</u>	<u>\$619,220,041</u>	<u>\$625,760,853</u>	<u>\$665,135,994</u>	<u>\$675,271,738</u>	<u>\$647,857,327</u>	<u>\$654,198,320</u>	<u>\$690,285,159</u>
Primary government										
Net investment in capital assets	\$533,831,639	\$565,790,231	\$580,617,663	\$819,197,027	\$836,513,156	\$838,264,072	\$850,332,369	\$905,929,963	\$921,708,464	\$931,906,773
Restricted	102,602,698	94,819,773	81,528,516	66,570,581	63,498,187	88,953,216	99,963,634	141,727,801	137,672,402	145,377,043
Unrestricted	168,420,129	169,167,443	162,061,295	144,574,017	147,677,199	161,779,641	159,355,084	(80,119,840)	(80,950,744)	(77,887,647)
Total primary government net position	<u>\$804,854,466</u>	<u>\$829,777,447</u>	<u>\$824,207,474</u>	<u>\$1,030,341,625</u>	<u>\$1,047,688,542</u>	<u>\$1,088,996,929</u>	<u>\$1,109,651,087</u>	<u>\$967,537,924</u>	<u>\$978,430,122</u>	<u>\$999,396,169</u>

1) Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted when a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or b) imposed by law through constitutional provisions or enabling legislation.

2) The significant decrease in net position was due to the implementation of GASB 68 related to the City's net pension liability.

City of Modesto
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2008	2009	2010	2011 (1)	2012	2013	2014	2015 (5)	2016	2017
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Utility users tax	\$ 19,173,295	\$ 19,093,222	\$ 19,117,518	\$ 19,119,037	\$ 19,230,879	\$ 20,399,116	\$ 20,153,653	\$ 19,591,170	\$ 19,564,921	\$ 20,113,023
Property taxes, levied for general purposes (2)	16,202,587	13,863,471	12,306,702	12,107,226	11,863,902	11,618,481	12,304,010	13,551,827	14,552,304	15,384,518
Property taxes, generated by and allocated to the airport	5,813,822	6,228,634	6,521,515	5,750,235	2,884,357	-	-	-	-	-
Transient occupancy tax	2,038,255	1,853,732	1,460,613	1,639,761	1,769,106	1,884,188	1,879,825	2,097,952	2,523,087	2,669,484
Franchise tax	7,735,131	4,779,854	3,962,159	3,940,364	4,236,705	5,785,355	5,003,130	5,768,146	6,194,733	6,431,223
Business license tax, levied for general purposes	9,680,721	9,330,563	9,068,219	9,339,077	9,694,722	10,176,791	10,573,820	11,421,759	11,944,291	12,255,062
Business license tax, levied for downtown improvement district	202,100	196,253	169,471	172,520	177,026	170,222	181,689	188,247	186,123	192,540
Grants and contributions not restricted to specific programs:										
Sales tax (state appropriation)	26,305,982	24,578,230	22,301,060	24,110,596	25,958,263	27,110,911	27,651,939	28,437,594	29,878,815	30,204,125
Motor vehicle license fee	16,856,108	15,255,503	13,945,172	13,419,232	13,072,804	12,038,983	12,494,642	13,871,248	14,548,427	15,385,069
Gas tax funding	-	-	-	-	-	-	-	5,924,101	4,533,572	3,968,029
Community facilities district fees	-	-	-	-	-	-	-	4,570,403	3,829	1,830
Special assessments, levied	-	-	-	-	-	-	-	1,924,623	3,168,260	3,014,768
Proceeds from Modesto Regional Fire Authority dissolution	-	-	-	-	-	-	-	2,500,721	-	-
Other	917,347	3,285,651	1,286,466	9,718,308	11,794,261	12,844,926	15,269,250	25,866,105	13,101,149	15,842,047
Unrestricted investment earnings	9,960,367	5,247,506	1,211,702	696,848	(411,571)	52,893	441,363	564,314	582,565	362,856
Miscellaneous	3,469,916	5,809,581	2,502,397	1,630,466	1,821,336	1,861,660	5,402,480	2,281,008	2,440,696	515,206
Transfers	(779,437)	(5,490,881)	402,303	1,503,170	2,838,873	1,055,670	(41,312)	(775,377)	(567,177)	(1,750,401)
Total government activities	117,576,194	104,031,319	94,255,297	103,146,840	104,930,663	104,999,196	111,314,509	137,783,841	122,655,595	124,589,379
Business-type activities:										
Taxes:										
Property taxes, generated by and allocated to the airport	182,031	202,460	265,587	309,699	253,974	257,687	254,200	237,546	206,854	199,124
Business license tax, generated by and allocated to the airport	19,188	-	-	-	-	-	-	-	-	-
Unrestricted investment earnings	7,099,765	6,227,615	3,155,954	1,947,417	2,095,947	1,184,422	2,726,148	554,180	2,247,061	872,935
Connection fees (3)	-	-	-	-	-	1,200,800	524,914	-	-	-
Miscellaneous	-	253,032	-	-	-	-	-	1,214,729	1,368,761	1,316,801
Settlements	779,437	5,490,881	(402,303)	(1,503,170)	(2,838,873)	(1,055,670)	41,317	13,851	-	-
Transfers, net	14,525,389	-	447,102	187,096	222,379	116,711	110,376	775,377	567,177	1,750,401
Special item (4)	(625,620)	(2,211,514)	(1,326,309)	(727,310)	(826,133)	(1,143,257)	(1,356,418)	-	-	-
Total business-type activities	21,980,190	9,982,474	2,140,031	213,732	(1,092,706)	560,693	2,300,537	2,795,683	4,389,853	4,139,261
Total primary government	\$139,556,384	\$113,993,793	\$96,395,328	\$103,360,572	\$103,837,957	\$105,559,889	\$113,615,046	\$140,579,524	\$127,045,448	\$128,728,640
Change in Net Position										
Governmental activities	\$9,259,763	(\$13,779,446)	(\$15,257,976)	(\$13,534,411)	(\$4,995,232)	(\$9,353,665)	\$11,199,115	\$23,068,522	\$3,301,241	(\$15,120,792)
Business-type activities	47,823,223	37,538,037	22,366,278	29,154,952	21,563,118	37,842,778	10,180,788	34,225,872	10,427,835	36,086,839
Total primary government	\$57,082,986	\$23,758,591	\$7,108,302	\$15,620,541	\$16,567,886	\$28,489,113	\$21,379,903	\$57,294,394	\$13,729,076	\$20,966,047

(1) The amount reported under utility users taxes and property taxes were keyed backwards in 2011. The amounts have been fixed to reflect the correct numbers in these two categories.

(2) Due to the dissolution of the Redevelopment agencies, no tax increments will be reported on the entity-wide statements.

(3) Starting in 2015, connection fee revenues were reported as part of program revenues for the Water fund.

(4) Starting in 2015, the special item related to pollution remediation has been reported as a liability. Any expenses incurred will be accounted for as a reduction to the liability.

(5) Starting in 2015, general revenues for grants and contributions not restricted to specific programs other related governmental activities were reclassified to provide more specific category revenue types.

**CITY OF MODESTO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	2008	2009	2010	2011 (b)	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 3,816,559	\$ 3,568,273	\$ 2,871,715	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	11,942,168	11,185,485	10,103,645	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	123,061	126,603	102,152	2,770,844	2,647,692	2,515,146
Restricted	-	-	-	4,313,287	3,998,539	3,713,640	3,718,682	1,341,972	2,092,126	1,970,622
Committed	-	-	-	-	-	-	3,000,000	3,000,000	3,000,000	15,800,000
Assigned	-	-	-	458,415	519,051	1,173,377	1,024,149	3,119,753	6,503,769	4,854,307
Unassigned	-	-	-	10,215,682	10,806,111	11,758,746	12,069,864	14,586,931	12,822,134	4,509,693
Total General Fund	\$ 15,758,727	\$ 14,753,758	\$ 12,975,360	\$ 14,987,384	\$ 15,446,762	\$ 16,772,366	\$ 19,914,847	\$ 24,819,500	\$ 27,065,721	\$ 29,649,768
All Other Governmental Funds										
Reserved	\$ 42,799,130	\$ 39,607,945	\$ 39,686,892	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	8,746,111	12,808,809	6,867,750	-	-	-	-	-	-	-
Capital project funds	71,780,583	58,718,023	54,341,594	-	-	-	-	-	-	-
Nonspendable	-	-	-	-	119	746	3,907	88,057	86,242	81,007
Restricted	-	-	-	118,919,268	109,145,041	106,724,809	108,672,378	79,643,971	80,563,574	85,531,411
Assigned	-	-	-	3,647,941	2,604,281	3,965,851	3,700,733	14,962,522	10,063,058	7,975,865
Unassigned	-	-	-	(23,614,308)	(18,852,239)	(32,965,286)	(34,656,617)	(3,866,450)	(724,841)	(3,156,679)
Total all other governmental funds	\$ 123,325,824	\$ 111,134,777	\$ 100,896,236	\$ 98,952,901	\$ 92,897,202	\$ 77,726,120	\$ 77,720,401	\$ 90,828,100	\$ 89,988,033	\$ 90,431,604

The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

Note: The City has elected to show ten years of data for this schedule.

(b) The City implemented the provisions of GASB Statement 54 in fiscal year 2011.

CITY OF MODESTO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$57,142,392	\$55,345,729	\$52,606,197	\$52,068,220	\$49,856,697	\$50,034,153	\$50,096,127	\$52,619,101	\$54,965,459	\$57,045,850
Licenses and permits	153,545	132,459	138,811	139,073	131,302	175,720	174,734	149,888	186,624	201,445
Intergovernmental	71,179,504	63,606,634	61,551,617	74,242,596	68,682,778	75,737,161	67,426,885	88,906,770	76,317,229	72,069,739
Charges for services	33,319,642	27,051,151	23,509,170	22,638,801	19,897,159	19,800,718	19,457,298	22,337,357	20,429,860	24,454,286
Special assessments levied	35,294	37,299	38,520	1,852,529	1,860,905	1,781,896	2,063,784	1,924,623	3,168,260	3,014,768
Interest and rent	5,236,476	2,909,155	1,322,005	838,178	1,145,251	835,994	1,019,357	957,846	1,297,734	1,402,387
Net increase (decrease) in fair value of investments	1,404,913	860,820	399,322	(89,608)	(452,987)	(584,090)	(423,827)	(320,398)	102,422	(572,616)
Fines and forfeits	2,614,523	2,443,506	2,253,014	2,929,182	2,169,482	2,004,133	1,844,607	1,171,076	904,802	1,263,407
Miscellaneous	3,469,916	5,809,581	2,502,397	1,630,467	1,821,336	2,081,776	4,653,746	2,784,295	2,286,597	516,844
Total Revenues	174,556,205	158,196,334	144,321,053	156,249,438	145,111,923	151,867,461	146,312,711	170,530,558	159,658,987	169,396,110
Expenditures										
Current:										
General government	15,107,461	13,715,577	11,482,240	10,879,751	12,411,413	11,169,669	11,643,579	11,334,202	12,414,982	11,542,131
Community development	13,820,295	14,137,095	18,536,120	26,077,905	12,831,734	23,673,373	12,589,817	11,511,154	12,453,678	13,264,050
Highways and streets	12,549,018	9,721,445	8,102,327	11,530,856	8,434,681	8,560,717	8,744,899	9,672,790	8,498,783	9,240,654
Public works	9,719,098	7,667,125	6,124,685	6,035,524	5,283,123	2,993,702	3,088,701	9,228,780	10,393,169	10,919,102
Parks and recreation	12,605,651	13,307,764	12,138,077	8,722,311	9,756,888	11,299,979	11,947,862	4,212,301	3,385,484	3,269,360
Public safety	82,707,285	78,103,260	75,081,791	73,207,608	72,131,852	74,094,399	74,595,533	81,353,131	84,022,670	86,475,891
Capital outlay	22,745,308	27,663,037	16,655,242	11,219,489	20,839,517	26,616,638	12,901,002	30,339,677	19,817,025	21,431,186
Debt service:										
Principal retirement	2,265,000	1,093,000	2,045,000	2,234,000	2,397,000	1,451,000	1,596,000	1,789,335	2,345,362	2,535,093
Interest	3,473,369	3,033,829	4,032,612	3,620,851	3,229,440	2,330,962	2,159,672	2,417,840	2,043,278	2,075,202
Other	1,337,611	1,395,211	1,408,771	57,557	48,738	932,460	872,350	783,264	697,405	430,779
Total Expenditures	176,330,096	169,837,343	155,606,865	153,585,852	147,364,386	163,122,899	140,139,415	162,642,474	156,071,836	161,183,448
Excess of revenues over (under) expenditures	(1,773,891)	(11,641,009)	(11,285,812)	2,663,586	(2,252,463)	(11,255,438)	6,173,296	7,888,084	3,587,151	(1,787,338)
Other Financing Sources (Uses)										
Transfers in	24,429,880	19,237,526	12,346,246	10,557,218	11,384,460	18,230,774	7,962,817	8,157,278	6,960,425	5,559,720
Transfers out	(22,579,265)	(18,149,564)	(12,402,937)	(13,069,195)	(14,223,663)	(18,417,413)	(11,164,994)	(10,682,539)	(10,572,346)	(6,659,759)
Proceeds of loan payable	244,650	209,575	-	-	-	-	-	-	-	-
Proceeds of lease revenue bonds	-	65,170,000	-	-	-	-	-	-	-	-
Refunding of lease revenue bonds	-	(65,210,000)	-	-	-	-	-	-	-	-
Capital leases	-	-	-	-	-	-	-	1,070,472	330,947	5,883,756
Sale of assets	-	34,900	-	-	-	72,489	200,838	94,489	106,582	31,239
Payments to refunded debt escrow agent	-	(2,431,247)	-	-	-	-	-	-	-	-
Total other financing sources (uses)	2,095,265	(1,138,810)	(56,691)	(2,511,977)	(2,839,203)	(114,150)	(3,001,339)	(1,360,300)	(3,174,392)	4,814,956
Extraordinary Items:										
RDA dissolution transactions	-	-	-	-	(403,850)	-	-	-	-	-
RDA advance receivable elimination	-	-	-	-	(966,127)	-	-	-	-	-
Total extraordinary items	-	-	-	-	(1,369,977)	-	-	-	-	-
Change in fund balances	321,374	(12,779,819)	(11,342,503)	151,609	(6,461,643)	(11,369,588)	3,171,957	6,527,784	412,759	3,027,618
FUND BALANCES, July 1	138,763,177	139,084,551	125,888,535	113,871,596	113,940,285	108,343,964	94,498,486	97,635,248	115,647,600	117,053,754
PRIOR PERIOD ADJUSTMENTS	-	(416,197)	(674,436)	(82,920)	865,322	(2,475,890)	(35,195)	11,484,568	993,395	-
FUND BALANCES, June 30	\$139,084,551	\$125,888,535	\$113,871,596	\$113,940,285	\$108,343,964	\$94,498,486	\$97,635,248	\$115,647,600	\$117,053,754	\$120,081,372
Debt service as a percentage of noncapital expenditures	0.04830	0.04041	0.05695	0.04333	0.04696	0.03577	0.03775	0.03920	0.03877	0.03742

The debt service percentage was revised to only include principal and interest.

CITY OF MODESTO
REVENUE CAPACITY - MOST SIGNIFICANT LOCAL REVENUE SOURCE
WATER UTILITY SYSTEM
(YEAR ENDED JUNE 30, 2017)

Ten Largest Customers of Water Utility System, Year Ended 06/30/2017

<u>Customer</u>	<u>Usage (ccf) (1)</u>	<u>% of Total</u>		<u>Water Sales</u>	
		<u>Usage</u>	<u>Revenue (\$)</u>	<u>Revenue (\$)</u>	<u>% of Total Water Sales Revenue</u>
1) Modesto City Schools	347,228	1.70%	\$ 796,932		1.36%
2) City of Modesto-Stores	274,205	1.34%	\$ 796,192		1.36%
3) Stanislaus Food Products	385,849	1.88%	\$ 650,097		1.11%
4) Foster Farms	322,837	1.58%	\$ 567,002		0.97%
5) Seneca Foods	257,370	1.26%	\$ 419,120		0.71%
6) Modesto Irrigation District	191,324	0.93%	\$ 378,262		0.64%
7) Stanislaus Housing Authority	122,298	0.60%	\$ 325,320		0.55%
8) Sunopta	171,687	0.84%	\$ 308,870		0.53%
9) Yosemite Community College	99,435	0.49%	\$ 237,710		0.40%
10) E & J Gallo	109,387	0.53%	\$ 233,701		0.40%
Total Top Ten	2,281,620	11.14%	\$ 4,713,206		8.03%

Total Flat/Metered Revenues (Water Sales)

\$ 58,728,175

(1) "ccf" means "hundred cubic feet"

Water Sales Revenue, Year Ended 06/30/2017

Residential - Flat Rates

\$ 6,767,446

Commercial, Industrial and Municipal - Metered Rates

\$ 51,960,729

Total Water Sales (2)

\$ 58,728,175

Water Rates and Charges as of 07/01/2016

The average monthly flat rate service charge for residential customers is:

\$ 54.72

Commercial Accounts:

<u>Meter Size</u>	
3/4"	\$ 20.79
1"	\$ 29.30
1 1/2"	\$ 50.58
2"	\$ 76.11
3"	\$ 156.98
4"	\$ 276.14
6"	\$ 561.28
8"	\$ 1,029.42
10"	\$ 1,625.23
12"	\$ 2,135.93

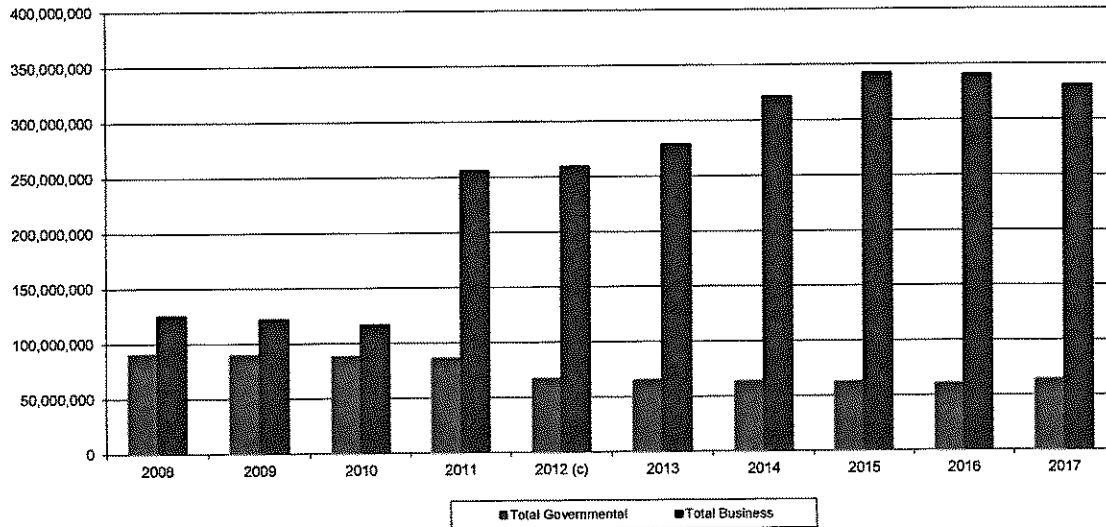
In addition to these minimum charges, commercial accounts are charged \$1.79 per 100 cubic feet of water used.

(2) Water sales only reflect the revenues in the Water Operating Fund and do not include revenue generated from developer fees and fleet replacement revenues.

Source:

City of Modesto-Utilities Division

CITY OF MODESTO
RATIO OF OUTSTANDING DEBT BY TYPE
 Last Ten Fiscal Years



Governmental Activities

Fiscal Year	Loans Payable (h)	Certificates of Participation	Lease Revenue Bonds	Notes Payable	Obligations Under Capital Leases	Total
2008	\$ 693,788	\$ 19,935,000	\$ 65,210,000	\$ 4,187,220	\$ 137,392	\$ 90,163,400
2009	903,362	19,000,000	65,170,000	3,999,252	454,401	89,527,015
2010	905,000	18,015,000	64,275,000	3,802,436	1,221,553	88,218,989
2011	905,030	16,975,000	63,255,000	3,594,658	975,955	85,705,643
2012 (c)	500,000	-	62,130,000	3,392,000	742,937	66,764,937
2013	500,000	-	60,870,000	3,201,000	502,622	65,073,622
2014	500,000	-	59,475,000	3,000,000	256,945	63,231,945
2015	500,000	-	57,970,000	2,789,000	1,070,472	62,329,472
2016	500,000	-	56,305,000	2,568,000	942,057	60,315,057
2017	500,000	-	54,470,000	2,335,000	6,358,720	63,663,720

Business-Type Activities

Fiscal Year	Loans Payable	Certificates of Participation	Reimbursement Agreement related to MID (e)	Revenue Bonds (b)	Capital Leases	Total (f)	Total Primary Government	Percentage of Personal Income (a) (e)	Per Capita (a) (e)
2008	\$ 1,754,300	\$ 71,915,000	-	\$ 51,420,000	\$ 77,485	\$ 125,166,785	\$ 215,330,185	3.76%	\$ 1,025
2009	1,543,554	70,545,000	-	49,760,000	-	121,848,554	211,375,569	3.78%	999
2010	1,326,174	67,066,213	-	48,050,000	-	116,442,387	204,661,376	3.90%	1,017
2011 (d)	6,522,243	50,757,779	-	198,654,489	-	255,934,511	341,640,154	5.43%	1,693
2012 (d)	16,098,866	50,237,067	-	193,098,177	-	259,434,110	326,199,047	7.14%	1,584
2013	41,921,784	49,681,357	-	187,251,865	-	278,855,006	343,928,628	7.29%	1,663
2014	88,922,403	49,634,062	-	182,792,914	-	321,349,379	384,581,324	8.15%	1,860
2015	117,690,257	48,989,556	137,055,810	39,057,561	-	342,793,184	405,122,656	8.63%	1,937
2016 (g)	125,787,342	48,330,053	132,375,084	33,945,516	-	340,437,995	400,753,052	8.21%	1,891
2017	124,280,500	47,630,552	127,484,358	31,805,936	-	331,001,346	394,665,066	8.13%	1,859

- (a) See Demographic and Economic Statistics for personal income and population data.
- (b) The MID Treatment and Delivery issued by MID on behalf of the City has been reported as a City liability.
- (c) The Certificates of Participation bonds for the Governmental Activities due to the dissolution of the Redevelopment Agency.
- (d) In 2011, the OPEB was reported in the Certificates of Participation in error. In 2012 the Loans payable increase from the bond reimbursements related to the State Revolving loan approved for the construction of a new tertiary treatment plant.
- (e) In 2015, the Reimbursement agreement with MID was reclassified from revenue bonds payable to reimbursement agreement related to MID since this long-term debt is listed under MID but is the City's liability due to nature of the treatment and delivery agreement.
- (f) The total for Business-Type Activities did not include the capital leases in error. The total has been updated to account for this debt.
- (g) Starting in 2016, the amounts presented include net of unamortized premiums or discounts.
- (h) Starting in 2010, governmental activities loans payables were previously incorrectly reported as \$1,638 less than they should have. The amounts here reflect corrected amounts.

CITY OF MODESTO
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2017

<u>Jurisdiction</u>	<u>Net Debt Outstanding (1)</u>	<u>Percentage Applicable to City of Modesto (2)</u>	<u>Amount Applicable to City of Modesto</u>
Direct debt:			
City of Modesto	\$ <u>63,663,720</u>	100%	\$ <u>63,663,720</u>
Overlapping General Obligation debt - school districts:			
Ceres Unified School District	65,088,815	4.50%	2,927,561
Hart-Ransom Union School District	5,478,381	30.82%	1,688,691
Modesto Elementary School District	8,710,677	77.78%	6,775,554
Modesto High School District	34,857,498	67.70%	23,598,982
Paradise Elementary School District	365,000	0.00%	-
Salida Union Elementary District	410,000	28.99%	118,859
Stanislaus Union School District	28,609,931	74.54%	21,325,857
Sylvan School District	49,789,283	77.87%	38,768,708
Yosemite Community College District	<u>282,693,267</u>	33.60%	<u>94,988,074</u>
Total overlapping debt	<u>476,002,852</u>		<u>190,192,286</u>
Total direct and overlapping debt	\$ <u><u>539,666,572</u></u>		\$ <u><u>253,856,006</u></u>

NOTES:

Source of data for School Districts: Stanislaus County Auditor.

(1) Gross debt outstanding less applicable amounts in debt service funds.

(2) Determined by ratio of assessed valuation of property subject to taxation in overlapping portion to valuation of all property subject to taxation in the jurisdiction.

CITY OF MODESTO
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2017

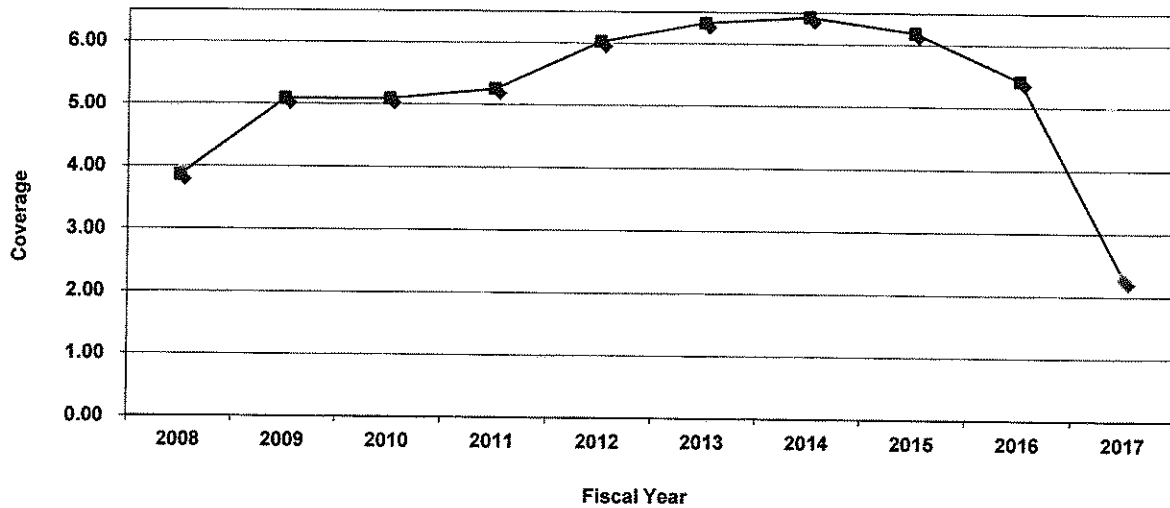
Net assessed value (1)(3)		\$ 14,678,535,296
Plus homeowners' exemption (1)(3)		<u>201,745,315</u>
Gross assessed value (1)(3)		<u>\$ 14,880,280,611</u>
Debt limit - 15% of gross assessed value (2)		\$ 2,232,042,092
Amount of debt applicable to debt limit:		
Total general bonded debt, including special assessment debt	\$	<u>-</u>
Less: Assets in debt service funds available for payment of principal	\$	<u>-</u>
Other deductions: Special assessment debt		<u>-</u>
Total deductions		<u>-</u>
Total amount of debt applicable to debt limit		<u>-</u>
Legal debt margin		<u>\$ 2,232,042,092</u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2008	2,327,946,572	-	2,327,946,572	0%
2009	2,138,574,915	-	2,138,574,915	0%
2010	1,945,371,241	-	1,945,371,241	0%
2011	1,856,710,771	-	1,856,710,771	0%
2012	1,823,551,939	-	1,823,551,939	0%
2013	1,724,049,678	-	1,724,049,678	0%
2014	1,825,518,342	-	1,825,518,342	0%
2015	2,017,621,335	-	2,017,621,335	0%
2016	2,120,160,392	-	2,120,160,392	0%
2017	2,232,042,092	-	2,232,042,092	0%

Note: The City has elected to show ten years worth of data for this schedule.

- (1) Source: Stanislaus County Auditor
- (2) Section 43605 California Government Code.
- (3) Figures are based on Stanislaus County

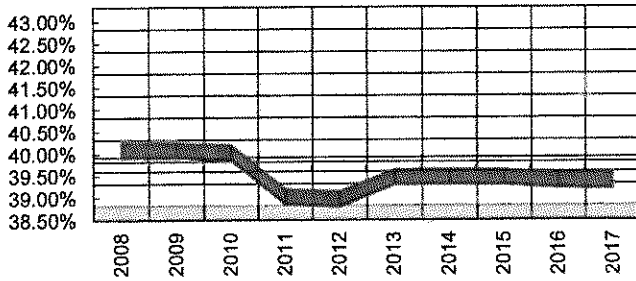
**CITY OF MODESTO
REVENUE BOND COVERAGE
WASTEWATER REVENUE BONDS
LAST TEN FISCAL YEARS (4)**



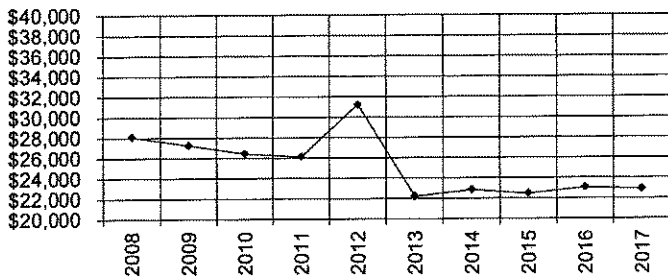
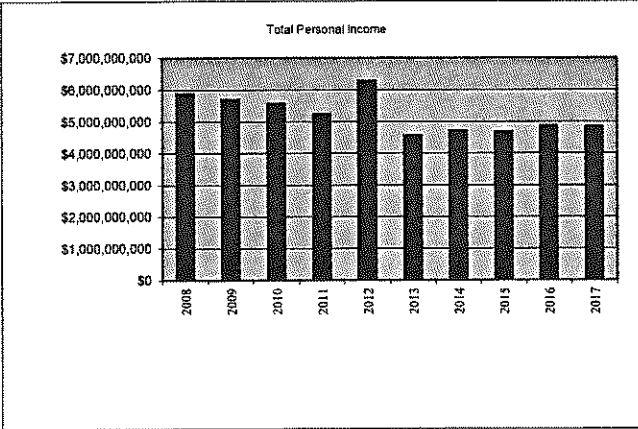
Fiscal Year	Gross Revenue (1)	Operating Expenses (2)(4)	Net Revenue Available for Debt Service	Debt Service Requirements(3)	Coverage
2008	\$ 32,214,071	\$ 16,280,914	\$ 15,933,157	\$ 4,127,837	3.86
2009	37,539,860	17,050,138	20,489,722	4,030,633	5.08
2010	39,086,504	18,161,292	20,925,212	4,110,221	5.09
2011	39,844,523	18,722,729	21,121,794	4,021,108	5.25
2012	43,453,216	19,287,894	24,165,322	4,014,808	6.02
2013	45,018,125	19,586,799	25,431,326	4,019,558	6.33
2014	47,233,028	19,860,430	27,372,598	4,261,980	6.42
2015	46,853,368	21,207,025	25,646,343	4,150,322	6.18
2016	50,207,559	25,418,140	24,789,419	4,570,286	5.42
2017	50,907,228	25,212,214	25,695,014	11,311,098	2.27

- Notes:
- (1) Consists of all receipts of the Sewer fund not dedicated to capital spending purposes and including charges for services, connection fees, interest and rental income.
 - (2) Reflects total sewer fund operating expenses less depreciation; also includes certain transfers out that are made for operational costs incurred in other funds.
 - (3) Includes total principal and interest of Wastewater Refunding Revenue Bonds Series 2005 A and 2005 B and 2006 Wastewater Revenue Bonds. In fiscal year 2016-17, began repaying State Revolving Fund loan for Phase 2 - Tertiary Treatment Project debt service.
 - (4) The amount reported in 2014 was corrected from \$28,203,399 to \$19,860,430. The former amount included \$8.4 million for the State Revolving Fund loan which should not have been included in the calculation.

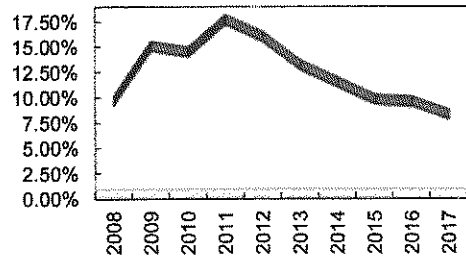
**CITY OF MODESTO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**



■ City Population as a % of County Population



● Per Capita Personal Income (\$)



■ Unemployment Rate (%)

Fiscal Year	City Population	Total Personal Income	Per Capita Personal Income (\$)	Unemployment Rate (%)	Stanislaus County Population	City Population % of County
2008	209,936	5,895,212,816	28,081	9.20%	525,903	39.92%
2009	210,088	5,720,906,328	27,231	14.60%	526,383	39.91%
2010	211,536	5,586,877,296	26,411	14.02%	530,584	39.87%
2011	201,165	5,251,613,490	26,106	17.20%	517,685	38.86%
2012	201,761	6,294,337,917	31,197	15.50%	519,940	38.80%
2013	205,987	4,566,113,829	22,167	12.70%	524,124	39.30%
2014	206,785	4,719,247,270	22,822	11.00%	526,042	39.31%
2015	209,186	4,693,924,654	22,439	9.30%	532,297	39.30%
2016	211,903	4,880,973,702	23,034	9.10%	540,214	39.23%
2017	212,287	4,856,701,986	22,878	7.80%	541,466	39.21%

Source: State of California, Department of Finance (population)
 State of California, Employment Development Department (unemployment rate)
 U.S. Department of Commerce, Census Bureau (income)

**CITY OF MODESTO
PRINCIPAL EMPLOYERS**

Employer	2016/17			2008/09		
	Number of (1) Employees	Rank	Percentage of Total City Employment	Number of (1) Employees	Rank	Percentage of Total City Employment
Modesto City Schools				3,231	2	3.2%
Gallo Vineyards, Inc	3,000	1	1.31%			
Doctors Medical Center	2,260	2	0.99%	2,000	6	2.00%
Seneca				2,100	4	2.1%
Memorial Medical Center	2,056	3	0.90%	2,071	3	2.00%
Carlo Rossi Winery	2,000	4	0.87%			
E & J Gallo	2,000	4	0.87%	3,250	1	2.00%
Ecco Domani Winery	2,000	4	0.87%			
Peter Vella Winery	2,000	4	0.87%			
Zabaco Winery	2,000	4	0.87%			
Stanislaus Food Products				1,600	8	1.6%
Kaiser Permanente Modesto				1,500	9	1.5%
DelMonte Foods, Inc	1,500	5	0.65%	2,000	5	2.00%
City of Modesto	1,219	6	0.53%	1,239	10	1.2%
Modesto Junior College	1,007	7	0.44%	1,746	7	1.7%
Copperidge Winery	1,001	8	0.44%			
Community Services Agency	1,000	9	0.44%			
Modesto Bee	651	10	0.28%			
Subtotal	<u>21,042</u>		<u>10.34%</u>	<u>17,506</u>		<u>16.09%</u>
Total Labor Force	229,200			102,100		
Total City Population	212,287			210,088		

Source: Stanislaus Economic Development & Workforce Alliance (reflects peak seasonal employment, may include estimates)
(1) The number of employees include both part-time and full time.

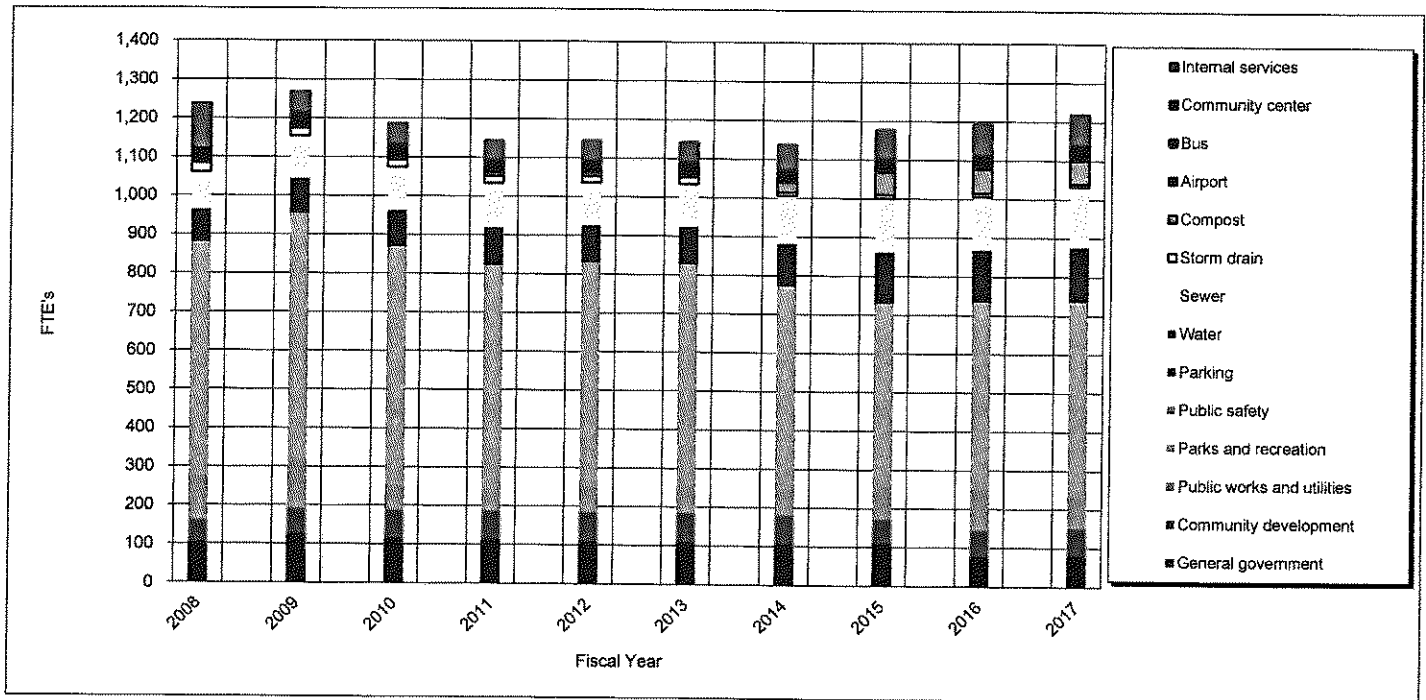
**CITY OF MODESTO
PRINCIPAL PROPERTY TAXPAYERS**

Employer	2016/17			2008/09		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Pacific Gas & Electric Company	\$ 3,887,621	1	0.76%	\$ 1,838,227	4	0.33%
World International, LLC	3,212,117	2	0.63%	3,589,757	1	0.65%
Gallo Glass Co	3,040,497	3	0.59%	2,543,430	2	0.46%
Gallo E & J Winery	2,865,296	4	0.56%	1,980,255	3	0.36%
Bronco Wine Co	1,586,536	5	0.31%			
Excel Monte Vista LP	1,566,192	6	0.31%			
WR Griffin Patterson LLC	1,443,301	7	0.28%			
E & J Gallo Winery	1,435,809	8	0.28%			
SBC California				1,378,681	5	0.25%
Doctors Med Center of MOD Inc	1,397,390	9	0.27%	1,368,817	6	0.25%
Hunt Wesson Foods Inc	1,304,059	10	0.25%	1,141,780	9	0.21%
Del Monte Corp				1,099,179	10	0.20%
Recot Inc (Frito Lay)				1,215,949	7	0.22%
Foster Dairy Farms				1,167,115	8	0.21%
Subtotal	<u>\$ 21,738,818</u>		<u>4.24%</u>	<u>\$ 17,323,190</u>		<u>3.14%</u>
Total assessed value of \$	\$ 513,253,305			\$ 550,894,585		

Source: Stanislaus County Treasurer-Tax Collector

Note: Information based on entire Stanislaus County

**CITY OF MODESTO
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
General government	105.00	128.60	116.60	113.60	112.00	112.00	108.00	112.10	79.00	80.00
Community development	57.00	62.20	71.20	74.20	72.20	74.00	73.80	60.75	67.00	70.00
Public works and utilities	114.00	124.00	65.00	59.00	69.00	69.00	60.00	83.00	107.00	78.00
Parks and recreation	70.00	107.25	116.00	106.23	101.48	97.50	75.38	16.50	18.50	17.50
Public safety	532.00	530.75	499.00	467.75	473.75	474.00	455.00	456.50	462.50	490.50
Parking	8.00	8.00	7.00	6.00	6.00	6.00	6.00	7.00	6.00	6.00
Water	77.00	83.00	87.00	92.00	91.00	91.00	104.00	126.00	128.00	134.00
Sewer	97.00	110.00	112.00	115.00	111.00	111.00	124.00	139.00	139.00	157.00
Storm drain	24.00	20.00	19.00	19.00	17.00	17.00	9.00	9.00	8.00	8.00
Compost	6.00	7.00	8.00	8.00	8.00	8.00	24.80	57.80	61.80	58.80
Airport	7.00	6.75	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Bus	15.00	18.00	18.00	18.00	18.00	20.00	20.00	23.00	24.00	24.00
Community center	9.50	8.50	8.50	7.25	7.25	5.50	5.50	6.00	5.00	11.00
Internal services	117.00	54.00	54.00	53.00	53.00	52.00	67.30	76.00	82.00	79.00
Total	1,238.50	1,268.05	1,187.30	1,145.03	1,145.68	1,143.00	1,138.78	1,178.65	1,193.80	1,219.80

Source: City of Modesto

**CITY OF MODESTO
OPERATING INDICATORS BY FUNCTION**

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety:										
Fire:										
Fire calls for service(1)	23,246	22,911	20,888	20,400	20,970	22,846	24,281	24,712	21,135	26,288
Primary fire inspections conducted	976	1,069	1,012	1,214	1,618	818	989	1,050	764	1,060
Police:										
Communication Center calls answered										
Police calls for service	121,434	116,383	167,576	154,549	168,242	174,113	123,357	122,270	129,439	129,802
Law violations:										
Part I and Part II crimes	60,595	57,844	52,182	49,914	47,175	52,272	53,032	50,729	53,609	53,142
Physical arrests (adult and juvenile)	14,185	12,471	15,105	11,872	11,536	12,418	15,039	18,634	12,303	11,760
Traffic violations	25,739	26,914	30,941	24,278	16,330	14,761	15,477	12,700	11,451	15,428
Parking violations	15,079	21,391	18,041	20,452	15,772	12,150	12,327	5,493	6,139	10,841
Public works										
Streets:										
Street resurfacing (lane miles)	9	1	7	6	-	6	12	8	4	12
Potholes repaired (square miles)	40,411	39,473	39,705	27,724	38,290	13,282	12,573	14,515	24,059	8,745
Water utility customer repaired (sq. ft)	-	58,737	6,990	58,044	112,136	81,261	29,108	611	-	-
Crack sealing (lane miles)	-	-	16	23	-	20	33	12	37	29
Airport:										
Number of passengers enplaned (2)	49,525	28,470	25,640	22,514	19,188	16,532	11,703	-	-	-
Number of tenant aircraft	195	184	190	183	184	184	172	162	173	162
Number of hangars	109	109	118	118	118	118	118	119	119	119
Number of runways	2	2	2	2	2	2	2	2	2	2
Annual fuel consumption in gallons	1,140,426	672,406	639,971	311,500	645,283	653,153	682,769	582,473	443,272	582,602
Bus service:										
Number of buses	56	56	56	63	55	65	55	56	60	59
Number of routes	20	20	20	20	20	20	20	21	21	21
Total route miles	362	362	362	362	362	362	362	362	362	362
Average weekday number of passengers	12,599	12,599	12,524	10,688	11,553	11,616	12,538	11,598	12,441	10,523
Total number of passengers carried	3,699,846	3,699,846	3,478,120	3,145,400	3,413,421	3,434,409	3,666,824	3,416,314	3,664,689	3,108,307
Community development										
Building safety & NPU:										
Permits issued	4,182	3,242	3,733	3,801	3,288	3,566	3,871	4,511	4,939	4,973
Estimated cost of construction	\$ 157,006,451	\$ 96,127,131	\$ 67,488,906	\$ 73,397,148	\$ 76,362,371	\$ 81,095,370	\$ 58,850,241	\$ 137,453,763	\$ 92,768,634	\$ 118,527,812
Building inspections made	39,172	32,362	32,846	29,034	25,549	27,816	30,034	31,571	23,187	36,158
Traffic electrical:										
Street lights	13,595	13,764	13,765	13,765	13,765	13,765	13,761	13,764	13,764	13,764
Traffic signals	140	146	149	143	143	144	144	147	151	153
Lighted ped walks*	-	28	28	28	30	28	29	28	28	28
Beacons*	-	1	12	5	8	8	11	11	11	11
Four way flashers*	-	9	9	9	10	10	10	10	10	10
School flashers*	-	22	22	22	22	22	22	22	23	24
CCTV*	-	38	38	38	38	41	41	41	41	41
Hubs*	-	5	5	5	5	6	6	6	6	6
Culture and recreation:										
Recreation class participants	4,255	3,271	3,171	2,297	2,072	264,670	150,514	151,323	150,091	150,500
Solid waste:										
Recyclables processed (tons per year)	106,664	74,288	47,170	50,789	67,317	37,647	46,936	55,020	56,493	71,155
Yard waste	38,889	41,235	48,856	60,408	58,650	55,147	39,117	48,832	58,730	62,859
Commercial food waste	280	597	667	814	735	765	827	817	845	914
Waste tires	7,120	5,214	3,683	2,388	1,247	1,674	4,969	4,152	4,497	4,931

(1) FY13 Fire calls for service was originally reported incorrectly due to duplicate entries found on the NFIRS reports. This figure was corrected 10/24/2014.

Source: City of Modesto - Various Departments

(2) The enplanements subsided with the loss of commercial service in FY 2014.

**CITY OF MODESTO
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function/Program										
Public safety:										
Fire stations	11	11	11	11	11	11	11	11	11	11
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	102	70	100	98	98	105	105	105	105	104
Public works										
Streets:										
Miles of streets (1)	675	675	675	676	684	684	691	691	692	692
Water:										
Miles of water mains	994	1,007	1,008	1,008	1,008	1,009	1,009	914	887	887
Fire hydrants	7,301	7,412	7,516	7,536	7,566	7,584	7,596	7,748	7,845	7,859
Storage capacity (thousands of gallons)	9,400,000	9,400,000	13,100,000	12,300,000	12,300,000	12,300,000	12,300,000	12,300,000	18,300,000	18,300,000
Wastewater:										
Miles of sanitary sewers	656.7	642	642	642	642	639	639	639	639	655
Miles of storm sewers	133.6	183	183	183	183	183	183	183	183	170
Number of treatment plants (2)	2	2	2	2	2	2	2	2	2	2
Treatment capacity (millions of gallons)(5)	70	72	72	72	72	70	70	70	70	19
Community services:										
City parks (3)	76	76	76	76	76	76	76	76	76	76
City parks acreage	1,088	1,088	1,088	1,088	1,088	1,110	1,110	1,110	1,240	1,240
Playgrounds	55	55	55	55	55	55	55	58	58	58
City trails	4	4	4	4	7	7	7	6	6	6
City trails miles	12	12	12	12	14	14	14	15	15	15
Regional park acreage	324	324	324	324	324	324	324	375	375	375
Regional park facilities:										
Golf courses (18 holes)	2	2	2	2	2	2	2	2	2	2
Golf courses (9 holes)	1	1	1	1	1	1	1	1	1	1
Clubhouse and banquet facility	8	8	8	8	8	8	8	8	8	8
Historic house (4)	4	4	4	4	4	4	4	4	3	3
Community gardens	2	2	2	2	2	2	2	2	2	1
Community centers	6	7	7	6	6	7	7	7	7	7
Senior centers	1	1	1	1	1	1	1	1	1	1
Sports centers	1	1	1	1	1	1	1	1	1	1
Performing arts centers	1	1	1	1	1	1	1	1	1	1
Swimming pools	13	13	13	4	4	4	4	4	4	1
Tennis courts	37	37	37	37	37	37	37	37	37	37
Baseball/softball diamonds	24	24	24	24	24	24	24	24	24	24
Soccer/football fields	22	22	22	22	22	29	29	29	29	29
Splash play in Existing parks	-	-	-	-	10	10	10	10	10	10

(1) Information now reported from the City's GIS system.

(2) The City has both a Primary and a Secondary treatment facility.

(3) The number of parks for fiscal years 2013, 2014, 2015 was reported incorrectly as 77. Figures have been corrected to reflect accurately.

(4) The number of historic houses was reduced by one due to the Crismon House burning down. There are no plans to rebuild.

(5) The City has a new process and permit. Previous permit was 70 MGD seasonal Oct. through May. Current permit is 19 MGD year round.

Source: City of Modesto - Various Departments

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**CONTINUING DISCLOSURE
SECTION**

Continuing Disclosure Section

This part of the Comprehensive Annual Financial Report provides information in order to comply with the City's contractual commitment established by certain continuing disclosure undertaking of the City, entered into in accordance with Securities and Exchange Commission Rule 15c2-12 (the "Rule") for the City's bond obligations listed below. In contrast to the financial section, the continuing disclosure section information is not subject to independent audit.

1. Wastewater Revenue Bonds, Series 2006 A
2. Wastewater Revenue Refunding Bonds, Series 2015
3. Water Revenue Refinancing Certificates of Participation, 2008 Series A
4. Modesto Irrigation District Financing Authority Domestic Water Project Refunding Revenue Bonds, Series 2013G
5. Modesto Irrigation District Financing Authority Domestic Water Project Revenue Bonds, Series 2007F

CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS INFORMATION
YEAR ENDED JUNE 30, 2017

Wastewater Revenue Bonds, Series 2006 A, and
Wastewater Revenue Refunding Bonds, Series 2015

Connection charge information: The Sewer Enterprise imposes connection fees on an on-time basis to new users of the sewer system and to users who significantly expand their usage. The fees have three components:

Capacity charge: \$2,643 per Equivalent Dwelling Unit for residential units. Commercial and industrial property charged based on type of business.
 Sub-trunk sewer charge: \$645 per acre
 Connection (lateral) charge: \$33 per linear foot of lot frontage adjacent to the sewer line.

<u>Customer Base by Type of Account</u>			
<u>Category</u>	<u>Number of Accounts</u>	<u>% of Total Accounts</u>	<u>% of Sewer Fee Operating Revenue</u>
Residential	57,947	94.61%	49.56%
Commercial	3,259	5.32%	10.45%
Industrial	42	0.07%	29.80%
Total	61,248	100.00%	89.82%

Ten Largest Users of Sewer Facilities, Year Ended 6/30/17

<u>User</u>	<u>Sewer Fee Revenue</u>	<u>% of Sewer Fee Operating Revenue</u>
1) Stanislaus Food Products	\$ 1,409,172	3.17%
2) E & J Gallo Winery	\$ 1,358,209	3.06%
3) Foster Farms	\$ 1,152,448	2.59%
4) Frito Lay, Inc.	\$ 1,088,277	2.45%
5) Del Monte Foods	\$ 1,062,966	2.39%
6) City of Ceres	\$ 1,020,714	2.30%
7) Seneca	\$ 452,282	1.02%
8) Sunopta	\$ 430,868	0.97%
9) Nestle Food Company	\$ 395,568	0.89%
10) Rizo Lopez Foods	\$ 334,130	0.75%
Total (Top Ten Customers)	\$ 8,704,634	19.60%
Total (All Customers)	\$ 44,410,464	

The average single-family residence monthly sewer charge is: \$31.92

<u>Commercial Group</u>	<u>Charge Per 1,000 Gallons</u>	<u>Fixed Charge</u>
Group 1 (no food, just toilets or working facilities)	\$2.76	\$4.40
Group 2 (commercial laundromats, service stations, hotels without food)	\$3.78	\$4.40
Group 3 (industrial laundromats, hotels with food)	\$4.80	\$4.40
Group 4 (restaurants, bakeries, auto steam, markets)	\$6.03	\$4.40

Industrial users pay a minimum account charge of \$4.40 with additional charges of: \$2,604.00 per million gallons of flow, \$213.00 per 1,000 pounds of excess biochemical oxygen demand (BOD), and \$441.00 per 1,000 pounds of Total Suspended Solids (TSS).

Industrial users on the Cannery Segregation line pay a minimum account charge of \$4.40 with additional charges of: \$2,680.00 per \$1.39 per 1,000 pounds of excess biochemical oxygen demand (BOD), and \$4.04 per 1,000 pounds of Total Suspended Solids (TSS) while in production during the months of July, August and September.

The Annual Budget of the City of Modesto is available from the City of Modesto Finance Department.

Updates of other required disclosures may be found elsewhere in this report, as follows:

Statement of Revenues, Expenses and Changes in Fund Net Position	Page 27	
Principal Amount of Bonds and Other Parity Debt	Page 51-52	(Note III-C)
Historical Debt Service Coverage	Page 137	
	(continued)	

**CITY OF MODESTO
WASTEWATER COMPARISON INFORMATION
 YEAR ENDED JUNE 30, 2017**

Residential, commercial and industrial rates have increased according to the following approved schedule.

**CITY OF MODESTO
 WASTEWATER SYSTEM
 Ten Year History of Rate Increases**

<u>Fiscal Year</u>	<u>Percent Increase</u>
2007-08	30.00
2008-09	30.00
2009-10	0.00
2010-11	3.00
2011-12	8.00
2012-13	6.00
2013-14	6.00
2014-15	2.00
2015-16	3.00
2016-17	6.00

Comparative Monthly Wastewater Service Charges.

The City's residential charges as of July 1, 2016 are set forth below with a comparison to other Central Valley and Northern California cities.

**CITY OF MODESTO
 WASTEWATER SYSTEM
 Monthly Sewer Charge Comparison
Residential Service
 As of July 1, 2016**

<u>City</u>	<u>Monthly Residential Charge</u>
Fresno	\$25.75
Lodi	\$25.63
Modesto	\$29.36
Stockton	\$38.36
Tracy	\$34.00
Turlock	\$31.20

CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS
YEAR ENDED JUNE 30, 2017

CITY OF MODESTO
WASTEWATER SYSTEM
Wastewater Connection Fees Comparison
As of July 1, 2016

<u>City</u>	<u>Connection Fee</u>
Fresno (1)	\$3,438.50
Lodi (2)	\$2,932.00
Modesto	\$2,643.00
Stockton	\$635.00
Tracy	\$6,727.00
Turlock	\$2,636.66

-
- (1) Connection fees are based on the size of the lot & location.
(2) Connection fees are based on the size of the water meter.

CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS INFORMATION (continued)
YEAR ENDED JUNE 30, 2017

Water Revenue Refinancing Certificates of Participation, 2008 Series A
Modesto Irrigation District Financing Authority Domestic Water Project Refunding Revenue Bonds, Series 2013G⁽¹⁾
Modesto Irrigation District Financing Authority Domestic Water Project Revenue Bonds, Series 2007F⁽¹⁾

Reserve Account Requirement as of 6/30/17	\$ 4,011,410
Surety Policy Value:	\$ (2,082,513)
Balance in Parity Reserve Account as of 6/30/17	<u>\$ (1,942,080)</u>
Shortfall/(Excess) Reserve Coverage:	<u>\$ (13,183)</u>

Balance in Rate Stabilization Account as of 6/30/17:

Ten Largest Customers of Water Utility System, Year Ended 6/30/17

Customer	Business Type	Usage (ccf) (2)	% of Total Usage	Water Sales Revenue (\$)	% of Total Water Sales Revenue
1) Modesto City Schools	Education	347,228	1.70%	\$796,932	1.68%
2) City of Modesto - Stores	Local Government	274,205	1.34%	\$796,192	1.67%
3) Stanislaus Food Products	Cannery	385,849	1.88%	\$650,097	1.37%
4) Foster Farms	Dairy Processor	322,837	1.58%	\$567,002	1.19%
5) Seneca Foods	Cannery	257,370	1.26%	\$419,120	0.88%
6) Modesto Irrigation District	Power Company	191,324	0.93%	\$378,262	0.80%
7) Stanislaus Housing Authority	Housing Authority	122,298	0.60%	\$325,320	0.68%
8) Sunpota	Cannery	171,687	0.84%	\$308,870	0.65%
9) Yosemite Community College	Education	99,435	0.49%	\$237,710	0.50%
10) E & J Gallo	Processor	109,387	0.53%	\$233,701	0.49%
Total Top Ten		<u>2,281,620</u>	<u>11.14%</u>	<u>\$4,713,206</u>	<u>9.91%</u>

Total Flat/Metered Revenues (Water Sales)

\$47,562,579

(1) Grover Landscaping maintains City parks

(2) "ccf" means "hundred cubic feet"

Water Sales Revenue, Year Ended 6/30/2017

Residential - flat rates	\$ 6,767,446
Commercial, industrial and municipal - metered rates	<u>\$ 51,960,729</u>
Total Water Sales	<u>\$ 58,728,175</u>

The average monthly flat rate service charge for residential customers is:

\$ 54.72

Current Water Rates as of 07/01/2015- Commercial Accounts

Meter Size	
3/4"	\$ 20.79
1"	\$ 29.30
1 1/2"	\$ 50.58
2"	\$ 76.11
3"	\$ 156.98
4"	\$ 276.14
6"	\$ 561.28
8"	\$ 1,029.42
10"	\$ 1,625.23
12"	\$ 2,135.93

In addition to these minimum charges, commercial accounts are charged \$1.79 per 100 cubic feet of water used.

The Annual Budget of the City of Modesto is available from the City of Modesto Finance Department.

(1) Water Fund parity debt obligations, issued by the Modesto Irrigation District Financing Authority, on behalf of the City, and pursuant to the 1992 Treatment and Delivery Agreement between the District and the City. On August 14, 2013 Modesto Irrigation District Financing Authority refunded the 1998 D Bond, with the 2013 G Bond. As of 6/30/2017, the balance of the 2013 G Bond was \$30,870,000 and the balance of the 2007 F Bond was \$93,190,000.

(continued)

CITY OF MODESTO
CITY WATER- HISTORICAL DEBT SERVICE COVERAGE
CONTINUING DISCLOSURE REQUIREMENTS
LAST TEN FISCAL YEARS

CITY WATER UTILITY SYSTEM
Historical Debt Service Coverage

	2008	2009	2010	2011	2012	2013 (1)	2014	2015 (11)	2016 (12)	2017
Charges for services	\$ 52,927,134	\$ 52,990,138	\$ 51,572,801	\$ 51,878,505	\$ 53,453,708	\$ 56,906,488	\$ 56,940,812	\$ 54,779,417	\$ 51,489,077	\$ 63,253,114
Connection charges	1,943,456	1,113,082	647,579	452,021	516,839	295,632	357,432	1,024,626	935,987	1,435,654
Refunds, damages & recoveries	232,570	29,033	428,083	480,766	166,522	260,802	215,271	20,988	511,063	57,533
Interest and rental income	1,984,517	2,055,531	1,006,611	588,917	670,046	174,224	235,246	353,305	535,823	574,899
Draw from (deposit to) rate stabilization fund	-	-	-	-	-	-	-	-	-	-
Service credits ⁽²⁾	604,082	501,671	2,170,367	2,562,986	2,866,465	3,201,951	2,678,999	3,033,487	3,026,911	3,304,811
Miscellaneous	13,190	32,586	25,782	58,083	118,203	150,949	154,700	365,808	2,979,500	231,134
Total gross operating revenues	57,704,949	56,722,041	55,851,223	55,999,278	57,891,783	60,990,046	60,582,460	59,577,631	59,478,361	68,857,245
Operating expenses ⁽³⁾	23,664,217	28,359,392	30,219,002	26,638,348	30,755,822	28,530,554	36,598,298	33,773,198	38,722,320	35,508,887
Operating transfers ⁽⁴⁾⁽⁵⁾	65,000	482,503	765,000	776,000	1,257,406	838,421	765,000	765,000	765,954	765,000
CIP expenses moved to operating ⁽⁶⁾	2,156,833	3,054,407	1,127,185	-	-	-	-	-	-	-
Total operating expenses⁽⁷⁾	25,886,050	31,896,302	32,111,187	27,414,348	32,013,228	29,368,975	37,363,298	34,538,198	39,488,274	36,273,887
Net operating revenues	31,818,899	\$ 24,825,739	\$ 23,740,036	\$ 28,584,930	\$ 25,878,555	\$ 31,621,071	\$ 23,219,162	\$ 25,039,433	\$ 19,990,087	\$ 32,583,358
1997 Refunding Certificate of Participation ⁽⁸⁾	1,791,930	1,792,258	1,794,688	1,797,013	-	-	-	-	-	-
2006 Revenue Certificates of Participation	1,982,256	-	-	-	-	-	-	-	-	-
2008 Revenue Certificates of Participation	-	2,262,117	2,145,966	2,271,034	2,684,462	2,632,225	2,648,783	2,531,179	2,313,857	2,468,593
MID Treatment & Delivery Agreement ⁽⁹⁾	6,681,894	6,672,406	7,455,918	10,794,041	10,888,790	10,889,760	8,885,208	9,930,040	10,203,352	10,202,108
CDWR Loan	264,719	263,079	264,719	264,719	255,942	264,719	264,719	262,892	131,322	-
ARRA Grant	-	-	-	-	5,137	36,289	36,103	36,095	36,089	36,084
Total debt service \$	10,720,799	\$ 10,989,860	\$ 11,661,291	\$ 15,126,807	\$ 13,834,331	\$ 13,822,993	\$ 11,834,813	\$ 12,760,006	\$ 12,684,620	\$ 12,706,785
Debt service coverage (14)	2.97	2.26	2.04	1.89	1.87	2.50	1.96	1.96	1.58	2.56

(1) In fiscal year 2012-13, the amount reported for Charges for Services was incorrectly reported in the amount of \$59,906,488. The correct amount is \$56,906,488 which is reflected in the table above.

(2) Service Credits are reimbursements from other City funds of costs associated with employee time worked on other projects.

(3) In fiscal year 2009-10 Cashiering, Utilities, and Collections division was moved into the Water Fund. This caused a structural change and in return an increase in service credits.

(4) Beginning in fiscal year 2008-09 total operating expenses increased as a result of the initiation of a meter program and increases in costs associated with supplies, maintenance, water treatment litigation and administration. Reduced fiscal year 2016 Operating Expenses as the 131,322 CDWR Loan payment (along with 2 dollars attributed to rounding error) were counted both in Operating Expense and in the debt service section.

(5) Operating transfers in fiscal year 2008-09 increased due to an administrative oversight and funds were returned to the correct fund.

(6) Includes operating transfers for building rental fee of \$65,000 annually and commencing in fiscal year 2009-10 \$700,000 annual transfer to the Storm Drain Fund to actively protect the groundwater supply source from contamination. In fiscal year 2011-12 \$668,610 a one time transfer for information technology internal service funds.

(7) In fiscal year 2009-10, the City made a prior period adjustment to reclassify certain operating costs previously recorded as capital improvements. This prior period adjustment has been reflected in this table in the years costs were incurred.

(8) Total operating expenses excludes depreciation and amortization, as well as the debt service component under the Treatment and Delivery Agreement. Fiscal year 2016 Total operating expense reduced from 39,619,604 to 39,488,274 since the Operating expenses was adjusted (see note 3)

(9) 1997 COPS were prepaid in full in fiscal year 2010-11

(10) Increased fiscal year 2015 2008 Revenue Certificates of Participation from 2,501,891 to 2,531,179 to account for actual expenditure instead of the internal transfer.

(11) Debt service payment increased by \$4.1 million in fiscal year 2010-11 due to the expiration of capitalized interest. Fiscal year 2015 MID Treatment & Delivery Agreement increased from 9,905,923 to 9,930,040 to account for actual expenditure.

(12) Reduced fiscal year 2014-15 Operating expenses from 40,349,338 to 33,773,198.

(13) The sale of the Waterford-Hickman Water System for \$2.6 million had a significant impact to the Water Fund debt service calculation. Without the sale of this system Water Fund debt service coverage would have been 1.35. Reduced fiscal year 2015-16 Operating Expenses as the 131,322 Del Estate Water Company loan payment (along with 2 dollars attributed to rounding error) were counted both in Operating Expense and in the Debt service section.

(14) Del Estate Water Company (CDWR) loan payment for fiscal year 2014-15 was reduced from 264,719 to 262,692 and fiscal year 2015-16 reduced from 264,719 to 131,322. Loan repayment was completed in fiscal year 2015-16.

(15) Changed fiscal year 2014-15 ARRA Grant from 36,290 to 36,095 and changed fiscal year 2015-16 ARRA Grant from 36,290 to 36,089.

(16) Fiscal year 2015-16 Debt service coverage increased from 1.55 to 1.57 and fiscal year 2014-15 Debt service coverage increased from 1.45 to 1.96 after above stated changes were made.

(17) The financial figures reported only reflect net operating revenues in the Water Operating Fund.

Source: City of Modesto

CITY OF MODESTO
CITY WATER UTILITY SYSTEM
PROJECTED OPERATING RESULTS ⁽¹⁾
CONTINUING DISCLOSURE REQUIREMENTS

The City has prepared the following table of projections of operating results of the Water Utility System for the five fiscal years 2018-22. The projected amounts set forth below are based on certain assumptions made by the City. To the extent that actual future conditions vary from those assumed in preparing the projections, the actual results will vary.

	Fiscal Year Projected 2018	Fiscal Year Projected 2019	Fiscal Year Projected 2020	Fiscal Year Projected 2021 ⁽⁵⁾	Fiscal Year Projected 2022
Charges for services ⁽²⁾	\$ 66,000,000	\$ 71,940,000	\$ 78,415,000	\$ 85,472,000	\$ 85,472,000
Connection charges	346,000	331,000	331,000	331,000	331,000
Refunds, damages & recoveries	189,000	192,000	196,000	200,000	200,000
Interest and rental income	174,000	174,000	175,000	176,000	176,000
Draw from (deposit to) rate stabilization fund	-	-	-	-	-
Service credits	2,753,000	2,781,000	2,808,000	2,836,000	2,836,000
Miscellaneous	27,000	27,000	28,000	28,000	28,000
GF (parks loan) P/I	54,000	54,000	54,000	54,000	54,000
Total gross operating revenues	\$69,543,000	\$75,499,000	\$82,007,000	\$89,097,000	\$89,097,000
Operating expenses ⁽³⁾	41,756,000	42,542,000	43,369,000	44,213,000	45,097,260
Operating transfers	765,000	765,000	765,000	765,000	765,000
Total operating expenses⁽⁴⁾	\$42,521,000	\$43,307,000	\$44,134,000	\$44,978,000	\$45,862,260
Net operating revenues	27,022,000	32,192,000	37,873,000	44,119,000	43,234,740
2008 Revenue Certificates of Participation	2,492,000	2,504,000	2,486,000	2,466,000	2,466,000
MID Treatment & Delivery Agreement	10,088,000	10,081,000	10,082,000	10,080,000	10,080,000
CDWR Loan	-	-	-	-	-
ARRA Grant	36,000	36,000	36,000	36,000	36,000
New Future Debt	-	2,468,000	2,468,000	2,468,000	2,468,000
Total debt service	12,616,000	15,089,000	15,072,000	15,050,000	15,050,000
Debt service coverage	2.14	2.13	2.51	2.93	2.87

* Please note that fiscal year 2018 thru fiscal year 2021 projection is derived from the May 2016 Water Rate and Fee Study. Fiscal year 2011-22 has been kept flat until another Water Rate and Fee Study is completed.

(2) Revenues do NOT include a Consumer Price Index (CPI) increase. There were approved water rate increases as follows: fiscal year 2016-17 at 25.04%, fiscal year 2017-18 at 11.08%, fiscal year 2018-19 at 9.00%, fiscal year 2019-20 at 9.00%, and (3) Operating expenses have assumed an inflationary rate of 2% in 2018-22 thru fiscal year 2021-22.

(4) Total operating expenses exclude depreciation and amortization, as well as the debt service component under the MID Treatment & Delivery Agreement.

(5) Increase in Debt Service Coverage from fiscal year 2017-18 to fiscal year 2020-21 is due to larger increase in water rates compared to operating expenses. See note (2) and note (3). The increase in water rates is intended to fund pay-as-you-go CIPs not reflected on this table.

Source: City of Modesto.

**CITY OF MODESTO
CITY WATER UTILITY SYSTEM STATISTICS
CONTINUING DISCLOSURE REQUIREMENTS
YEAR ENDED JUNE 30, 2017**

**CITY WATER UTILITY SYSTEM STATISTICS
(Calendar Years 2008 through 2017)**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Service Accounts	76,852.0	76,899.0	76,508.0	76,983.0	76,788.0	75,357.0	75,006.0	74,665.0	72,825.0	73,135.0
Total Water Production (MG)(1)	25,182.0	23,824.0	21,712.0	20,892.0	21,765.0	21,606.0	20,630.0	17,692.0	15,155.0	15,319.5
Capacity (MGD)(2)	166.0	166.0	166.0	166.0	175.2	175.2	175.2	175.2	175.2	175.2
Peak Daily Distribution (MGD)	116.5	113.0	110.0	98.5	97.2	99.8	95.3	84.6	74.7	84.3
Average Daily Distribution (MGD)	68.8	65.3	59.5	57.2	59.5	59.2	56.5	48.5	41.5	42.0

(1) "MG" means million gallons.

(2) "MGD" means million gallons daily.

**CITY WATER UTILITY SYSTEM
Service Area Total Production (Billion Gallons)
(Fiscal Years 2008 through 2017)**

Fiscal Year Ended	Well Water	Surface Water	Total
2008	14.74	10.44	25.18
2009	14.14	9.69	23.83
2010	11.32	10.39	21.71
2011	11.72	9.17	20.89
2012	11.57	10.19	21.76
2013	10.62	10.99	21.61
2014	10.72	9.91	20.63
2015	10.63	5.85	16.48
2016	9.22	5.02	14.24
2017	8.63	5.86	14.49

**CITY WATER UTILITY SYSTEM
Average Monthly Water Rates Comparison
Flat Rate (1" Service)
As of July 1, 2016**

City	Flat Rate Typical Home
Fresno (1)	\$ 13.80
Lodi (2)	\$ 26.92
Modesto	\$ 54.72
Stockton (1)	\$ 31.00
Tracy (2)	\$ 20.40
Turlock (1)	\$ 21.20

(1) Water is metered. Charge varies per meter size.

(2) Water is both metered and flat rate. Charge varies per meter and dwelling size.

CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS
YEAR ENDED JUNE 30, 2017

The following table sets forth connection fees for all users except multi-family units by meter size for year 2016-2017:

CITY WATER UTILITY SYSTEM
Connection Fees Comparison
Except Multiple Family Units
(Fiscal Year 2016-2017)

<u>Meter Size</u>	<u>Connection Fees</u>
5/8" meter**	\$2,202
1" meter	\$3,671
1-1/2" meter	\$7,341
2" meter	\$11,746
3" meter	\$25,695
4" meter	\$46,250
6" meter	\$95,437
8" meter	\$176,191
10" meter	\$278,970
12" meter	\$367,065

****NOTE-** Single-family residences qualify for the 5/8" connection fee only under the following conditions:
Single story, single-family residences on a lot of 4,000 square feet or less.
Two-story single family residence on a lot of 4,000 square feet or less, provided the request for such a service accompanied by a report from a licensed professional engineer that certifies that the 5/8" service is adequate to meet the needs of the proposed dwelling.
A 5/8" "service" shall not be allowed for a single-family dwellings of greater than 2 stories on lots less than 4,000 square feet.

**CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS INFORMATION
YEAR ENDED JUNE 30, 2017**

**CITY WATER UTILITY SYSTEM
Sale of Water
(Year Ended June 30, 2017)***

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues (\$000)										
Residential (Flat Rates)	\$31,495	\$30,585,450	\$21,256,928	\$16,888,754	\$14,464,689	\$12,955,005	\$10,723,594	\$9,037,477	\$7,320,096	\$6,767,446
Commercial, Industrial and Municipal (Metered)	17,890	20,445,393	28,758,412	33,190,426	37,162,861	42,452,862	44,093,862	43,118,855	40,242,493	51,960,729
Total Water Sales	\$49,385	\$51,030,843	\$50,015,340	\$50,079,180	\$51,627,550	\$55,407,867	\$54,817,456	\$52,156,332	\$47,562,589	\$58,728,175

The table below sets forth the adopted single family residential flat rates approved through fiscal year 2016-17.

**CITY WATER UTILITY SYSTEM
Monthly Single Family Residential Flat Water Rates (1)**

Lot Size	Effective July 1, 2007	Effective July 1, 2008	Effective July 1, 2009	Effective November 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014	Effective July 1, 2015	Effective July 1, 2016
0-5,000 sq. ft. lot	\$35.45	\$37.23	\$37.23	\$38.01	\$38.69	\$39.89	\$40.81	\$40.81	\$40.81	\$47.38
5,001-7,000 sq. ft. lot	40.30	42.31	42.31	43.20	43.98	45.34	46.38	46.38	46.38	54.72
7,001-11,000 sq. ft. lot	47.82	50.21	50.21	51.26	52.18	53.80	55.04	55.04	55.04	69.22
11,001-17,000 sq. ft. lot	50.76	53.30	53.30	54.42	55.40	57.12	58.43	58.43	58.43	90.88
over 17,000 sq. ft. lot	59.68	62.66	62.66	63.98	65.13	67.15	68.69	68.69	68.69	101.80

(1) Single family residential properties with water meters that are read for billing purposes, are charged the meter water rate.

NOTE: Additional financial information available at www.modestogov.com

CITY OF MODESTO
CONTINUING DISCLOSURE REQUIREMENTS INFORMATION
YEAR ENDED JUNE 30, 2017

The following table sets forth the adopted monthly service charge and volume charge for commercial accounts through fiscal year 2016-17.

CITY WATER UTILITY SYSTEM
Water Rates and Charges
Commercial Accounts

	Effective July 1, 2008	Effective July 1, 2009	Effective July 1, 2010	Effective November 1, 2010	Effective July 1, 2011	Effective July 1, 2012	Effective July 1, 2013	Effective July 1, 2014	Effective July 1, 2015	Effective July 1, 2016
Volume-based Rate (\$/hcf)	\$1.28	\$1.28	\$1.28	\$1.33	\$1.33	\$1.37	\$1.40	\$1.40	\$1.40	\$1.79
Fixed Monthly Meter Charge (in addition to volume-based charges)										
5/8"-3/4" meter	\$13.71	\$13.71	\$13.71	\$14.00	\$14.25	\$14.69	\$15.03	\$15.03	\$15.03	\$20.79
1" meter	19.45	19.45	19.45	19.86	20.22	20.85	21.33	21.33	21.33	29.30
1-1/2" meter	33.66	33.66	33.66	34.37	34.99	36.07	36.90	36.90	36.90	50.58
2" meter	50.79	50.79	50.79	51.86	52.79	54.43	55.68	55.68	55.68	76.11
3" meter	96.51	96.51	96.51	98.54	100.31	103.42	105.80	105.80	105.80	156.98
4" meter	147.88	147.88	147.88	150.99	153.71	158.48	162.13	162.13	162.13	276.14
6" meter	290.51	290.51	290.51	296.61	301.95	311.31	318.47	318.47	318.47	561.28
8" meter	461.75	461.75	461.75	471.45	479.94	494.82	506.20	506.20	506.20	1,029.42
10" meter	661.58	661.58	661.58	675.47	687.63	708.95	725.26	725.26	725.26	1,625.23
12" meter	1,232.31	1,232.31	1,232.31	1,258.19	1,280.84	1,320.55	1,350.92	1,350.92	1,350.92	2,135.93

Note: Additional financial information is available at www.modestogov.com

CITY OF MODESTO
 BOND RATINGS
 FISCAL YEAR ENDED JUNE 30, 2017

<u>Bonds</u>	<u>Moody's Rating</u>	<u>Standard & Poor's Rating</u>	<u>Fitch Rating</u>
1993 Golf Certificates of Participation		AA-	
Wastewater Revenue Bonds, Series 2006A	A2	AA	AA-
2008 Lease Revenue Bonds		A/A-1	A+
2008 Water Certificates of Participation	Aa3	AA+/A-1	

Sources: www.moodys.com
www.standardandpoors.com
www.Fitchratings.com

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CITY OF MODESTO, CALIFORNIA

Independent Accountant's Report on Applying
Agreed-Upon Procedures Related to
the Article XIII-B Appropriations Limit

For the Year Ended June 30, 2017



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**Independent Accountant's Report on Applying
Agreed-Upon Procedures Related to the
Article XIII-B Appropriations Limit**

Modesto City Council
Modesto, California

We have performed the procedures enumerated below to the accompanying Appropriations Limit Worksheet of the City of Modesto, California (City) for the year ended June 30, 2017. These procedures, which were agreed to by the City and recommended by the California Committee on Municipal Accounting (as presented in the CCMA White Paper titled *Agreed-upon Procedures Applied to the Appropriations Limitation Prescribed by Article XIII-B of the California Constitution*), were performed solely to assist the City in meeting the requirements of Section 1.5 of Article XIII-B of the California Constitution. The City's management is responsible for the Appropriations Limit Worksheet.

The sufficiency of these procedures is solely the responsibility of the parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures and associated findings are as follows:

1. We obtained the completed worksheets setting forth the calculations necessary to establish the City's appropriations limit and compared the limit and annual adjustment factors included in those worksheets to the limit and annual adjustment factors that were adopted by resolution of the City Council. We also compared the population and inflation options included in the aforementioned worksheets to those that were selected by a recorded vote of the City Council.

Finding: No exceptions were found as a result of applying the procedure.

2. For the accompanying Appropriations Limit Worksheet, we added the prior year appropriations limit to the annual adjustment amount and compared the resulting amount to the current year appropriations limit.

Finding: No exceptions were found as a result of applying the procedure.

3. We compared the current year information presented in the accompanying Appropriations Limit Worksheet to the worksheets described in procedure No. 1 above.

Finding: No exceptions were found as a result of applying the procedure.

4. We agreed the prior year appropriations limit presented in the accompanying Appropriations Limit Worksheet to the prior year appropriations limit adopted by the City Council.

Finding: No exceptions were found as a result of applying the procedure.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Appropriations Limit Worksheet. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you. No procedures have been performed with respect to the determination of the appropriations limit for the base year, as defined by Article XIII-B of the California Constitution.

This report is intended solely for the information and use of City Council and the City's management and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 28, 2017

**CITY OF MODESTO, CALIFORNIA
 APPROPRIATIONS LIMIT WORKSHEET
 FOR THE YEAR ENDED JUNE 30, 2017**

Appropriations limit, fiscal year 2015-2016, as adopted		<u>\$ 384,378,257</u>
Adjustment factors:		
Population factor, as adopted ⁽¹⁾		1.0084
Inflation factor, as adopted ⁽²⁾	x	<u>1.0537</u>
Total adjustment factor (rounded)		<u>1.0626</u>
Annual adjustment in dollars		<u>24,062,079</u>
Appropriations limit, fiscal year 2016-2017, as adopted		<u><u>\$ 408,440,336</u></u>

- ⁽¹⁾ The population factor is based on the annual percent change in the City of Modesto’s population, for the calendar year preceding the beginning of the fiscal year for which the appropriations limit is to be determined. The population factor was provided by the State of California’s Department of Finance.
- ⁽²⁾ The inflation factor is based on the current year cost of living increase, as determined by the percentage change in per capita personal income for California. The inflation factor was provided by the State Department of Finance.

CITY OF MODESTO

Report to the City Council

For the Year Ended June 30, 2017



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Accountants

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

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City Council of the City of Modesto
Modesto, California

In planning and performing our audit of the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Modesto, California (City), as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

In addition to the City's basic financial statements, we audited and separately reported on the financial statements of the Abandoned Vehicle Abatement Program, Community Facilities Districts Number 1996-1 (Village One), Number 1997-1 (North Beyer Park), Number 1998-1 (Enterprise Business Park), Number 1998-2 (Carver-Bangs/Pelandale-Snyder), Number 2000-2 (Coffee-Claratina), Number 2002-1 (Northpointe), Number 2003-1 (Fairview Village), Number 2004-1 (Village One #2), Number 2007-2 (Kiernan Business Park West), Number 2007-1 (North Beyer Park #2), and Number 2016-1 (Kiernan Business Park East), and Transportation Development Act Funds as of and for the year ended June 30, 2017.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the current year recommendations section as items 2017-001 and 2017-002 to be significant deficiencies.

In addition, we have also included the status of prior year matters communicated to management in the status of prior year observations and recommendations section of this letter.

This communication is intended solely for the information and use of management and is not intended to be and should not be used by anyone other than these specified parties.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

REQUIRED COMMUNICATIONS

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Modesto, California (City) for the year ended June 30, 2017. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated February 28, 2017. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. As discussed in Note I.F to the basic financial statements, effective July 1, 2016, the City adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*; GASB Statement No. 77, *Tax Abatement Disclosures*; GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*; GASB Statement No. 80, *Blending Requirements for Certain Component Units— an amendment of GASB Statement No. 14*; and GASB Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*. However, there was no significant effect on the City's accounting and financial reporting as a result of implementing these statements.

We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City's financial statements were:

- The fair value of investments are generally carried at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City's investments are classified as level 1 and level 2 of the fair value hierarchy established by GASB Statement No. 72. Investments classified in level 1 are valued using prices quoted in active markets for those securities. Debt securities classified in level 2 are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The City's investment in the California Asset Management Program and the MID Collateral Agreement are not subject to the fair value hierarchy.
- The liabilities for general claims and workers' compensation claims are each based on an actuarial analysis. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

- The actuarial pension data contained in Note III.G to the financial statements and required supplementary information (unaudited) is based on actuarial valuations performed in accordance with the parameters set forth in GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The actuarial data for other postemployment benefits contained in Note III.F to the financial statements and required supplementary information (unaudited) is based on actuarial valuations performed in accordance with GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*.
- The pollution remediation obligation is based upon the recoveries the City has collected in the Water and Sewer Enterprise funds less any remediation and legal costs incurred in pursuit of mitigating damages from the manufacturers of perchlorethylene.
- Depreciation expense and accumulated depreciation are based on the expected lives of capital assets, which are determined based on experience.
- The accounts receivable valuation and allowance is based on the collectability of accounts from historical experience and trends.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statements disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were the disclosure of Long-Term Debt, including the interest rate swap (Note II.C); the Pollution Remediation Liability (Note II.M); the Pension Plan (Note III.G); and the Post-Retirement Health Care Defined Benefit Plan (III.F)

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. No misstatements were detected as a result of audit procedures.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

Management Representations

We have requested certain representations from management that are included in the management representation letters for each of the audits with dates between October 2, 2017 through December 21, 2017.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the City’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management’s Discussion and Analysis, Schedule of Changes in the Net Pension Liability and Related Ratios, Schedule of Plan Contributions, Postemployment Healthcare Plan Schedule of Funding Progress, General Fund Schedule of Revenues – Budget (GAAP Basis) and Actual, General Fund Schedule of Expenditures – Budget (Budget Basis) and Actual, General Fund Schedule of Expenditures by Function – Budget (GAAP Basis) and Actual, and Housing and Community Development Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the combining and individual nonmajor fund financial statements and schedules, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the introductory and statistical sections, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

CURRENT YEAR RECOMMENDATIONS

**Finding 2017-001 – Significant Deficiency
Procurement Card**

Per the City of Modesto procurement card policy, a competitive quotation is required for all transactions over a \$1,500 threshold. The policy also establishes the following spending limits - \$1,500 for single transactions and a monthly limit of \$4,500. Spending above these limits are allowed with pre-approval.

During our audit, out of a sample of 27 monthly employee procurement activity, we noted the following:

- Two cases over \$1,500 that did not have competitive quotation.
- Two cases where an employee spent over their preapproved single transaction limit.
- One case where an employee spent over their preapproved monthly transaction limit.

We recommend the City strengthen internal controls over the procurement card process for collection of competitive quotations and the monitoring of employee procurement card limits. The City may improve the monitoring of spending limits by comparing a listing of each employee and their standard single transaction limit and standard monthly transaction limit to their monthly procurement card statement.

Management Response:

The City Program Administrators have developed an internal form to document the authorization for one-time limit authorization increases due to emergency purchase situations or business reasons for the departments which are reviewed and evaluated by the department manager and Director of Finance. This will document any increases which exceeded the standard spending limits. In addition, one of the City Program Administrators identified an error in the setup of the standard spending limit which has been corrected. The Finance Department performs monthly audits on all procurement card statements and will continue to monitor the compliance of the policy.

**Finding 2017-002 – Significant Deficiency
Procurement Administration and Approval**

During the audit, it has come to our attention that certain purchasing policies and procedures were not being followed. The purchasing policies and procedures are essential to meeting the City's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

Some of the initial findings relate to lack of clarity regarding administering contracts and purchasing procedures, inadequate policies and oversight, inadequate training, lack of communication among departments, staffing constraints, and unauthorized extensions and contract adjustments. The City has proactively engaged professional assistance in investigating these discrepancies in order to identify the causes of breakdown in internal controls. The next step is to take the necessary corrective action in order to cure any deficiencies that need action and strengthen the existing internal controls to ensure compliance with the City's purchasing policies and procedures.

We recommend the City continue its investigation of past contracts and make the appropriate changes to its purchasing policies and procedures in order to strengthen the internal controls over this area. Also, the

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

City should implement a monitoring and oversight process to ensure adherence to purchasing policies and procedures as designed.

Management Response:

All City departments completed an inventory review of all active purchasing documents in late 2017 and identified several situations of not complying with the City Purchasing Policy and Municipal Code. The Finance Department have implemented better controls in the system to enforce additional levels of approval and uploading all relevant documents authorizing the approval for all agreements created in the procurement system. The Finance Department is producing monthly reports to all departments to monitor all active purchasing documents to review expiration dates and the balance remaining on these agreements. The Finance Department will be presenting monthly Purchasing updates to Council to provide transparency of all active Purchasing documents to reinforce the monitoring being implemented by all departments. The Finance Department will be providing training in February 2018 to provide clarity on the interpretation of the City Purchasing Policy and Municipal Code and assist departments on the resources available in the system to provide better monitoring and oversight for their responsible purchasing documents.

CITY OF MODESTO
Report to the City Council
For the Year Ended June 30, 2017

STATUS OF PRIOR YEAR RECOMMENDATION:

Reference

Number: 2016-001

Type of Finding: Control Deficiency – Use of the General Ledger

Condition: The City of Modesto administered the accounting of nine Community Facility Districts (CFDs). The City combined several of the CFD funds together into one general ledger fund, although these are different fund types. The following are CFDs that had combined Special Revenue Fund and Capital Projects Fund into one fund:

- Funds 3200 & 3230 CFD Number 1996-1 (Village One)
- Fund 3250 CFD Number 1997-1 (North Beyer)
- Fund 3265 CFD Number 2002-1 (Northpointe)
- Funds 3270 & 3280 CFD Number 1998-2 (Carver-Bangs/Pelandale Snyder)
- Funds 3290 & 3291 CFD Number 2004-1 (Village One #2)

During our audit, we noted that the above account balances require extensive reconciliation, manual corroboration and analysis to finalize financial information that is reliable.

Cause: The City combined several of the CFD funds together into one general ledger fund.

Effect: This extensive reconciliation and the need for manual corroboration may cause delays in the financial statements as well as allow for possible irregularities, including error and fraud, to exist and continue without being detected in a timely manner.

Recommendation: We recommend that the City separate various CFD funds that have different fund types to make future reconciliations of funds and accounts efficient and on a consistent basis.

Current Year

Status: Corrected.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-
BANGS/PELANDALE-SNYDER)**

INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1998-2 (Carver-Bangs/Pelandale-Snyder) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 1998-2 (Carver-Bangs/Pelandale-Snyder) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

The Carver-Bangs Specific Plan (Resolution No. 97-1 61) was adopted by the City Council on April 1, 1997, and was subsequently amended on November 4, 1997 (Resolution No. 97-633). The Carver-Bangs Specific Plan has been developed under the City's Village Residential guidelines and should yield approximately 800 single-family residential units. On January 16, 1996, the City Council approved the Pelandale-Snyder Specific Plan (Resolution No. 95-16) and amended the Pelandale-Snyder Specific Plan on March 18, 1997 (Resolutions 97-136 and 97-139). The Pelandale-Snyder Specific Plan area contains approximately 227 acres designated as single-family residential and approximately 57 acres are designated multi-family residential.

In December 1998, the City formed the District to provide a funding and reimbursement mechanism for public facilities and services required to serve the Carver-Bangs and Pelandale-Snyder Specific Plan areas in the City and to fund ongoing maintenance costs. Portions of both Specific Plan areas were included within the initial boundaries of the District and the remainder of the property within both Specific Plan areas, excluding a remainder parcel, have annexed to the District.

As a condition of development, developers are required to install various public improvements that will serve the increased population generated from the projects. Many of these improvements must be provided in the early stages of development and, therefore, the first developer(s) to build within the Specific Plan areas must install the improvements. The District was established as a funding/reimbursement for many of the improvements. Up until a few years ago, developers installed most of the improvements. The developers received a cash reimbursement or tax credit equal to the cost of that improvement(s) as set forth in the Public Report adopted in connection with the formation of the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Over the past several years, the City has designed and overseen the installation of the improvements. Construction of the storm drain pump stations located at the East and West Basins on Prescott Road between Pelandale and Snyder was completed in the summer of 2007 while the Snyder Avenue widening project between Prescott Road and Carver Road commenced in the spring of 2008. Design of the bike trail commenced in 2009.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position increased to \$1,936,201 for fiscal year 2017.
- Total District revenues were \$179,299.

Fund Basis:

- Capital Projects Fund revenues of \$2,199 were \$799,043 less than the prior year due to development occurring in the District in fiscal year 2016, and not in fiscal year 2017, as revenues are collected at building permit issuance. Expenditures of \$12,904 were \$23,922 less than the previous year. The Capital Projects Fund ending fund balance decreased by \$10,705, with ending fund balance of \$1,534,451.
- Special Revenue Fund revenues of \$177,100 were \$1,155 more than the prior year due to increased maintenance special tax collections and expenditures of \$116,288 were \$52,586 less than the prior year due to a decrease in repair and maintenance expenditure. The Special Revenue Fund balance increased by \$60,812 to an ending fund balance of \$401,750.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$1,940,174 were offset by liabilities of \$3,973. The District's net position from governmental activities increased to \$1,936,201 in 2017 from \$1,886,094 in 2016. All of the District's net position is restricted as follows: \$1,534,451 for acquisition or construction of infrastructure and \$401,750 for maintaining that infrastructure.

The following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	<u>2017</u>	<u>2016</u>
Cash and investments	\$ 1,933,551	\$ 1,891,149
Assessments receivable	2,362	1,984
Interest receivable	<u>4,261</u>	<u>4,041</u>
 Total assets	 <u>1,940,174</u>	 <u>1,897,174</u>
 Current and other liabilities	 <u>3,973</u>	 <u>11,080</u>
 Net position:		
Restricted for:		
Capital projects	1,534,451	1,545,156
District maintenance	<u>401,750</u>	<u>340,938</u>
 Total net position	 <u>\$ 1,936,201</u>	 <u>\$ 1,886,094</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from maintenance special tax of \$173,962 and interest income \$3,807. Facilities special tax revenue was not collected in fiscal year 2017 like it was in fiscal year 2016, as these revenues are collected at the time of building permit issuance, and no such development occurred in the District in fiscal year 2017. District expenses of \$129,192 were for services and professional and utilities expenses.

The following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Facilities special tax	\$ -	\$ 787,482
Maintenance special tax	173,962	172,843
Investment earnings	3,807	16,862
Miscellaneous	1,530	-
Total revenues	179,299	977,187
Expenses:		
Community development	129,192	205,700
Change in net position	50,107	771,487
Net position, beginning of year	1,886,094	1,114,607
Net position, end of year	\$ 1,936,201	\$ 1,886,094

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Activities

	Capital Projects Fund	Special Revenue Fund	Total
Revenues	\$ 2,199	\$ 177,100	\$ 179,299
Expenditures	<u>12,904</u>	<u>116,288</u>	<u>129,192</u>
Changes in fund balances	(10,705)	60,812	50,107
Fund balances, beginning of year	<u>1,545,156</u>	<u>340,938</u>	<u>1,886,094</u>
Fund balances, end of year	<u>\$ 1,534,451</u>	<u>\$ 401,750</u>	<u>\$ 1,936,201</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental funds reported combined fund balances of \$1,936,201, which was a \$50,107 increase from fiscal year 2016. The Capital Projects Fund realized a \$10,705 decrease, due to engineering costs in the construction of infrastructure for the District exceeding interest income, while the Special Revenue Fund realized a \$60,812 increase due to maintenance special tax and investment revenues exceeding professional services and utilities.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017**

ASSETS	
Cash and investments	\$ 1,933,551
Assessments receivable	2,362
Interest receivable	<u>4,261</u>
 Total Assets	 <u>1,940,174</u>
 LIABILITIES	
Accounts payable	<u>3,973</u>
 NET POSITION	
Restricted for:	
Capital projects	1,534,451
District maintenance	<u>401,750</u>
 Total Net Position	 <u><u>\$ 1,936,201</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

EXPENSES	
Community development	<u>\$ 129,192</u>
GENERAL REVENUES	
Maintenance special tax	173,962
Investment earnings	3,807
Miscellaneous revenue	<u>1,530</u>
Total General Revenues	<u>179,299</u>
Change in Net Position	50,107
Net Position, beginning of year	<u>1,886,094</u>
Net Position, end of year	<u><u>\$ 1,936,201</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2
(CARVER-BANGS/PELANDALE-SNYDER)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Total
ASSETS			
Cash and investments	\$ 1,530,955	\$ 402,596	\$ 1,933,551
Assessments receivable	-	2,362	2,362
Interest receivable	3,496	765	4,261
Total Assets	<u>\$ 1,534,451</u>	<u>\$ 405,723</u>	<u>\$ 1,940,174</u>
LIABILITIES			
Accounts payable	\$ -	\$ 3,973	\$ 3,973
FUND BALANCES			
Restricted:			
Capital projects	1,534,451	-	1,534,451
District maintenance	-	401,750	401,750
Total Fund Balances	1,534,451	401,750	1,936,201
Total Liabilities and Fund Balances	<u>\$ 1,534,451</u>	<u>\$ 405,723</u>	<u>\$ 1,940,174</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
REVENUES			
Maintenance special tax	\$ -	\$ 173,962	\$ 173,962
Interest income	11,459	7,234	18,693
Change in fair value of investments	(9,260)	(5,626)	(14,886)
Miscellaneous revenue	-	1,530	1,530
	<u>2,199</u>	<u>177,100</u>	<u>179,299</u>
EXPENDITURES			
Current:			
Services - professional and other	-	105,988	105,988
Utilities	-	10,300	10,300
Capital outlay	12,904	-	12,904
	<u>12,904</u>	<u>116,288</u>	<u>129,192</u>
Changes in Fund Balances	(10,705)	60,812	50,107
Fund Balances, beginning of year	<u>1,545,156</u>	<u>340,938</u>	<u>1,886,094</u>
Fund Balances, end of year	<u>\$ 1,534,451</u>	<u>\$ 401,750</u>	<u>\$ 1,936,201</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Maintenance special tax	\$ 170,000	\$ 170,000	\$ 173,962	\$ 3,962
Interest income	-	-	7,234	7,234
Change in fair value of investments	-	-	(5,626)	(5,626)
Miscellaneous revenue	-	-	1,530	1,530
 Total Revenue	 <u>170,000</u>	 <u>170,000</u>	 <u>177,100</u>	 <u>7,100</u>
 EXPENDITURES				
Current:				
Services - professional and other	170,236	170,236	105,988	64,248
Utilities	13,000	13,000	10,300	2,700
 Total Expenditures	 <u>183,236</u>	 <u>183,236</u>	 <u>116,288</u>	 <u>66,948</u>
 Changes in Fund Balance	 <u>\$ (13,236)</u>	 <u>\$ (13,236)</u>	 60,812	 <u>\$ 74,048</u>
 Fund Balance, beginning of year			 <u>340,938</u>	
 Fund Balance, end of year			 <u>\$ 401,750</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 1998-2 (Carver-Bangs/Pelandale-Snyder) (the District) was formed in December 1998 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plans. The District is the vehicle that will be used to ensure that all landowners in the District pay their share of the public improvements. The District is a proposed 480-acre project bounded on the East by Carver Road, on the North by Bangs Avenue, on the West by Dale Road, and the Modesto Irrigation District canal and Snyder Avenue on the South. The District is expected to yield 3,413 residential dwelling units at buildout; in addition, 36 acres of the District will be used for an elementary school site, a City park, and a church.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

E. Maintenance Special Taxes

The maintenance special taxes are collected by the County of Stanislaus on the property tax bill. The special taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County of Stanislaus bills and collects the special taxes and remits them to the District. The Rate and Method of Apportionment of Special Tax (RMA), set forth in the District's Public Report, describes how the tax will be allocated among properties in the District. The Public Report was established during the formation of the District. A cost of living adjustment is applied to the special taxes annually.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through the adoption or the amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through the adoption or the amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-2 (CARVER-BANGS/PELANDALE-SNYDER)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$1,933,551 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for capital projects and District maintenance.

B. Restrictions of Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for Capital Projects - the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1998-2 (Carver-Bangs/Pelandale-Snyder) (the District), as of and for the year ended June 30, 2017, and related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2000-2 (Coffee-Clarafina) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and Special Revenue Fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2000-2 (Coffee-Claratina) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

In November 1999, the City Council approved the Coffee-Claratina Specific Plan that set forth a plan for development of 170 acres that includes up to 1,000 residential dwelling units, 40 acres of "Regional Commercial" property and 15 acres of "Mixed Community Commercial" development. The District was formed in December 2000 to provide a funding source for maintenance and repair of the storm drain basin and dual-use flood control/recreation facility and for maintenance of median, bikeway, round-about, and miscellaneous planting areas within the Coffee-Claratina Specific Plan.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position decreased \$12,789 in fiscal year 2017.
- At June 30, 2017, net position was \$289,714.
- Total District revenues were \$101,188.

Fund Basis:

- Special Revenue Fund revenues were \$101,188, while expenditures were \$113,977. The Special Revenue Fund ending fund balance decreased \$12,789 to \$289,714.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$293,244 were offset by liabilities of \$3,530. The District's net position from governmental activities decreased to \$289,714 in 2017 from \$302,503 in 2016. All of the District's net position is restricted for maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The following is a condensed statement of net position:

Statement of Net Position – Governmental Activities		
	2017	2016
Cash and investments	\$ 291,579	\$ 303,370
Assessments receivable	982	1,457
Interest receivable	683	629
 Total assets	 293,244	 305,456
 Current and other liabilities	 3,530	 2,953
 Net position:		
Restricted for:		
District maintenance	\$ 289,714	\$ 302,503

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from maintenance special tax of \$100,310, along with additional investments earnings of \$878. District expenses of \$113,977 in fiscal year 2017 were for maintenance and administration.

The following is a condensed statement of activities:

Statement of Activities – Governmental Activities		
	2017	2016
Revenues:		
General revenues:		
Maintenance special tax	\$ 100,310	\$ 99,564
Investment earnings	878	2,764
 Total revenues	 101,188	 102,328
Expenses:		
Community development	113,977	102,777
 Change in net position	 (12,789)	 (449)
 Net position, beginning of year	 302,503	 302,952
 Net position, end of year	 \$ 289,714	 \$ 302,503

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide statements and focus primarily on the short-term activities of the District's one fund. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about the District's most significant fund, called a major fund. The major fund presents the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. The District's fund is presented here as a major fund; its purpose is explained in Note 1 to the financial statements.

The District's fund is a governmental fund; a financial statement for this fund is prepared on the modified accrual basis of accounting, which means it measures only current financial resources and uses.

The following is a condensed statement of revenues, expenditures, and change in fund balance for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Change in Fund Balance – Special Revenue Fund

Revenues		\$ 101,188
Expenditures		<u>113,977</u>
Change in fund balance		(12,789)
Fund balance, beginning of year		<u>302,503</u>
Fund balance, end of year		<u><u>\$ 289,714</u></u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental fund reported a fund balance of \$289,714, which is a decrease of \$12,789 compared with last year.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District's only fund is considered to be a major fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
AND BALANCE SHEET - SPECIAL REVENUE FUND
JUNE 30, 2017

ASSETS	
Cash and investments	\$ 291,579
Assessments receivable	982
Interest receivable	<u>683</u>
Total Assets	293,244
 LIABILITIES	
Accounts payable	<u>3,530</u>
 FUND BALANCE/NET POSITION	
Restricted for:	
District maintenance	<u><u>\$ 289,714</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
STATEMENT OF NET ACTIVITIES - GOVERNMENTAL ACTIVITIES
AND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017

EXPENDITURES/EXPENSES

Community development:

Current:

Services - professional and other	\$ 93,306
Utilities	<u>20,671</u>
Total expenditures/expenses	<u>113,977</u>

GENERAL REVENUES

Maintenance special tax	100,310
Interest income	2,602
Change in fair value of investments	<u>(1,724)</u>
Total general revenues	<u>101,188</u>

Change in Fund Balance/Net Position	(12,789)
Fund Balance/Net Position, beginning of year	<u>302,503</u>
Fund Balance/Net Position, end of year	<u><u>\$ 289,714</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Maintenance special tax	\$ 90,000	\$ 99,329	\$ 100,310	\$ 981
Interest income	-	-	2,602	2,602
Change in fair value of investments	-	-	(1,724)	(1,724)
	<u>90,000</u>	<u>99,329</u>	<u>101,188</u>	<u>1,859</u>
EXPENDITURES				
Current:				
Services - professional and other	57,852	91,869	93,306	(1,437)
Utilities	32,600	32,600	20,671	11,929
	<u>90,452</u>	<u>124,469</u>	<u>113,977</u>	<u>10,492</u>
Changes in Fund Balance	<u>\$ (452)</u>	<u>\$ (25,140)</u>	<u>(12,789)</u>	<u>\$ 12,351</u>
Fund Balance, beginning of year			<u>302,503</u>	
Fund Balance, end of year			<u>\$ 289,714</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2000-2 (Coffee-Claratina) (the District) was formed in October 2000 by vote of the property owners within the proposed district. The District, a separate legal entity, was formed for the purpose of setting forth a plan of rehabilitation and development for the site, which is located on the south side of Claratina Avenue, bound by Coffee Road on the East, McHenry on the West, and the Modesto City limits to the South. Coffee-Claratina is a 170-acre project designated for a maximum of 1,000 residential dwelling units, 40 acres designated “Regional Commercial,” and 15 acres of “Mixed Community Commercial.” In addition, the District is intended to fund the maintenance of median, bikeway, round-about, and miscellaneous planting areas, in addition to the funding maintenance and repair of a storm drain basin and dual-use flood control/recreation facility.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City’s basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

The fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balance) report information on the Special Revenue Fund of the District.

Since the amounts presented in the District’s balance sheet and statement of net position are the same, they are presented as one financial statement. Similarly, since the amounts presented in the District’s statement of revenues, expenditures, and change in fund balance and the statement of activities are the same, they are presented as one financial statement.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Maintenance Special Tax

The maintenance special tax is collected by the County of Stanislaus on the property tax bill. The maintenance charges are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County of Stanislaus bills and collects the maintenance taxes and remits them to the District. The Rate and Method of Apportionment of Special Tax (RMA), set forth in the District's Public Report, describes how the tax will be allocated among properties in the District. The Public Report was established during the formation of the District. A cost of living adjustment is applied to the maximum amount the maintenance taxes can be levied annually. The District levied maintenance taxes during the year ending June 30, 2017.

E. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification of the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through the adoption and the amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through the adoption or the amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

F. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$291,579 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2000-2 (COFFEE-CLARATINA)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for District maintenance.

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.



**Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with
*Government Auditing Standards***

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2000-2 (Coffee- Claratina) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE
BUSINESS PARK)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 1998-1 (Enterprise Business Park) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and Special Revenue Fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 1998-1 (Enterprise Business Park) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

On April 7, 1997, the City's Planning Commission approved a vesting tentative map for the Enterprise Business Park subdivision. The project area included two assessor's parcels and more than 80 acres of property located in the southwestern section of the City. Upon recordation of the final map, the property was subdivided into eight parcels ranging in size from 1.12 to 24.17 acres. The parcels are zoned M-2, a heavy industrial designation allowing for development of warehouse, distribution, processing, manufacturing, and other related uses.

In July 1998, the City Council formed the District and authorized the District to issue up to \$2.05 million in bonds to fund certain street improvements, water and sewer main extensions, and other water, sewer, and storm drainage improvements required to serve the District. The Bonds were called in full in 2002 and all District-funded improvements have been completed.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position decreased \$6,001 in fiscal year 2017.
- At June 30, 2017, net position was \$74,513.
- Total District revenues were \$207.

Fund Basis:

- Special Revenue Fund revenues of \$207 were \$594 less than last year and expenditures of \$6,208 were \$552 less than last year.
- Special Revenue Fund ending fund balance decreased \$6,001 to \$74,513.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, the District total assets were \$74,688. The District's net position from governmental activities decreased from \$80,514 in fiscal year 2016 to \$74,513 in fiscal year 2017. All of the District's net position is restricted for District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 74,525	\$ 80,381
Interest receivable	163	170
	74,688	80,551
Total assets		
Current and other liabilities	175	37
	74,513	80,514
Net position:		
Restricted for:		
District maintenance	\$ 74,513	\$ 80,514

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came from investment earnings generating \$207. District expenses of \$6,208 in fiscal year 2017 were for maintenance and ongoing administrative expenses.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Investment earnings	\$ 207	\$ 801
Expenses:		
Community development	6,208	6,760
	(6,001)	(5,959)
Change in net position		
Net position, beginning of year	80,514	86,473
Net position, end of year	\$ 74,513	\$ 80,514

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's one fund. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about the District's significant fund, called a major fund. The major fund presents the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. The District's fund is presented here as a major fund; its purpose is explained in Note 1 to the financial statements.

The District's fund is a governmental fund; financial statements for this fund are prepared on the modified accrual basis of accounting, which means it measures only current financial resources and uses.

Following is a condensed statement of revenues, expenditures, and change in fund balance for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Change in Fund Balance – Special Revenue Fund

Revenues	\$	207
Expenditures		<u>6,208</u>
Change in fund balance		(6,001)
Fund balance, beginning of year		<u>80,514</u>
Fund balance, end of year	\$	<u><u>74,513</u></u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental fund reported a fund balance of \$74,513 which was a decrease of \$6,001 from fiscal year 2016.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting as that used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenue – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District's only fund is considered to be a major fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
AND BALANCE SHEET - SPECIAL REVENUE FUND
JUNE 30, 2017**

ASSETS

Cash and investments	\$ 74,525
Interest receivable	<u>163</u>

Total Assets	74,688
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LIABILITIES

Accounts payable	<u>175</u>
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FUND BALANCE/NET POSITION

Restricted for:	
District maintenance	<u><u>\$ 74,513</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
AND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017

EXPENDITURES/EXPENSES

Community development:

Current:

Services - professional and other	\$ 6,208
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GENERAL REVENUES

Interest income	651
-----------------	-----

Change in fair value of investments	(444)
-------------------------------------	-------

Total General Revenues	207
------------------------	-----

Change in Fund Balance/Net Position	(6,001)
-------------------------------------	---------

Fund Balance/Net Position, beginning of year	80,514
--	--------

Fund Balance/Net Position, end of year	\$ 74,513
--	-----------

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Interest income	\$ -	\$ -	\$ 651	\$ 651
Change in fair value of investments	-	-	(444)	(444)
Total Revenue	-	-	207	207
EXPENDITURES				
Current:				
Services - professional and other	10,943	10,943	6,208	4,735
Utilities	500	500	-	500
Total Expenditures	11,443	11,443	6,208	5,235
Changes in Fund Balance	\$ (11,443)	\$ (11,443)	(6,001)	\$ 5,442
Fund Balance, beginning of year			<u>80,514</u>	
Fund Balance, end of year			<u>\$ 74,513</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 1998-1 (Enterprise Business Park) (the District) was formed in July of 1998 by a vote of the property owners within the proposed District. The District, a separate legal entity, was formed to provide a financing mechanism for the purchase, construction, expansion, or rehabilitation of any real or tangible property, including public facilities and infrastructure improvements, necessary to meet increased demands placed upon local agencies as a result of development occurring within the District. In addition, the District can fund a variety of public services including maintenance of parks, parkways, and open space. The District is the vehicle that will be used to ensure that all landowners within the District pay their share of the public improvements and services needed. The District includes two assessor's parcels and more than 80 acres of property located in the southwestern section of the City of Modesto, California (the City). The property is subdivided into eight parcels ranging in size from 1.12 to 24.17 acres. The parcels have been zoned M-2, which is a heavy industrial designation allowing for development of warehouse, distribution, processing, manufacturing, and other related uses.

The District is an integral part of the City and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

The fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balance) report information on the Special Revenue Fund of the District.

Since the amounts presented in the District's balance sheet and statement of net position are the same, they are presented as one financial statement. Similarly, since the amounts presented in the District's statement of revenues, expenditures, and change in fund balance and the statement of activities are the same, they are presented as one financial statement.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space with the District.

D. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

E. Governmental Accounting Standards Update

In the year ended June 30, 2017, the District has implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$74,525 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for use on District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1998-1 (ENTERPRISE BUSINESS PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES (Continued)

B. Restrictions of Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 1998-1 (Enterprise Business Park) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2003-1 (Fairview Village) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2003-1 (Fairview Village) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for needed public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

In 1989, the City adopted the Urban Growth Management Strategy, which requires that any future development within the "Urban Reserve" be planned and annexed as "villages" under the auspices of Specific Plans. This action was seen as necessary to prevent new development from occurring in undeveloped areas prior to there being adequate consideration for public facilities such as roadways, parks, schools, and utility improvements.

Fairview Village is a proposed planned community with an expected population of 5,000 people living in approximately 2,250 homes. The project is to be developed on a 364-acre site located just outside the southwest edge of the City in Stanislaus County. The Fairview Village Plan Area is essentially square with each edge approximately three-quarters of a mile in length. It is contiguous to the Bret Harte neighborhood on the east, and is bounded by the expanded Hatch Road to the north, Carpenter Road to the west, and Whitmore Avenue to the south. The District is designed around a large central neighborhood park and new elementary school that forms the center of the new community. Fairview Village will also include a secondary elementary school and a commercial center with shops, offices, and apartments.

In December 2003, the City Council formed the District and authorized the District to issue up to \$25 million in bonded indebtedness to acquire or construct certain water, storm drain, and sewer system improvements and a bike trail and all appurtenances and appurtenant work in connection therewith. The only qualified voter eligible to vote during the formation of the District was Del Valle Corporation (the Developer), the owner of approximately 81.66 acres. A final map was recorded subdividing the Developer's 81.66 acres into 382 single-family residential lots.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

In September 2005, the District issued Special Tax Bonds, Series 2005 in the principal amount of \$5.0 million. The majority of the net construction proceeds were used to reimburse the Developer for the District-funded infrastructure it will install pursuant to the Acquisition & Shortfall Agreements entered into with the District. In October 2005, supplemental information concerning the bond issue was distributed to the repositories. This supplemental information advised the bond holders and market of the amendments to the Acquisition & Shortfall Agreement that allow the issuance of certain occupancy permits prior to the completion of the infrastructure projects specified in the Acquisition & Shortfall Agreement.

Matters related to the Developer's subdivision located in the District were first memorialized in an Acquisition & Shortfall Agreement between the City and Norman Galas, etc. in December 1997. On January 9, 2003, the Acquisition & Shortfall Agreement was amended and named Del Valle Capital Corporation, Inc., as a party to the Acquisition & Shortfall Agreement. Since that time, two subsequent amendments have occurred and additional agreements have been executed between the City and the District. The chronology of the agreements related to the Developer's subdivision follows:

- The Acquisition & Shortfall Agreement between the City and Norman Galas, June Galas, Stanley Galas, and Bonnie K. Galas dated as of September 16, 1997, as amended by the First Amendment to the Acquisition & Shortfall Agreement between the City and Norman Galas, June Galas, Stanley Galas, Bonnie K. Galas, and Del Valle Capital Corporation, Inc., dated as of January 9, 2003, and as further amended by the Second Amendment to the Acquisition & Shortfall Agreement between the City and Norman Galas, June Galas, Stanley Galas, Bonnie K. Galas, and Del Valle Capital Corporation, Inc., dated as of June 10, 2003, and as finally amended by the Third Amendment to the Acquisition & Shortfall Agreement between the City and Norman Galas, June Galas, Stanley Galas, Bonnie K. Galas, Del Valle Capital Corporation, Inc., dated as of June 22, 2004.
- Advanced Funding Agreement for the District dated as of October 28, 2003, Subdivision Agreement, dated as of December 23, 2003, pertaining to Galas Brothers Subdivision Unit No. 1.
- Subdivision Agreement, dated as of December 23, 2003, pertaining to Galas Brothers Subdivision Unit No. 2.
- Agreement to Complete Necessary Infrastructure Prior to Final Inspection or Occupancy, dated as of December 23, 2003, as amended by the Amendment to Agreement dated as of January 25, 2005, and as further amended by the Second Amendment to Agreement dated as of November 9, 2005, and as further amended by the Third Amendment to Agreement dated as of December 14, 2005, and as finally amended by the Fourth Amendment to Agreement, dated as of June 27, 2006.
- Two Acquisition & Shortfall Agreements between the District and Del Valle Homes, each dated as of June 22, 2004.
- Agreement by and between the City, Del Valle Capital Corporation, Inc., D.R. Horton, Inc., and Pulte Home Corporation Regarding the Funding and Construction of Certain Interim Water Improvements in Return for City's Issuance of Certain Permits, dated as of September 30, 2005.
- Letter of Agreement between City and Del Valle Homes dated as of February 2, 2007.
- Agreement for the Acceptance of Completed Public Improvements and Partial Release of Security, dated as of June 12, 2007.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

On November 25, 2008, the City Council approved a *Settlement Agreement and Mutual Release* with the Developer. The City agreed to accept the infrastructure improvements remaining to be accepted such as the well, storage, booster pumps, wellhead treatment system, and some in-tract subdivision improvements. In return, the Developer received a gross payment of \$1.3 million minus \$452,365 that was withheld pursuant to the terms of the Settlement Agreement, of which approximately \$99,000 will be utilized by City crews to complete repairs to the accepted infrastructure. The Developer received a net payment of \$847,635.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's total net position in fiscal year 2017 was \$793,573.
- At June 30, 2017, total assets were \$4,864,542 while total liabilities were \$4,216,159.
- Total District revenues were \$88,435 and expenses were \$346,927.

Fund Basis:

- Special Revenue Fund revenues increased from \$168,781 in the prior year to \$170,671 for fiscal year 2017 and expenditures decreased from \$176,666 in the prior year to \$158,207 for fiscal year 2017. This decrease in expenditures was due to decreased repair and maintenance expenses, water expenses, and professional services expenses.
- Special Revenue Fund ending fund balance increased from \$258,690 in prior year to \$271,154 in current year.
- Debt Service Fund revenues decreased from \$291,934 for fiscal year 2016 to \$7,764 for fiscal year 2017 and expenditures decreased from \$365,253 in the prior year to \$271,958 for fiscal year 2017. Revenues decreased from previous year due to excess reserves allowing District to not levy tax assessments in fiscal year 2017. The decrease in expenditures is attributed primarily to a decrease in the principal payment from prior year as per the debt amortization schedule.
- Debt Service Fund ending fund balance for fiscal year 2017 decreased from \$698,208 for fiscal year 2016 to \$434,014 for fiscal year 2017.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets is \$4,864,542 and deferred outflows of resources \$145,190 were offset by liabilities of \$4,216,159. The District's net position from governmental activities is at \$793,573. The District's net position is restricted as follows: \$271,154 for maintenance activities and \$522,419 for debt service.

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 505,937	\$ 759,503
Cash and investments with fiscal agent	195,331	195,192
Taxes receivable	961	-
Interest receivable	2,537	2,349
Prepaid expenses	522	573
Assessments receivable	4,159,254	4,252,513
Total assets	4,864,542	5,210,130
Deferred loss on refunding	145,190	153,182
Current and other liabilities	61,159	66,247
Long-term debt	4,155,000	4,245,000
Total liabilities	4,216,159	4,311,247
Net position:		
Restricted for:		
District maintenance	271,154	258,690
Debt service	522,419	793,375
Total net position	\$ 793,573	\$ 1,052,065

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from annual maintenance and facilities special taxes, which amounted to \$85,003. Revenues decreased from previous year due to excess reserves allowing District to not levy tax assessments in fiscal year 2017. District expenses of \$346,927 were primarily for services and professional expenses and interest on long-term debt.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
Program revenues:		
Operating grants and contributions	\$ -	\$ 954
General revenues:		
Facilities and maintenance special tax	85,003	274,750
Investment earnings	3,432	10,011
Total revenues	88,435	285,715
Expenses:		
Community development	165,851	187,698
Interest on long-term debt	181,076	184,821
Total expenses	346,927	372,519
Change in net position	(258,492)	(86,804)
Net position, beginning of year	1,052,065	1,138,869
Net position, end of year	\$ 793,573	\$ 1,052,065

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	Special Revenue Fund	Debt Service Fund	Total
Revenues	\$ 170,671	\$ 7,764	\$ 178,435
Expenditures	<u>158,207</u>	<u>271,958</u>	<u>430,165</u>
Changes in fund balances	12,464	(264,194)	(251,730)
Fund balances, beginning of year	<u>258,690</u>	<u>698,208</u>	<u>956,898</u>
Fund balances, end of year	<u><u>\$ 271,154</u></u>	<u><u>\$ 434,014</u></u>	<u><u>\$ 705,168</u></u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

The District's fiscal year 2017 revenue primarily came from facilities and maintenance special taxes in the amount of \$175,003.

District expenditures of \$430,165 in fiscal year 2017 consisted of \$158,207 in Special Revenue Fund expenditures and \$271,958 in Debt Service Fund expenditures.

At June 30, 2017, the District's governmental funds reported combined fund balances of \$705,168, a decrease of \$251,730 compared with last year. This decrease was due to the District's debt service expenditures of \$264,314 exceeding the debt service related facilities and maintenance special taxes revenue of \$5,021.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

DEBT ADMINISTRATION

The District issued Special Tax Bonds, Series 2005 in the principal amount of \$5.0 million in September 2005. Except for approximately \$20,000 that was used to reimburse the City's water fund for work

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

performed by its crews, the proceeds were used to reimburse the Developer for infrastructure it installed pursuant to the Acquisition & Shortfall Agreements entered into between Developer and the District.

The District issued Refunding Special Tax Bonds, Series 2014 in the principal amount of \$4.4 million in December 2014 to refund the outstanding Special Tax Bonds, Series 2005.

The balance of the long-term debt at June 30, 2017, is \$4.1 million. Additional details can be found in Note 3 to the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets, deferred outflows of resources, and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets and deferred outflows of resources. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues, and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

ASSETS	
Cash and investments	\$ 505,937
Cash and investments with fiscal agent	195,331
Taxes receivable	961
Interest receivable	2,537
Prepaid expenses	522
Assessments receivable	<u>4,159,254</u>
Total Assets	<u>4,864,542</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Loss on refunding	<u>145,190</u>
 LIABILITIES	
Accounts payable	4,374
Interest payable	56,785
Long-term debt:	
Due in one year	100,000
Due in more than one year	<u>4,055,000</u>
Total Liabilities	<u>4,216,159</u>
 NET POSITION	
Restricted for:	
District maintenance	271,154
Debt service	<u>522,419</u>
Total Net Position	<u><u>\$ 793,573</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Community development	\$ 165,851
Interest on long-term debt	<u>181,076</u>
 Total Expenses	 <u>346,927</u>
 GENERAL REVENUES	
Facilities and maintenance special tax	85,003
Interest Income	<u>3,432</u>
 Total General Revenues	 <u>88,435</u>
 Change in Net Position	 (258,492)
 Net Position, beginning of year	 <u>1,052,065</u>
 Net Position, end of year	 <u><u>\$ 793,573</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

The **Debt Service** Fund accounts for the payment of principal and interest on the 2014 Refunding Special Tax Bonds.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Special Revenue Fund	Debt Service Fund	Total
ASSETS			
Cash and investments	\$ 273,988	\$ 231,949	\$ 505,937
Cash and investments with fiscal agent	-	195,331	195,331
Taxes receivable	961	-	961
Interest receivable	579	1,958	2,537
Prepaid expenses	-	522	522
Assessments receivable	-	4,159,254	4,159,254
	<u>\$ 275,528</u>	<u>\$ 4,589,014</u>	<u>\$ 4,864,542</u>
LIABILITIES			
Accounts payable	\$ 4,374	\$ -	\$ 4,374
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues	-	4,155,000	4,155,000
FUND BALANCES			
Restricted:			
District maintenance	271,154	-	271,154
Debt service	-	434,014	434,014
Total Fund Balances	<u>271,154</u>	<u>434,014</u>	<u>705,168</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 275,528</u>	<u>\$ 4,589,014</u>	

Amounts reported for governmental activities in the statement of net position are different because of the following:

Other long-term assets are not available to pay for the current-period expenditures and therefore are deferred in the funds.	4,155,000
Long-term liabilities, and the related deferred loss on refunding, are not due and payable in the current period and therefore are not reported in the funds.	
Long-term debt	(4,155,000)
Deferred loss on refunding	145,190
Interest payable	(56,785)
Net Position of Governmental Activities	<u>\$ 793,573</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Fund	Debt Service Fund	Total
REVENUES			
Facilities and maintenance special tax	\$ 169,982	\$ 5,021	\$ 175,003
Interest income	2,065	7,923	9,988
Change in fair value of investments	(1,376)	(5,180)	(6,556)
Total Revenues	<u>170,671</u>	<u>7,764</u>	<u>178,435</u>
EXPENDITURES			
Current:			
Services - professional and other	129,554	7,644	137,198
Utilities	28,653	-	28,653
Debt service:			
Principal	-	90,000	90,000
Interest and fiscal charges	-	174,314	174,314
Total Expenditures	<u>158,207</u>	<u>271,958</u>	<u>430,165</u>
Changes in Fund Balances	12,464	(264,194)	(251,730)
Fund Balances, beginning of year	<u>258,690</u>	<u>698,208</u>	<u>956,898</u>
Fund Balances, end of year	<u>\$ 271,154</u>	<u>\$ 434,014</u>	<u>\$ 705,168</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Changes in Fund Balances of Governmental Funds	\$ (251,730)
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Amounts reported for governmental activities in the statement of activities are different because of the following:

Revenues previously recognized in the statement of activities that did not provide current financial resources and therefore were not reported as revenues in the funds are reported as revenues in the funds this year when received.	(90,000)
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and the payment to refunding escrow consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position:	
Repayment of the principal of long-term debt	90,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:	
Amortization of deferred loss on refunding	(7,992)
Interest payable	1,230

Change in Net Position of Governmental Activities	<u>\$ (258,492)</u>
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**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Maintenance special tax	\$ 173,000	\$ 173,000	\$ 169,982	\$ (3,018)
Interest income	-	-	2,065	2,065
Change in fair value of investments	-	-	(1,376)	(1,376)
Total Revenue	<u>173,000</u>	<u>173,000</u>	<u>170,671</u>	<u>(2,329)</u>
EXPENDITURES				
Current:				
Services - professional and other	161,925	161,925	129,554	32,371
Utilities	42,900	42,900	28,653	14,247
Total Expenditures	<u>204,825</u>	<u>204,825</u>	<u>158,207</u>	<u>46,618</u>
Changes in Fund Balance	<u>\$ (31,825)</u>	<u>\$ (31,825)</u>	12,464	<u>\$ 44,289</u>
Fund Balance, beginning of year			<u>258,690</u>	
Fund Balance, end of year			<u>\$ 271,154</u>	

See accompanying notes to the basic financial statements.

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**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2003-1 (Fairview Village) (the District) was formed in December 2003 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plan. The District encompasses approximately 359 gross acres of land located in the southwest area of the City of Modesto, California (the City), the south side of Hatch Road and east of Carpenter Road. The District is expected to yield 383 single-family residential lots, a water well, storm drainage basin, water tank, sewer outfall line, and a portion of the central neighborhood park site and related infrastructure on 81.66 acres located in the northeast portion of the District. The remaining properties with the 359 acres are expected to annex to the District in the future, as the area develops.

The District is an integral part of the City and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, principal and interest expenditures are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments early in the following year.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of infrastructure within the District.

The **Debt Service** Fund accounts for the payment of principal and interest on the 2014 Refunding Special Tax Bonds.

D. Facilities and Maintenance Special Taxes

The facilities and maintenance special taxes are collected by the County of Stanislaus on the property tax bill. The special taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County of Stanislaus bills and collects the special taxes and remits them to the District. The Rate and Method of Apportionment of Special Tax (RMA), set forth in the District's Public Report, describes how the special taxes will be allocated among properties in the District. The Public Report was established during the formation of the District. A cost of living adjustment is applied to the special taxes annually.

E. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

F. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District, with the exception of cash and investments with fiscal agents, are pooled with other City funds. At June 30, 2017, the City’s investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund’s average monthly cash balance. Detailed information concerning the City’s pooled cash and investments, including information regarding the fair value of investments, may be found in the City’s Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District’s position in the pool is the same as the value of its pool shares. The following table shows the distribution of the District’s investments by type, credit rating, and maturity:

	<u>Amount</u>	<u>Weighted Average Maturity</u>	<u>Rating</u>
Cash and investments with fiscal agent:			
Money Market Fund	\$ 195,331	26 days	AAAm
Pooled with the City of Modesto	<u>505,937</u>	483 days	N/A
Total Cash and Investments	<u>\$ 701,268</u>		

Concentration of Credit Risk

The District is required to disclose investments that represent a concentration of five percent or more of investments in any one issuer held by individual funds in the securities of issuers other than U.S. Treasury securities, mutual funds, and external investment pools. At June 30, 2017, the Debt Service Fund did not hold any other investments.

Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The inputs and techniques used for valuing securities are not necessarily an indication of risk associated with investing in those securities. The District’s investment in the City’s Pool and money market fund are exempt from fair value measurement disclosures.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – LONG-TERM DEBT

On December 16, 2014, the District issued Refunding Special Tax Bonds (refunding bonds) with a par amount of \$4,420,000 to refund the District’s \$4,660,000 outstanding Special Tax Bonds (refunded bonds) issued on September 1, 2005, which were issued primarily to finance various public improvements needed to develop property located within the District. Interest on the refunding bonds is payable semiannually on each March 1 and September 1 through September 1, 2035. The refunding bonds were issued with an interest rate of 4.1% and are payable solely from revenues derived from the assessment of annual special taxes to be levied on the taxable property within the District and from certain other funds pledged under the Trust Indenture.

The long-term debt activity for the year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Refunding Special Tax Bonds	<u>\$4,245,000</u>	<u>\$ -</u>	<u>\$ (90,000)</u>	<u>\$4,155,000</u>	<u>\$ 100,000</u>

Annual debt service requirements for the refunding bonds are shown below:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 100,000	\$ 168,305
2019	115,000	163,897
2020	120,000	159,080
2021	130,000	153,955
2022	140,000	148,420
2023-2027	900,000	640,830
2028-2032	1,285,000	418,303
2033-2036	<u>1,365,000</u>	<u>116,338</u>
	<u>\$ 4,155,000</u>	<u>\$ 1,969,128</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2003-1 (FAIRVIEW VILLAGE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 4 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received, reduced by related liabilities, for District maintenance and debt service requirements.

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

Restricted for Debt Service - the portion of fund balance legally restricted to the payment of principal and interest on long-term liabilities.

NOTE 5 – DELINQUENCIES AND FORECLOSURES

The District has made a covenant under the Trust Indenture of the Special Tax Bonds discussed in Note 3 that it will initiate foreclosure proceedings against delinquent parcels as follows:

- a. Any parcel that is delinquent for three consecutive payments. Foreclosure against these parcels is to be initiated within 120 days after the third delinquency.
- b. All parcels delinquent at June 30 when the District received Special Taxes totaling less than 95% of the total Special Tax levied for that fiscal year. Foreclosure against these parcels is to be initiated by September 1 following the end of the fiscal year.

The District has also covenanted that it will pursue the foreclosure proceedings until the delinquent Special Taxes have been paid.

At June 30, 2017, the District had 2 parcels that were delinquent for a total of \$4,047, of which one parcel was delinquent more than three consecutive payments. The delinquencies total of \$4,047 at June 30, 2017 is included in assessments receivable on the statement of net position and balance sheet.

The District did not levy a Debt Service Fund facilities special taxes during the year ended June 30, 2017.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2003-1 (Fairview Village) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK
WEST)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2007-2 (Kiernan Business Park West) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and Special Revenue Fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2007-2 (Kiernan Business Park West) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

On April 1, 1997, the City Council approved the Kiernan Business Park Specific Plan that set forth a plan of development for approximately 614 acres that were, at that time, located adjacent to the City's northern border, east of Highway 99 and south of Kiernan Avenue in a portion of unincorporated Stanislaus County. To date, approximately 250 acres within the Kiernan Business Park Specific Plan have been annexed into the City. Approximately 88 of the City annexed acres will ultimately be included within the District. The Kiernan Business Park Specific Plan is intended to provide for the development of a new business park, commercial and industrial uses that will assist in implementing the City's long-range objectives to enhance its local economy, generate jobs for residents, and create a better jobs/housing balance.

The District was formed by the City Council in September 2007 to generate funding for construction of certain roadway improvements and the ongoing maintenance of landscaped medians, a bike path, well site, storm drainage pump and basin, and related facilities.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position was \$144,232 in fiscal year 2017.
- At June 30, 2017, total assets were \$145,807 while total liabilities were \$1,575.
- Total District revenues were \$434.

Fund Basis:

- Special Revenue Fund revenues were \$434 from investment earnings. Expenditures of \$32,044 were for ongoing maintenance and administrative expenses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. Formation deposits, special facilities taxes, and annual maintenance assessments support these services.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$145,807 were offset by liabilities of \$1,575. The District's net position from governmental activities was \$144,232. All of the District's net position is restricted for District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	<u>2017</u>	<u>2016</u>
Cash and investments	\$ 145,455	\$ 177,010
Interest receivable	352	407
	<hr/>	<hr/>
Total assets	145,807	177,417
	<hr/>	<hr/>
Current and other liabilities	1,575	1,575
	<hr/>	<hr/>
Net position:		
Restricted for:		
District maintenance	<u>\$ 144,232</u>	<u>\$ 175,842</u>

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's revenue for fiscal year 2017 came from investment earnings in the amount of \$434. District expenses of \$32,044 during fiscal year 2017 were for ongoing maintenance and administrative expenses.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	<u>2017</u>	<u>2016</u>
Revenues:		
General revenues:		
Investment earnings	\$ 434	\$ 1,937
Expenses:		
Community development	<u>32,044</u>	<u>34,002</u>
Change in net position	(31,610)	(32,065)
Net position, beginning of year	<u>175,842</u>	<u>207,907</u>
Net position, end of year	<u>\$ 144,232</u>	<u>\$ 175,842</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's one fund. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

The Special Revenue Fund accounts for all activity of the District. The Capital Projects Fund was developed for the formation of the District. During the year ended June 30, 2010, the Capital Projects Fund was considered no longer necessary, and was closed out with all remaining fund balance transferred to the Special Revenue Fund to continue operations and activities of the District.

Following is a condensed statement of revenues, expenditures, and change in fund balance for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Change in Fund Balance – Special Revenue Fund

Revenues		\$	434
Expenditures			32,044
Change in fund balance			(31,610)
Fund balance, beginning of year			175,842
Fund balance, end of year		\$	144,232

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental special revenue fund reported a fund balance of \$144,232.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District's only fund is considered to be a major fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
AND BALANCE SHEET - SPECIAL REVENUE FUND
JUNE 30, 2017

ASSETS

Cash and investments	\$	145,455
Interest receivable		<u>352</u>
Total Assets		145,807

LIABILITIES

Accounts payable		<u>1,575</u>
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FUND BALANCE/NET POSITION

Restricted for:		
District maintenance	\$	<u><u>144,232</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
AND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2017

EXPENDITURES/EXPENSES

Community development:

Current:

Services - professional and other	\$ 32,039
Utilities	<u>5</u>
Total expenditures/expenses	<u>32,044</u>

GENERAL REVENUES

Interest income	1,439
Change in fair value of investments	<u>(1,005)</u>
Total general revenues	<u>434</u>

Change in Fund Balance/Net Position	(31,610)
-------------------------------------	----------

Fund Balance/Net Position, beginning of year	<u>175,842</u>
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Fund Balance/Net Position, end of year	<u><u>\$ 144,232</u></u>
--	--------------------------

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Interest income	\$ -	\$ -	\$ 1,439	\$ 1,439
Change in fair value of investments	-	-	(1,005)	(1,005)
Total Revenue	-	-	434	434
EXPENDITURES				
Current:				
Services - professional and other	37,898	37,898	32,039	5,859
Utilities	1,300	1,300	5	1,295
Total Expenditures	39,198	39,198	32,044	7,154
Changes in Fund Balance	\$ (39,198)	\$ (39,198)	(31,610)	\$ 7,588
Fund Balance, beginning of year			<u>175,842</u>	
Fund Balance, end of year			<u>\$ 144,232</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2007-2 (Kiernan Business Park West) (the District) was formed in October 2007 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plans. The District is the vehicle that will be used to ensure that all landowners in the District pay their share of the public improvements. The District is a proposed 88-acre project, a portion of the Kiernan-Carver Comprehensive Planning District, and bounded on the North by Kiernan Avenue, on the East by Dale Road, on the South by Bangs Avenue, and on the West by Modesto's City Limits.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

The fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and change in fund balance) report information on the Special Revenue Fund of the District.

Since the amounts presented in the District's balance sheet and statement of net position are the same, they are presented as one financial statement. Similarly, since the amounts presented in the District's statement of revenues, expenditures, and change in fund balance and the statement of activities are the same, they are presented as one financial statement.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to the accrual basis of accounting and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental fund:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

E. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$145,455 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-2 (KIERNAN BUSINESS PARK WEST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES (Continued)

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2007-2 (Kiernan Business Park West) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1997-1 (North Beyer Park) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 1997-1 (North Beyer Park) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California. It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

On November 26, 1996, the City Council of the City approved the North Beyer Park Specific Plan, allowing for a maximum of 1,200 residential units to be developed on 160 acres within the Specific Plan area. In addition, three areas within the Specific Plan were designated "Mixed Use," two of which were expected to develop as neighborhood commercial shopping centers and the third which was expected to develop as office space. At the same meeting at which the City Council approved the Specific Plan, a residential subdivision was approved for 263 dwelling units to be built on 55 acres within the Specific Plan. One condition of the tentative map of this subdivision required formation of or annexation into a Mello-Roos Community Facilities District (CFD) to fund maintenance of parkways and open space within the development.

In order to comply with the condition of the tentative map, in June 1997 the District was formed and authorized to levy a special tax to pay for capital improvements (medians on Coffee and Oakdale Roads) and ongoing maintenance costs. Subsequent development has annexed to this CFD.

To date, the CFD has been unable to construct the medians. This is because (1) insufficient tax monies have been collected for the construction projects and (2) the medians cannot be installed until the property owners on both sides of Coffee and Oakdale Roads dedicate the necessary right-of-way to construct the full street width. However, the CFD has levied and collected taxes sufficient for the ongoing maintenance expenses. In fact, the CFD has built sufficient reserves that the levy of the annual maintenance tax ceased as of fiscal year 2003-2004 and is not expected to be reinstated until the authorized improvements have been installed.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position decreased \$3,694 in fiscal year 2017.
- At June 30, 2017, net position was \$90,522.
- Total general revenues were \$202.

Fund Basis:

- Capital Projects Fund revenues were (\$86). This is a decrease of \$500 from the prior year. The revenues are attributed to interest earnings and change in fair value of investments.
- Capital Projects Fund ending fund balance decreased \$86 to \$42,533.
- Special Revenue Fund revenues of \$288 were \$216 less than last year, attributed to an increase in interest earnings. Expenditures of \$3,896 were \$1,109 less than the prior year.
- Special Revenue Fund ending fund balance decreased \$3,608 to \$47,989.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. Formation deposits, special facilities taxes, and annual maintenance assessments support these services.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets were \$90,522. The District's net position from governmental activities decreased \$3,694 in 2017 from \$94,216 in 2016. All of the District's net position is restricted as follows: \$42,533 for capital projects and \$47,989 for District maintenance.

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 90,326	\$ 94,018
Interest receivable	196	198
Total assets	90,522	94,216
Net position:		
Restricted for:		
Capital projects	42,533	42,619
District maintenance	47,989	51,597
Total net position	\$ 90,522	\$ 94,216

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came from interest income. Community development expense decreased by \$479 due to a decrease in the amount of time City employees providing administrative and program services charged to the District.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Investment earnings	\$ 202	\$ 918
Expenses:		
Community development	3,896	5,005
Change in net position	(3,694)	(4,087)
Net position, beginning of year	94,216	98,303
Net position, end of year	\$ 90,522	\$ 94,216

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. All of the District's funds are presented here as major funds; their purposes are explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	Capital Projects Fund	Special Revenue Fund	Total
Revenues	\$ (86)	\$ 288	\$ 202
Expenditures	-	3,896	3,896
Changes in fund balances	(86)	(3,608)	(3,694)
Fund balances, beginning of year	42,619	51,597	94,216
Fund balances, end of year	<u>\$ 42,533</u>	<u>\$ 47,989</u>	<u>\$ 90,522</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental funds reported combined fund balances of \$90,522, which is a decrease of \$3,694 compared with last year.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting as that used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017**

ASSETS

Cash and investments	\$ 90,326
Interest receivable	<u>196</u>
Total Assets	<u>90,522</u>

NET POSITION

Restricted for:	
Capital projects	42,533
District maintenance	<u>47,989</u>
Total Net Position	<u>\$ 90,522</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Community development	\$ 3,896
GENERAL REVENUES	
Investment earnings	<u>202</u>
Change in Net Position	(3,694)
Net Position, beginning of year	<u>94,216</u>
Net Position, end of year	<u><u>\$ 90,522</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 42,436	\$ 47,890	\$ 90,326
Interest receivable	<u>97</u>	<u>99</u>	<u>196</u>
 Total Assets	 <u>\$ 42,533</u>	 <u>\$ 47,989</u>	 <u>\$ 90,522</u>
 FUND BALANCES			
Restricted:			
Capital projects	\$ 42,533	\$ -	\$ 42,533
District maintenance	<u>-</u>	<u>47,989</u>	<u>47,989</u>
 Total Fund Balances	 <u>\$ 42,533</u>	 <u>\$ 47,989</u>	 <u>\$ 90,522</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
REVENUES			
Interest income	\$ 169	\$ 663	\$ 832
Change in fair value of investments	<u>(255)</u>	<u>(375)</u>	<u>(630)</u>
Total Revenues	(86)	288	202
EXPENDITURES			
Current:			
Services - professional and other	<u>-</u>	<u>3,896</u>	<u>3,896</u>
Changes in Fund Balances	(86)	(3,608)	(3,694)
Fund Balances, beginning of year	<u>42,619</u>	<u>51,597</u>	<u>94,216</u>
Fund Balances, end of year	<u><u>\$ 42,533</u></u>	<u><u>\$ 47,989</u></u>	<u><u>\$ 90,522</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		
REVENUE				
Interest income	\$ -	\$ -	\$ 663	\$ 663
Change in fair value of investments	-	-	(375)	(375)
 Total Revenue	 -	 -	 288	 288
EXPENDITURES				
Current:				
Services - professional and other	6,061	6,061	3,896	2,165
 Total Expenditures	 6,061	 6,061	 3,896	 2,165
 Changes in Fund Balance	 <u>\$ (6,061)</u>	 <u>\$ (6,061)</u>	 (3,608)	 <u>\$ 2,453</u>
 Fund Balance, beginning of year			 <u>51,597</u>	
 Fund Balance, end of year			 <u>\$ 47,989</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 1997-1 (North Beyer Park) (the District) was formed in June 1997 by a vote of the property owners within the proposed District. The District, a separate legal entity, was formed to provide a funding mechanism for public facilities and services as required by the District Specific Plan. The District is a 160-acre project, the boundaries of which are recorded in Book 2, page 80 of the Book of Assessment District Maps in the Stanislaus County Recorder's Office.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

E. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

F. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1997-1 (NORTH BEYER PARK)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$90,326 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for use on capital projects and District maintenance.

B. Restrictions of Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for Capital Projects - the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1997-1 (North Beyer Park) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2002-1 (Northpointe) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2002-1 (Northpointe) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

On April 1, 1997, the City Council approved the Kiernan Business Park Specific Plan that set forth a plan of development for approximately 614 acres that were, at that time, located adjacent to the City's northern border, east of Highway 99 and south of Kiernan Avenue in a portion of unincorporated Stanislaus County. To date, approximately 250 acres within the Kiernan Business Park Specific Plan have been annexed into the City. Approximately 55 of the City-annexed acres are included within the District. The Kiernan Business Park Specific Plan is intended to provide for the development of a new business park, commercial and industrial uses that will assist in implementing the City's long-range objectives to enhance its local economy, generate jobs for residents, and create a better jobs/housing balance.

The District was formed by the City Council in February 2002 in order to generate funding for landscaping improvements, a variety of maintenance responsibilities (weed control, litter removal, landscape maintenance, and general maintenance and replacement of storm drainage facilities), and improvement and replacement costs necessitated by development of the projects within the District. The Capital Projects Fund, earmarked to fund the storm drain basin landscape improvements, will be utilized once the final configuration of the storm drain basin has been determined.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- At June 30, 2017, net position was \$267,068.
- Total District revenues were \$7,883.
- Total District expenses were \$37,736.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Basis:

- Capital Projects Fund revenues of \$21 were \$380 less than the prior year. The Capital Projects Fund ending fund balance increased \$21 to \$42,565.
- Special Revenue Fund revenues of \$7,862 were \$1,740 less than the prior year due to a decrease of change in fair value of investments and expenditures of \$37,736 were \$17,738 more than the prior year due primarily to an increase in professional and other services. The Special Revenue Fund balance decreased by \$29,874 to an ending fund balance of \$224,503 due to maintenance expenditures of \$37,736 with no maintenance special tax collected.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements,

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$276,570 were offset by liabilities of \$9,502. The District's net position from governmental activities decreased from \$296,921 in 2016 to \$267,068 in 2017. All of the District's assets are restricted as follows: \$42,565 for acquisition or construction of capital projects and \$224,503 for maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	<u>2017</u>	<u>2016</u>
Cash and investments	\$ 275,945	\$ 297,575
Interest receivable	<u>625</u>	<u>646</u>
 Total assets	 <u>276,570</u>	 <u>298,221</u>
 Current and other liabilities	 <u>9,502</u>	 <u>1,300</u>
 Net position:		
Restricted for:		
Capital projects	42,565	42,544
District maintenance	<u>224,503</u>	<u>254,377</u>
 Total net position	 <u>\$ 267,068</u>	 <u>\$ 296,921</u>

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came from investment earnings which contributed \$683 and other revenue of \$7,200. District expenses consisted of \$37,736 in maintenance and administration.

The following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	<u>2017</u>	<u>2016</u>
Revenues:		
General revenues:		
Investment earnings	683	2,803
Other	<u>7,200</u>	<u>7,200</u>
Total revenues	7,883	10,003
Expenses:		
Community development	<u>37,736</u>	<u>20,347</u>
Change in net position	(29,853)	(10,344)
Net position, beginning of year	<u>296,921</u>	<u>307,265</u>
Net position, end of year	<u>\$ 267,068</u>	<u>\$ 296,921</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

The following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	Capital Projects Fund	Special Revenue Fund	Total
Revenues	\$ 21	\$ 7,862	\$ 7,883
Expenditures	-	37,736	37,736
Changes in fund balances	21	(29,874)	(29,853)
Fund balances, beginning of year	42,544	254,377	296,921
Fund balances, end of year	<u>\$ 42,565</u>	<u>\$ 224,503</u>	<u>\$ 267,068</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental funds reported fund balances of \$267,068, a decrease of \$29,853 from 2016, all restricted as follow: \$42,565 will be used to fund future capital projects while \$224,503 will be used to fund maintenance and administrative expenditures.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017**

ASSETS	
Cash and investments	\$ 275,945
Interest receivable	<u>625</u>
Total Assets	<u>276,570</u>
LIABILITIES	
Deposits	9,313
Accounts payable	<u>189</u>
Total Liabilities	<u>9,502</u>
NET POSITION	
Restricted for:	
Capital projects	42,565
District maintenance	<u>224,503</u>
Total Net Position	<u><u>\$ 267,068</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

EXPENSES	
Community development	<u>\$ 37,736</u>
GENERAL REVENUES	
Other	7,200
Investment earnings	<u>683</u>
Total General Revenues	<u>7,883</u>
Change in Net Position	(29,853)
Net Position, beginning of year	<u>296,921</u>
Net Position, end of year	<u><u>\$ 267,068</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Total
ASSETS			
Cash and investments	\$ 42,469	\$ 233,476	\$ 275,945
Interest receivable	96	529	625
Total Assets	\$ 42,565	\$ 234,005	\$ 276,570
LIABILITIES			
Deposits	\$ -	\$ 9,313	\$ 9,313
Accounts payable	-	189	189
Total Liabilities	-	9,502	9,502
FUND BALANCES			
Restricted:			
Capital projects	42,565	-	42,565
District maintenance	-	224,503	224,503
Total Fund Balances	42,565	224,503	267,068
Total Liabilities and Fund Balances	\$ 42,565	\$ 234,005	\$ 276,570

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Total
REVENUES			
Other	\$ -	\$ 7,200	\$ 7,200
Interest income	276	2,258	2,534
Change in fair value of investments	(255)	(1,596)	(1,851)
	21	7,862	7,883
EXPENDITURES			
Current:			
Services - professional and other	-	33,067	33,067
Utilities	-	4,669	4,669
	-	37,736	37,736
Changes in Fund Balances	21	(29,874)	(29,853)
Fund Balances, beginning of year	42,544	254,377	296,921
Fund Balances, end of year	\$ 42,565	\$ 224,503	\$ 267,068

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Other	\$ -	\$ 9,500	\$ 7,200	\$ (2,300)
Interest income	-	-	2,258	2,258
Change in fair value of investments	-	-	(1,596)	(1,596)
Total Revenue	-	9,500	7,862	(1,638)
EXPENDITURES				
Current:				
Services - professional and other	22,425	31,925	33,067	(1,142)
Utilities	7,000	7,000	4,669	2,331
Total Expenditures	29,425	38,925	37,736	1,189
Changes in Fund Balance	\$ (29,425)	\$ (29,425)	(29,874)	\$ (449)
Fund Balance, beginning of year			254,377	
Fund Balance, end of year			<u>\$ 224,503</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2002-1 (Northpointe) (the District) was formed in February 2002 by a vote of the property owners within the proposed District. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plans. The District is the vehicle used to ensure that all landowners in the Specific Plans pay their fair share of the public improvements. The District is a 55-acre project bounded on the East by Highway 99, and by Pelandale Avenue on the South. The District will provide for the development of new business park and industrial uses and includes such tenants as Costco, Lowe's, and Union Safe Deposit Bank.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

E. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

F. Governmental Accounting Standards Update

In the year ended June 30, 2017, the District has implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This Statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2002-1 (NORTHPOINTE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$275,945 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for capital projects and District maintenance.

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for Capital Projects - the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2002-1 (Northpointe) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2004-1 (Village One #2) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2004-1 (Village One #2) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for needed public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners within the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

The Village One #2 Specific Plan encompasses approximately 1,840 gross acres of land within the City, on which a pedestrian-oriented, mixed-use, planned community is anticipated to be developed. In 1996 the City Council formed City of Modesto Community Facilities District (CFD) No. 1996-1 to provide funding for the acquisition or construction of certain road, storm drainage, and park improvements. In 2004 it was determined that the tax rates set forth in CFD No. 1996-1 would be insufficient to fund the required infrastructure; therefore, in early 2004, the City Council formed the District to assist in the financing of the remaining required infrastructure. The District includes a one-time facilities special tax, an annual facilities special tax, and an annual maintenance special tax. The District, in conjunction with CFD No. 1996-1, will provide the funding needed to complete the District funded core infrastructure needed for the Village One area.

Below is a summary of the District funded infrastructure that was under design, construction or constructed/acquired for the Village One area in fiscal year 2016-17 using tax monies and bond proceeds from the District:

Under Design and Construction

- Sylvan Avenue between Oakdale and Wood Sorrell
- Oakdale Road between Floyd Avenue and Sylvan Avenue
- Roselle Avenue between Sylvan Avenue and Floyd Avenue
- Signal at Roselle and Bellharbor

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's total net position in fiscal year 2017 was \$14.8 million.
- At June 30, 2017, total assets were \$44.0 million while total liabilities were \$30.4 million.
- Total District revenues were \$2.3 million and expenses were \$2.8 million.

Fund Basis:

- Capital Projects Fund revenues increased from \$426,180 in the prior year to \$449,621 for fiscal year 2017 and expenditures increased from \$137,986 in the prior year to \$882,167 for fiscal year 2017. The increase in revenues is attributed to an increase in development within the District, and the increase in expenditures is attributed to an increase in activity in development of capital projects.
- Capital Projects Fund ending fund balance for fiscal year 2017 decreased from \$12.3 million to \$11.9 million. This decrease is primarily attributed to an increase in activity in development of capital projects.
- Special Revenue Fund revenues decreased from \$513,332 in the prior year to \$508,615 for fiscal year 2017 and expenditures increased from \$551,160 in the prior year to \$607,609 for fiscal year 2017. The decrease in revenue is due to decrease in change in fair value of investments, and the increase in expenditures is due primarily to an increase in utilities expense for electricity due to increase pumping in the storm drain basins.
- Special Revenue Fund ending fund balance decreased from \$519,732 in prior year to \$420,738 in current year.
- Debt Service Fund revenues remained the same at \$1.8 million for fiscal year 2017 from prior year and expenditures increased from \$1.6 million in the prior year to \$1.8 million for fiscal year 2017. The increase in expenditures is attributed to the increase in principal debt service payments compared to the prior year.
- Debt Service Fund ending fund balance for fiscal year 2017 remained the same as fiscal year 2016 at about \$3.0 million.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets and deferred outflows of resources of \$45.2 million were offset by liabilities of \$30.4 million. The District's net position from governmental activities decreased to \$14.8 million in 2017 from \$15.2 million in 2016. This decrease was partly due to an increase in facilities special tax revenue offset by a greater increase in community development expenses. The District's net position has restrictions as follows: \$11.9 million for acquisition or construction of infrastructure, \$2.4 million for debt service, and \$0.4 million for District maintenance.

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	<u>2017</u>	<u>2016</u>
Cash and investments	\$ 12,685,320	\$ 13,013,198
Cash and investments with fiscal agent	2,747,148	2,740,946
Due from other governments	184	7,954
Taxes receivable	16,552	-
Prepaid	167	-
Interest receivable	38,685	32,715
Assessments receivable	<u>28,529,693</u>	<u>29,025,664</u>
Total assets	<u>44,017,749</u>	<u>44,820,477</u>
Deferred loss on refunding	<u>1,175,740</u>	<u>1,237,083</u>
Current and other liabilities	640,718	496,518
Long-term debt	<u>29,802,632</u>	<u>30,344,291</u>
Total liabilities	<u>30,443,350</u>	<u>30,840,809</u>
Net position:		
Restricted for:		
Capital projects	11,854,230	12,286,776
District maintenance	420,738	519,732
Debt service	<u>2,475,171</u>	<u>2,410,243</u>
Total net position	<u>\$ 14,750,139</u>	<u>\$ 15,216,751</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from annual facilities and maintenance special taxes, which amounted to \$2,257,036, capital grants and contributions in the amount of \$1,830, along with additional investments earnings of \$56,638. District expenses of \$2,804,255 were primarily for maintenance, administration, and interest on long term debt.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
Program revenues:		
Capital grants and contributions	\$ 1,830	\$ 157,379
General revenues:		
Facilities special tax	1,750,636	1,634,374
Maintenance special tax	506,400	500,869
Investment earnings	56,638	151,423
Other	12,177	7,020
Total general revenues	2,325,851	2,293,686
Total revenues	2,327,681	2,451,065
Expenses:		
Community development	1,499,538	701,768
Interest on long-term debt	1,294,755	1,307,957
Total expenses	2,794,293	2,009,725
Change in net position	(466,612)	441,340
Net position, beginning of year	15,216,751	14,775,411
Net position, end of year	\$ 14,750,139	\$ 15,216,751

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's three funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

Following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	Capital Projects Fund	Special Revenue Fund	Debt Service Fund	Total
Revenues	\$ 449,621	\$ 508,615	\$ 1,844,445	\$ 2,802,681
Expenditures	882,167	607,609	1,789,583	3,279,359
Changes in fund balances	(432,546)	(98,994)	54,862	(476,678)
Fund balances, beginning of year	12,286,776	519,732	2,953,926	15,760,434
Fund balances, end of year	<u>\$ 11,854,230</u>	<u>\$ 420,738</u>	<u>\$ 3,008,788</u>	<u>\$ 15,283,756</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

The District's fiscal year 2017 revenue primarily came from facilities special taxes in the amount of \$2.2 million and maintenance special taxes in the amount of \$0.5 million.

District expenditures of \$3.3 million in fiscal year 2017 consisted of \$882,167 in Capital Projects Fund expenditures, \$607,609 in Special Revenue Fund expenditures for maintenance of District facilities and ongoing administrative expenditures, and \$1.8 million in Debt Service Fund expenditures.

At June 30, 2017, the District's governmental funds reported combined fund balances of \$15.3 million, a decrease of \$476,678 compared with last year. This decrease was primarily due to a combination of increased facilities special tax and maintenance special tax revenues in the amount of \$276,793, and

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

increased capital outlay expenditures in the amount of \$764,577 for the increase in activity in development of capital projects and the increase in debt service payments.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

DEBT ADMINISTRATION

The District issued Special Tax Bonds, Series 2006 in the principal amount of \$31.1 million in March 2006. The proceeds have been and will continue to be used to reimburse Developers for infrastructure they install pursuant to the Acquisition & Shortfall Agreements entered into between Developers and the District as well as to fund authorized facilities installed by the District.

The District issued Refunding Special Tax Bonds, Series 2014 in the principal amount of \$29.3 million with a premium of \$1.5 million in July 2014 to refund the outstanding Special Tax Bonds, Series 2006.

The balance of the long-term debt at June 30, 2017, is \$29.8 million. Additional details can be found in Note 3 to the financial statements.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of Activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets, deferred outflows of resources, and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets and deferred outflows of resources. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the change in net position and reconciled with the statement of net position.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017**

ASSETS	
Cash and investments	\$ 12,685,320
Cash and investments with fiscal agent	2,747,148
Due from other governments	184
Taxes receivable	16,552
Interest receivable	38,685
Assessments receivable	28,529,693
Prepaid	<u>167</u>
 Total Assets	 <u>44,017,749</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Loss on refunding	<u>1,175,740</u>
 LIABILITIES	
Accounts payable	208,089
Interest payable	432,629
Long-term debt:	
Due in one year	601,659
Due in more than one year	<u>29,200,973</u>
 Total Liabilities	 <u>30,443,350</u>
 NET POSITION	
Restricted for:	
Capital projects	11,854,230
District maintenance	420,738
Debt service	<u>2,475,171</u>
 Total Net Position	 <u><u>\$ 14,750,139</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Community development	\$ 1,499,538
Interest on long-term debt	<u>1,294,755</u>
Total Expenses	2,794,293
PROGRAM REVENUES	
Capital grants and contributions	<u>1,830</u>
Net Program Expense	<u>(2,792,463)</u>
GENERAL REVENUES	
Facilities special tax	1,750,636
Maintenance special tax	506,400
Interest Income	56,638
Other	<u>12,177</u>
Total General Revenues	<u>2,325,851</u>
Change in Net Position	(466,612)
Net Position, beginning of year	<u>15,216,751</u>
Net Position, end of year	<u><u>\$ 14,750,139</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

The **Debt Service** Fund accounts for the payment of principal and interest on the 2014 Refunding Special Tax Bonds.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Debt Service Fund	Total
ASSETS				
Cash and investments	\$ 12,007,096	\$ 444,571	\$ 233,653	\$ 12,685,320
Cash and investments with fiscal agent	-	-	2,747,148	2,747,148
Due from other governments	184	-	-	184
Taxes receivable	-	2,691	13,861	16,552
Interest receivable	28,773	646	9,266	38,685
Assessments receivable	-	-	28,529,693	28,529,693
Prepaid	-	-	167	167
Total Assets	\$ 12,036,053	\$ 447,908	\$ 31,533,788	\$ 44,017,749
LIABILITIES				
Accounts payable	\$ 181,823	\$ 26,266	\$ -	\$ 208,089
Interest payable	-	904	-	904
Total Liabilities	181,823	27,170	-	208,993
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	28,525,000	28,525,000
FUND BALANCES				
Restricted for:				
Capital projects	11,854,230	-	-	11,854,230
District maintenance	-	420,738	-	420,738
Debt service	-	-	3,008,788	3,008,788
Total Fund Balances	11,854,230	420,738	3,008,788	15,283,756
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,036,053	\$ 447,908	\$ 31,533,788	

Amounts reported for governmental activities in the statement of net position are different because of the following:

Other long-term assets are not available to pay for the current-period expenditures and therefore are deferred in the funds.	28,525,000
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Long-term debt	(29,802,632)
Deferred loss on refunding	1,175,740
Interest payable	(431,725)
Net Position of Governmental Activities	\$ 14,750,139

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Debt Service Fund	Total
REVENUES				
Facilities special tax	\$ 414,463	\$ -	\$ 1,811,173	\$ 2,225,636
Maintenance special tax	-	506,400	-	506,400
Intergovernmental	1,830	-	-	1,830
Interest income	109,076	21,576	52,401	183,053
Change in fair value of investments	(75,748)	(31,538)	(19,129)	(126,415)
Other revenue	-	12,177	-	12,177
Total Revenues	449,621	508,615	1,844,445	2,802,681
EXPENDITURES				
Current:				
Services - professional and other	-	451,432	9,762	461,194
Utilities	-	156,177	-	156,177
Capital outlay	882,167	-	-	882,167
Debt service:				
Principal	-	-	475,000	475,000
Interest and fiscal charges	-	-	1,304,821	1,304,821
Total Expenditures	882,167	607,609	1,789,583	3,279,359
Changes in Fund Balances	(432,546)	(98,994)	54,862	(476,678)
Fund Balances, beginning of year	12,286,776	519,732	2,953,926	15,760,434
Fund Balances, end of year	\$ 11,854,230	\$ 420,738	\$ 3,008,788	\$ 15,283,756

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Changes in Fund Balances of Governmental Funds \$ (476,678)

Amounts reported for governmental activities in the statement of activities are different because of the following:

Revenues previously recognized in the statement of activities that did not provide current financial resources and therefore were not reported as revenues in the funds are reported as revenues in the funds this year when received. (475,000)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and the payment to refunding escrow consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Repayment of the principal of long-term debt 475,000

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds:

Amortization of bond premium	66,659
Amortization of deferred loss on refunding	(61,343)
Interest payable	4,750
	4,750

Change in Net Position of Governmental Activities \$ (466,612)

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Facilities Special Tax	\$ -	\$ 117,253	\$ -	(117,253)
Maintenance special tax	-	503,065	506,400	3,335
Interest income	-	-	21,576	21,576
Change in fair value of investments	-	-	(31,538)	(31,538)
Other	<u>508,775</u>	<u>518,275</u>	<u>12,177</u>	<u>(506,098)</u>
 Total Revenue	 <u>508,775</u>	 <u>1,138,593</u>	 <u>508,615</u>	 <u>(512,725)</u>
EXPENDITURES				
Current:				
Services - professional and other	468,833	478,333	451,432	26,901
Utilities	<u>160,000</u>	<u>160,000</u>	<u>156,177</u>	<u>3,823</u>
 Total Expenditures	 <u>628,833</u>	 <u>638,333</u>	 <u>607,609</u>	 <u>30,724</u>
 Changes in Fund Balance	 <u>\$ (120,058)</u>	 <u>\$ 500,260</u>	 (98,994)	 <u>\$ (482,001)</u>
 Fund Balance, beginning of year			 <u>519,732</u>	
 Fund Balance, end of year			 <u>\$ 420,738</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2004-1 (Village One #2) (the District) was formed in April 2004 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plan. The District is the vehicle used to ensure that all landowners in the Specific Plan area contribute to the cost of public improvements. The District encompasses approximately 1,840 gross acres of land on which a pedestrian-oriented, mixed-use, planned community is anticipated to be developed. The District is located in the North Eastern portion of the City of Modesto, California (the City), bordered by Sylvan Avenue to the North, Claus Road to the East, Briggsmore to the South, and Oakdale Road to the West. The District is expected to yield 6,186 residential dwelling units at buildout; in addition to 15 acres of commercial property and 220 acres of industrial property.

The District is an integral part of the City and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. However, principal and interest expenditures are recorded as fund liabilities when due or when amounts have been accumulated in the Debt Service Fund for payments early in the following year.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to the accrual basis of accounting and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of infrastructure within the District.

The **Debt Service** Fund accounts for the payment of principal and interest on the 2014 Refunding Special Tax Bonds.

D. Facilities and Maintenance Special Taxes

The facilities and maintenance special taxes are collected by the County of Stanislaus on the property tax bill. The special taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County of Stanislaus bills and collects the special taxes and remits them to the District. The Rate and Method of Apportionment of Special Tax (RMA), set forth in the District's Public Report, describes how the special taxes will be allocated among properties in the District. The Public Report was established during the formation of the District. A cost of living adjustment is applied to the special taxes annually.

E. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City of Modesto upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District with the exception of cash and investments with fiscal agents are pooled with other City funds. At June 30, 2017, the City’s investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund’s average monthly cash balance. Detailed information concerning the City’s pooled cash and investments, including information regarding the fair value of investments, may be found in the City’s Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District’s position in the pool is the same as the value of its pool shares.

The District is a voluntary participant in the California Asset Management Program (CAMP), a California Joint Powers Authority that falls under California Government Code Section 53601(p), which is directed by a Board of Trustees that is made up of experienced local government finance directors and treasurers. At June 30, 2017, CAMP had a balance of \$2.7 billion with an average maturity of 49 days. The District reports its investments in CAMP at the fair value amounts provided by CAMP, which is the same as the value of the pool share.

The following table shows the distribution of the District’s investments by type, credit rating, and maturity:

	<u>Amount</u>	<u>Rating</u>
Cash and investments with fiscal agent:		
California Asset Management Program (CAMP)	\$ 2,747,148	AAAm
Pooled with the City of Modesto	<u>12,685,320</u>	N/A
Total Cash and Investments	<u>\$ 15,432,468</u>	

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS (Continued)

Concentration of Credit Risk

The District is required to disclose investments that represent a concentration of five percent or more of investments in any one issuer held by the District in the securities of issuers other than U.S. Treasury securities, mutual funds, and external investment pools. At June 30, 2017, no investments represented a concentration of five percent or more of investments in any one issuer held by the District in the securities of issuers other than U.S. Treasury securities, mutual funds, and external investment pools.

Fair Value Hierarchy

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The inputs and techniques used for valuing securities are not necessarily an indication of risk associated with investing in those securities. The District's investment in the City's Pool and money market fund are exempt from fair value measurement disclosures.

NOTE 3 – LONG-TERM DEBT

On July 30, 2014, the District issued Refunding Special Tax Bonds (refunding bonds) with a par amount of \$29,320,000 to refund the District's \$29,925,000 outstanding Special Tax Bonds (refunded bonds) issued on March 8, 2006, which were issued primarily to finance various public improvements needed to develop property located within the District. Interest on the refunding bonds is payable semiannually on each March 1 and September 1 through September 1, 2036. The refunding bonds were issued with interest rates varying from 2% to 5% and are payable solely from revenues derived from the assessment of annual special taxes to be levied on the taxable property within the District and from certain other funds pledged under the Trust Indenture.

The long-term debt activity for the year ended June 30, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Refunding Special Tax Bonds	\$ 29,000,000	\$ -	\$ (475,000)	\$ 28,525,000	\$ 535,000
Premium on Refunding Bonds	1,344,291	-	(66,659)	1,277,632	66,659
Total	\$ 30,344,291	\$ -	\$ (541,659)	\$ 29,802,632	\$ 601,659

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

Annual debt service requirements for the bonds are shown below:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 535,000	\$ 1,284,475
2019	595,000	1,261,875
2020	655,000	1,235,238
2021	725,000	1,202,375
2022	805,000	1,164,125
2023-2027	5,385,000	5,094,875
2028-2032	8,175,000	3,416,125
2033-2037	11,650,000	1,223,200
	<u>\$ 28,525,000</u>	<u>\$ 15,882,288</u>

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2004-1 (VILLAGE ONE #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 4 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received reduced by related liabilities, to fund capital projects, District maintenance, and debt service requirements.

B. Fund Balances

Certain fund balances are presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for Capital Projects, the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

Restricted for Debt Service - the portion of fund balance legally restricted to the payment of principal and interest on long-term liabilities.

NOTE 5 – DELINQUENCIES AND FORECLOSURES

The District has made a covenant under the Trust Indenture of the Special Tax Bonds discussed in Note 3 that it will initiate foreclosure proceedings against delinquent parcels as follows:

- a. Any parcel that is delinquent three consecutive payments. Foreclosure against these parcels is to be initiated within 120 days after the third delinquency.
- b. All parcels delinquent at June 30 when the District received Special Taxes totaling less than 95% of the total Special Tax levied for that fiscal year. Foreclosure against these parcels is to be initiated by September 1 following the end of the fiscal year.

At June 30, 2017, the District had 13 parcels that were delinquent for a total of \$11,941, none of which were delinquent for more than three consecutive payments.

The District received 99.37% of the Debt Service Fund facilities special taxes levied during the year ended June 30, 2017. The delinquencies total of \$11,941 at June 30, 2017 is included in assessments receivable on the statement of net position and balance sheet.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2004-1 (Village One #2) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1996-1 (Village One) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 1996-1 (Village One) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

In 1989-1990, the City initiated planning of the area now known as Village One. The original Village One plan contemplated a pedestrian oriented, self-contained neighborhood concept that offered housing to accommodate various income levels. In addition, the original plan called for a number of landscaped areas as well as other amenities. Over the years, substantial revisions to the original plan occurred, including a reconfiguration of streets, a reduction of landscaped areas, and modification of the financing strategy. At the close of fiscal year 2003-2004, the Village One area was based on the Specific Plan, the Infrastructure Financing Plan, and the Facilities Master Plan adopted in April 2003. The 2003 Infrastructure Financing Plan calls for a combination of funding sources, including the City's Capital Facilities Fees (CFF*) program and a Mello-Roos Community Facilities District (CFD).

In February 2004, the City Council formed City of Modesto Community Facilities District No. 2004-1 (Village One #2). This CFD, in conjunction with CFD No. 1996-1, will provide the funding needed to complete the CFD-funded core infrastructure needed for the Village One area.

* The CFF program is a city-wide development impact fee whereas the Village One CFD is a taxing district that is created to provide a funding and reimbursement mechanism for public facilities and services required to serve the Village One area.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position increased by \$37,182 in fiscal year 2017. This increase is primarily due to a decrease in repair and maintenance expenses.
- At June 30, 2017, net position was \$739,661.
- Total general revenues were \$586,754.

Funds:

- Capital Projects Fund revenues were \$73,843, \$33,908 more than the prior year. This increase is due to \$74,307 in facilities special tax and other revenue collected due to increased development activity in the district, an increase of \$30,081.
- Capital Projects Fund ending fund balance increased \$73,843 to a deficit of \$142,921 as a result of collecting \$74,307 in facilities special tax.
- Special Revenue Fund revenues of \$512,911 were \$9,038 less than the prior year, and expenditures of \$549,572 were \$148,201 less than last year due to there not being the \$153,550 intergovernmental expenditure for contribution to Community Facilities District Number 2004-1 (Village One #2) found in the prior year.
- Special Revenue Fund ending fund balance decreased \$36,661 due to maintenance expenditures in excess of the maintenance special tax.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. These services are supported by formation deposits, special facilities taxes, and annual maintenance assessments.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$764,153 were offset by liabilities of \$24,492. The District's net position from governmental activities increased to \$739,661 in 2017 from \$702,479 in 2016. The District's net position is restricted as follows: \$882,582 for maintaining infrastructure, leaving a negative unrestricted net position of \$142,921.

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 755,867	\$ 725,288
Assessments receivable	6,422	6,031
Interest receivable	1,864	1,903
Total assets	764,153	733,222
Current and other liabilities	24,492	30,743
Net position:		
Restricted for:		
District maintenance	882,582	919,243
Unrestricted	(142,921)	(216,764)
Total net position	\$ 739,661	\$ 702,479

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from annual maintenance special taxes, which amounted to \$504,499. District expenses of \$549,572 were primarily for maintenance services and professional expenses.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Facilities special tax	\$ 17,516	\$ 44,226
Maintenance special tax	504,499	502,647
Investment earnings	1,468	7,991
Other	63,271	7,020
Total revenues	586,754	561,884
Expenses:		
Community development	549,572	707,369
Change in net position	37,182	(145,485)
Net position, beginning of year	702,479	847,964
Net position, end of year	\$ 739,661	\$ 702,479

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. All of the District's funds are presented here as major funds; their purposes are explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

	Capital Projects Fund	Special Revenue Fund	Total
Revenues	\$ 73,843	\$ 512,911	\$ 586,754
Expenditures	-	549,572	549,572
Changes in fund balances	73,843	(36,661)	37,182
Fund balances (deficit), beginning of year	(216,764)	919,243	702,479
Fund balances (deficit), end of year	<u>\$ (142,921)</u>	<u>\$ 882,582</u>	<u>\$ 739,661</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental funds reported combined fund balances of \$739,661, which is an increase of \$37,182 compared with last year. The Capital Projects Fund realized an increase of \$73,843. The Special Revenue Fund realized a decrease of \$36,661.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting as that used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

ASSETS	
Cash and investments	\$ 755,867
Assessments receivable	6,422
Interest receivable	1,864
	764,153
Total Assets	764,153
LIABILITIES	
Accounts payable	24,167
Interest payable	325
	24,492
Total Liabilities	24,492
NET POSITION	
Restricted for:	
District maintenance	882,582
Unrestricted	(142,921)
	739,661
Total Net Position	\$ 739,661

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Community development	<u>\$ 549,572</u>
GENERAL REVENUES	
Facilities special tax	17,516
Maintenance special tax	504,499
Investment earnings	1,468
Other	<u>63,271</u>
Total General Revenues	<u>586,754</u>
Change in Net Position	37,182
Net Position, beginning of year	<u>702,479</u>
Net Position, end of year	<u><u>\$ 739,661</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Total
ASSETS			
Cash and investments	\$ -	\$ 755,867	\$ 755,867
Assessments receivable	-	6,422	6,422
Due from other funds	-	142,596	142,596
Interest receivable	-	1,864	1,864
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ -</u>	<u>\$ 906,749</u>	<u>\$ 906,749</u>
LIABILITIES			
Accounts payable	\$ -	\$ 24,167	\$ 24,167
Due to other funds	142,596	-	142,596
Interest Payable	325	-	325
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>142,921</u>	<u>24,167</u>	<u>167,088</u>
FUND BALANCES (DEFICIT)			
Restricted for:			
District maintenance	-	882,582	882,582
Unassigned	(142,921)	-	(142,921)
	<u> </u>	<u> </u>	<u> </u>
Total Fund Balances (Deficit)	<u>(142,921)</u>	<u>882,582</u>	<u>739,661</u>
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ -</u>	<u>\$ 906,749</u>	<u>\$ 906,749</u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	Capital Projects Fund	Special Revenue Fund	Total
REVENUES			
Facilities special tax	\$ 17,516	\$ -	\$ 17,516
Maintenance special tax	-	504,499	504,499
Interest income	(1,559)	6,122	4,563
Change in fair value of investments	1,095	(4,190)	(3,095)
Other	56,791	6,480	63,271
	<u>73,843</u>	<u>512,911</u>	<u>586,754</u>
EXPENDITURES			
Current:			
Services - professional and other	-	407,676	407,676
Utilities	-	141,896	141,896
	<u>-</u>	<u>549,572</u>	<u>549,572</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	73,843	(36,661)	37,182
OTHER FINANCING SOURCES (USES)			
Transfers in	-	620	620
Transfers out	-	(620)	(620)
	<u>-</u>	<u>(620)</u>	<u>(620)</u>
Changes in Fund Balances	73,843	(36,661)	37,182
Fund Balances (Deficit), beginning of year	<u>(216,764)</u>	<u>919,243</u>	<u>702,479</u>
Fund Balances (Deficit), end of year	<u>\$ (142,921)</u>	<u>\$ 882,582</u>	<u>\$ 739,661</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Maintenance special tax	\$ 550,000	\$ 550,000	\$ 504,499	\$ (45,501)
Interest income	-	-	6,122	6,122
Change in fair value of investments	-	-	(4,190)	(4,190)
Other	-	-	6,480	6,480
Total Revenue	550,000	550,000	512,911	(37,089)
EXPENDITURES				
Current:				
Services - professional and other	420,016	420,016	407,676	12,340
Utilities	214,500	214,500	141,896	72,604
Total Expenditures	634,516	634,516	549,572	84,944
OTHER FINANCING SOURCES (USES)				
Transfers in	-	630	620	(10)
Transfers out	-	(630)	(620)	10
Total Other Financing Sources (Uses)	-	-	-	-
Changes in Fund Balance	\$ (84,516)	\$ (84,516)	(36,661)	\$ 47,855
Fund Balance, beginning of year			919,243	
Fund Balance, end of year			\$ 882,582	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 1996-1 (Village One) (the District) was formed in October 1996 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plan. The District is the vehicle used to ensure that all landowners in the Specific Plan area contribute to the cost of public improvements. The District encompasses approximately 1,840 gross acres of land. The District is located in the North Eastern portion of the City of Modesto, California (the City), bordered by Sylvan Avenue to the North, Claus Road to the East, Briggsmore to the South, and Oakdale Road to the West. The District is expected to yield 6,186 residential dwelling units at buildout, in addition to 15 acres of commercial property and 220 acres of industrial property.

The District is an integral part of the City and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Facilities and Maintenance Special Taxes

The facilities and maintenance special taxes are collected by the County of Stanislaus on the property tax bill. The special taxes are due November 1 and February 1 and are delinquent if not paid by December 10 and April 10, respectively. The County of Stanislaus bills and collects the special taxes and remits them to the District. The Rate and Method of Apportionment of Special Tax (RMA), set forth in the District's Public Report, describes how the special taxes will be allocated among properties in the District. The Public Report was established during the formation of the District. A cost of living adjustment is applied to the special taxes annually.

E. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

F. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

G. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$755,867 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – INTERNAL BALANCES

The Capital Projects Fund owes the Special Revenue Fund \$142,596 for funds borrowed to fund its improvements and is expected to be repaid by District contributions and facilities special tax levies.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 1996-1 (VILLAGE ONE)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 4 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for capital projects and District maintenance.

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance, the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

NOTE 5 – FUND DEFICIT

The Capital Projects Fund has a fund deficit of \$142,921 as of June 30, 2017. The deficit is expected to be eliminated by District contributions and facilities special tax levies.

NOTE 6 – SETTLEMENT CONTINGENCY

The City and the District entered into a settlement agreement with Charleston Place, a California Limited Partnership, on December 31, 2004. The District has a contingent liability of \$114,000 to be paid after Charleston Place has completed certain construction obligations per the settlement. Charleston Place has not completed any of the construction obligations as of June 30, 2017. Management evaluates the need to record the obligation on an annual basis, however, due to uncertainty of completion of the construction obligation, a liability has not been recognized in the financial statements. The contingent liability is budgeted for each year.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 1996-1 (Village One) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK
EAST)**

**INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2016-2 (Kiernan Business Park East) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and Special Revenue Fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2016-2 (Kiernan Business Park East) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

The Kiernan Business Park Specific Plan Area encompasses approximately 614 acres and is comprised of regional commercial, office, medical campus, mixed use, medium high density residential and business park land uses. Within this specific plan area, there are three distinct sub-areas: Kiernan Business Park West, Kiernan Business Park South and Kiernan Business Park East (KBP East). KBP East covers approximately 160 acres and is bound by Kiernan Avenue to the North, Pelandale Avenue to the South, Dale Road to the West and American Avenue to the East.

On January 26, 2016, the City of Modesto formed the City of Modesto Community Facilities District No. 2016-1 (CFD No. 2016-1). The authorized services to be funded by special tax revenues include repair and replacement of parkways, landscaped medians, storm drainage pump and basin facilities, catch basins, manholes, underground infiltration trenches and pipes, landscaped bioswale lots and medians, storm water treatment devices and filters, shrubs, vines, ground cover, and irrigation systems. The services to be provided include, but are not limited to, litter and debris removal, pruning, staking, fertilizing, mowing, plant replacement and restoration, fire and weed control, erosion control, trimming of vegetation, and storm drain system and bioswale maintenance.

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position was \$346,758 in fiscal year 2017.
- At June 30, 2017, total assets were \$350,037 while total liabilities were \$3,279.
- Total District revenues were \$47,518.

Fund Basis:

- Special Revenue Fund revenues were \$47,518, primarily from maintenance special tax revenue. Expenditures of \$21,693 were for ongoing maintenance and administrative expenses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the period July 1, 2016 to June 30, 2017.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. Formation deposits, special facilities taxes, and annual maintenance assessments support these services.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets of \$350,037 were offset by liabilities of \$3,279. The District's net position from governmental activities was \$346,758. All of the District's net position is restricted for District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 349,252	\$ 321,895
Interest receivable	785	709
Total assets	350,037	322,604
Current and other liabilities	3,279	1,671
Net position:		
Restricted for:		
Capital projects	316,387	316,387
District maintenance	30,371	4,546
Total Net Position	\$ 346,758	\$ 320,933

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's revenue for fiscal year 2017 of \$47,518 came primarily from maintenance special tax revenue in the amount of \$27,256. District expenses of \$21,693 during fiscal year 2017 were for ongoing maintenance and administrative expenses.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Maintenance special tax	\$ 27,256	\$ -
Formation fees	-	84,269
Time and materials fees	19,242	9,999
Intergovernmental	-	316,387
Investment earnings	1,020	4,933
Total revenues	47,518	415,588
Expenses:		
Community development	21,693	94,655
Change in net position	25,825	320,933
Net position, beginning of year	320,933	-
Net position, end of year	\$ 346,758	\$ 320,933

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's one fund. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of District's activities. All of the District's funds are presented here as major funds; their purpose is explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

The Special Revenue Fund accounts for all activity of the District. The Capital Projects Fund was developed for the formation of the District.

Following is a condensed statement of revenues, expenditures, and change in fund balance for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Change in Fund Balance – Governmental Funds

	Special Revenue Fund	Capital Projects Fund	Total
Revenues	\$ 47,518	\$ -	\$ 47,518
Expenditures	<u>21,693</u>	<u>-</u>	<u>21,693</u>
Change in fund balance	25,825	-	25,825
Fund balance, beginning of year	<u>4,546</u>	<u>316,387</u>	<u>320,933</u>
Fund balance, end of year	<u>\$ 30,371</u>	<u>316,387</u>	<u>346,758</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental special revenue fund reported a fund balance of \$346,758.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting that is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

ASSETS	
Cash and investments	\$ 349,252
Interest receivable	<u>785</u>
Total Assets	<u>350,037</u>
 LIABILITIES	
Accounts payable	<u>3,279</u>
 NET POSITION	
Restricted for:	
Capital projects	316,387
District maintenance	<u>30,371</u>
Total Net Position	<u><u>\$ 346,758</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

EXPENSES

Community development:

Current:

Services - professional and other	<u>\$ 21,693</u>
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GENERAL REVENUES

Maintenance special tax	27,256
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Time and materials fees	19,242
-------------------------	--------

Interest income	3,011
-----------------	-------

Change in fair value of investments	<u>(1,991)</u>
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Total general revenues	<u>47,518</u>
------------------------	---------------

Change in Net Position	25,825
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Net Position, beginning of year	<u>320,933</u>
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Net Position, end of year	<u><u>\$ 346,758</u></u>
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See accompanying notes to the basic financial statements.

CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Fund	Capital Projects Fund	Total
ASSETS			
Cash and investments	\$ 32,865	\$ 316,387	\$ 349,252
Interest receivable	785	-	785
Total Assets	<u>\$ 33,650</u>	<u>\$ 316,387</u>	<u>\$ 350,037</u>
 LIABILITIES			
Accounts payable	<u>\$ 3,279</u>	<u>\$ -</u>	<u>\$ 3,279</u>
 FUND BALANCES			
Restricted:			
Capital projects	-	316,387	316,387
District maintenance	30,371	-	30,371
Total Fund Balances	<u>30,371</u>	<u>316,387</u>	<u>346,758</u>
Total Liabilities and Fund Balance	<u>\$ 33,650</u>	<u>\$ 316,387</u>	<u>\$ 350,037</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN NET POSITION - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Special Revenue Fund	Capital Projects Fund	Total
REVENUES			
Maintenance special tax	\$ 27,256	\$ -	\$ 27,256
Interest income	3,011	-	3,011
Time and materials fees	19,242	-	19,242
Change in fair value of investments	(1,991)	-	(1,991)
Total Revenues	47,518	-	47,518
EXPENDITURES			
Current:			
Services - professional and other	21,693	-	21,693
Total Expenditures	21,693	-	21,693
Change in Fund Balance	25,825	-	25,825
Fund Balance, beginning of year	4,546	316,387	320,933
Fund Balance, end of year	<u>\$ 30,371</u>	<u>\$ 316,387</u>	<u>\$ 346,758</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Maintenance special tax	\$ 70,300	\$ 70,300	\$ 27,256	\$ (43,044)
Time and materials fees	-	-	19,242	19,242
Interest income	-	-	3,011	3,011
Change in fair value of investments	-	-	(1,991)	(1,991)
Total Revenue	<u>70,300</u>	<u>70,300</u>	<u>47,518</u>	<u>(22,782)</u>
EXPENDITURES				
Current:				
Services - professional and other	65,300	65,300	21,693	43,607
Utilities	5,000	5,000	-	5,000
Total Expenditures	<u>70,300</u>	<u>70,300</u>	<u>21,693</u>	<u>48,607</u>
Changes in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	25,825	<u>\$ 25,825</u>
Fund Balance, beginning of year			<u>4,546</u>	
Fund Balance, end of year			<u>\$ 30,371</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2016-1 (Kiernan Business Park East #2) (the District) was formed in January 2016 by a vote of the property owners within the proposed district. The District, a separate legal entity, was formed to provide a funding and reimbursement mechanism for public facilities and services required by the District Specific Plans. The District is the vehicle that will be used to ensure that all landowners in the District pay their share of the public improvements. The District covers approximately 160 acres and is bound by Kiernan Avenue to the North, Pelandale Avenue to the South, Dale Road to the West and American Avenue to the East.

The District is an integral part of the City and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

The fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and change in fund balance) report information on the Special Revenue Fund of the District.

Since the amounts presented in the District's balance sheet and statement of net position are the same, they are presented as one financial statement. Similarly, since the amounts presented in the District's statement of revenues, expenditures, and change in fund balance and the statement of activities are the same, they are presented as one financial statement.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities to the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to the accrual basis of accounting and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

D. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

E. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2016-2 (KIERNAN BUSINESS PARK EAST)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$349,252 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for District maintenance.

B. Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

Restricted for Capital Projects - the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and Special Revenue Fund of the City of Modesto Community Facilities District Number 2016-2 (Kiernan Business Park East) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)**

INDEPENDENT AUDITOR'S REPORTS
AND BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

The Honorable City Council
of the City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2007-1 (North Beyer Park #2) (the District), a component unit of the City of Modesto, California, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly in all material respects the respective financial position of the governmental activities and each major fund of the District as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the Special Revenue Fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

The City of Modesto Community Facilities District No. 2007-1 (North Beyer Park #2) (the District) has issued its financial statements in the format prescribed by the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34, which requires the District to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying basic financial statements.

THE PURPOSE OF THE DISTRICT

The District is a blended component unit of the City of Modesto, California (City). It is controlled by the City, and the City Council is the District's governing body. City employees perform most of the duties and functions required of the District, but certain tasks are provided by third parties under contract.

The District's purpose under California law is to provide a funding mechanism for public facilities and services authorized by the District. The District is the vehicle that will be used to ensure that all landowners in the Specific Plan area contribute to the cost of the public facilities and services. Additional information on the District can be found below, and in Note 1 to the accompanying financial statements.

BACKGROUND AND MANAGEMENT'S DISCUSSION

The North Beyer Specific Plan Area encompasses approximately 160 gross acres of land and is comprised of a variety of residential, commercial, and office land uses. On June 24, 1997, Community Facilities District No. 1997-1 (North Beyer Park) ("CFD 1997-1") was formed and the levy of special taxes was authorized. At this time, approximately 124+/- acres of residential property, representing 464 residential units or lots have already been developed and 15 +/- commercial acres and 26+/- residential acres remain to be developed. CFD 1997-1 was previously formed to fund and maintain the construction and maintenance of the street and landscape medians on Coffee and Oakdale Roads between Claratina and Mable Avenues.

On May 8 2007, the City of Modesto formed City of Modesto Community Facilities District No. 2007-1 (CFD No. 2007-1). The authorized services to be funded by special tax revenues include maintenance and repair of parks, landscaped medians, storm drainage basins, and related facilities, including but not limited to, concrete curbs and walks, trees, shrubs, vines, ground cover, turf, lights and irrigation systems. The services to be provided include, but are not limited to, litter and debris removal, graffiti abatement, painting repairs to landscape structures, building maintenance and repairs, pruning, staking, fertilizing, plant replacement and restoration, fire and weed control, erosion control, mowing of lawns, trimming of vegetation, and maintenance, repair and replacement of lighting systems within the parks.

The facilities authorized to be funded by special tax revenues include installation of the landscaped medians on Oakdale and Coffee Roads, which may but will not necessarily include, concrete curbs and walks, trees, shrubs, ground cover, lights, and irrigation systems.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 FINANCIAL HIGHLIGHTS

Financial highlights of the year include the following:

Government-Wide:

- The District's net position increased \$324,026 in fiscal year 2017.
- At June 30, 2017, net position was \$496,561.
- Total general revenues were \$371,321.

Fund Basis:

- Capital Projects Fund revenues were \$334,348. This is an increase of \$192,726 from the prior year. The revenues are attributed to facilities special tax from development within the CFD.
- Capital Projects Fund ending fund balance increased \$334,348 to \$475,698.
- Special Revenue Fund revenues of \$36,973 were \$1,782 more than last year, attributed primarily to an increase in time and materials fees revenue. Expenditures of \$47,295 were \$43,142 more than the prior year due to increased maintenance needs from new development within the CFD.
- Special Revenue Fund ending fund balance decreased \$10,322 to \$20,863. Due to facilities special tax from development within the CFD.

THE BASIC FINANCIAL STATEMENTS

The basic financial statements comprise the government-wide financial statements and the fund financial statements; these two sets of financial statements provide two different views of the District's financial activities and financial position.

Government-Wide Financial Statements

The government-wide financial statements provide a long-term view of the District's activities as a whole and comprise the statement of net position and the statement of activities. The statement of net position provides information about the financial position of the District as a whole, including all its capital assets and long-term liabilities. The statement of activities provides information about the District's revenues and all its expenses. The statement of activities explains in detail the change in net position for the year.

The statement of net position and the statement of activities present information about the following:

- **Governmental activities** – All of the District's basic services are considered to be governmental activities, including formation, financing, construction, and maintenance activities. Formation deposits, special facilities taxes, and annual maintenance assessments support these services.

Government-wide financial statements are prepared on the accrual basis of accounting, which means they measure the flow of all economic resources of the District as a whole, similar to that used by the private sector.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net position and changes in net position of the District's governmental activities in the government-wide financial statement of net position and statement of activities that follow.

As of June 30, 2017, total assets were \$501,896. The District's net position from governmental activities increased \$324,026 in 2017 from \$172,535 in 2016 to \$496,561. All of the District's net position is restricted as follows: \$475,698 for capital projects and \$20,863 for District maintenance.

Following is a condensed statement of net position:

Statement of Net Position – Governmental Activities

	2017	2016
Cash and investments	\$ 500,775	\$ 177,553
Interest receivable	1,121	329
Total assets	501,896	177,882
Accounts payable	5,335	5,347
Net position:		
Restricted for:		
Capital projects	475,698	141,350
District maintenance	20,863	31,185
Total net position	\$ 496,561	\$ 172,535

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

FISCAL YEAR 2017 GOVERNMENTAL ACTIVITIES

The District's fiscal year 2017 revenue came primarily from facilities special tax and maintenance special tax. Community development expense increased by \$43,142 due primarily to increases in repair and maintenance cost, utilities cost, and labor costs of City employees providing administrative and program services for the District.

Following is a condensed statement of activities:

Statement of Activities – Governmental Activities

	2017	2016
Revenues:		
General revenues:		
Maintenance special tax	\$ 30,070	\$ 30,044
Facilities special tax	334,076	141,350
Time and materials fees	5,347	4,153
Investment earnings	1,828	994
Total revenues	371,321	176,541
Expenses:		
Community development	47,295	4,153
Change in net position	324,026	172,388
Net position, beginning of year	172,535	147
Net position, end of year	\$ 496,561	\$ 172,535

Fund Financial Statements

The fund financial statements report the District's operations in more detail than the government-wide financial statements and focus primarily on the short-term activities of the District's two funds. The fund financial statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

The fund financial statements provide detailed information about each of the District's most significant funds, called major funds. Major funds present the major activities of the District for the year, and may change from year to year as a result of changes in the pattern of the District's activities. All of the District's funds are presented here as major funds; their purposes are explained in Note 1 to the financial statements.

All the District's funds are governmental funds; financial statements for these funds are prepared on the modified accrual basis of accounting, which means they measure only current financial resources and uses.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2017**

Following is a condensed statement of revenues, expenditures, and changes in fund balances for the year ended June 30, 2017:

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	Capital Projects Fund	Special Revenue Fund	Total
Revenues	\$ 334,348	\$ 36,973	\$ 371,321
Expenditures	-	47,295	47,295
Changes in fund balances	334,348	(10,322)	324,026
Fund balances, beginning of year	141,350	31,185	172,535
Fund balances, end of year	<u>\$ 475,698</u>	<u>\$ 20,863</u>	<u>\$ 496,561</u>

THE DISTRICT'S FUND FINANCIAL STATEMENTS

At June 30, 2017, the District's governmental funds reported combined fund balances of \$496,561, which is an increase of \$324,026 compared with last year.

CAPITAL ASSETS

Under GASB Statement No. 34, the District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures are reported in both the District's fund and government-wide financial statements. Therefore, the District reports no long-term capital assets.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

These basic financial statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the City of Modesto, Administrator, Infrastructure Financing Programs, P.O. Box 642, Modesto, California 95353.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)**

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The statement of net position and the statement of activities summarize the entire District's financial activities and financial position. They are prepared on the same basis of accounting as that used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis of accounting – the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The statement of net position reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The statement of net position focuses the reader on the composition of the District's net position, by subtracting total liabilities from total assets. The statement of net position summarizes the financial position of the District in a single column.

The statement of activities reports increases and decreases in the District's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The format of the statement of activities presents the District's expenses, which are listed by program, first. Program revenues – that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net program revenue (expense). General revenues – that is, revenues which are not generated directly by these programs – are then added to arrive at the change in net position and reconciled with the statement of net position.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017**

ASSETS	
Cash and investments	\$ 500,775
Interest receivable	<u>1,121</u>
 Total Assets	 <u>501,896</u>
 LIABILITIES	
Accounts payable	<u>5,335</u>
 NET POSITION	
Restricted for:	
Capital projects	475,698
District maintenance	<u>20,863</u>
 Total Net Position	 <u><u>\$ 496,561</u></u>

See accompanying notes to the basic financial statements.

CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017

EXPENSES	
Community development	<u>\$ 47,295</u>
GENERAL REVENUES	
Maintenance special tax	30,070
Facilities special tax	334,076
Time and materials fees	5,347
Interest Income	4,123
Change in fair value of investments	<u>(2,295)</u>
Total General Revenues	<u>371,321</u>
Change in Net Position	324,026
Net Position, beginning of year	<u>172,535</u>
Net Position, end of year	<u><u>\$ 496,561</u></u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)**

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The District determined all its funds to be major funds. They are:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	<u>Capital Projects Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 475,456	\$ 25,319	\$ 500,775
Interest receivable	242	879	1,121
 Total Assets	 <u>\$ 475,698</u>	 <u>\$ 26,198</u>	 <u>\$ 501,896</u>
 LIABILITIES			
Accounts payable	\$ -	\$ 5,335	\$ 5,335
 FUND BALANCES			
Restricted:			
Capital projects	475,698	-	475,698
District maintenance	-	20,863	20,863
 Total Fund Balances	 <u>475,698</u>	 <u>20,863</u>	 <u>496,561</u>
 Total Liabilities and Fund Balances	 <u>\$ 475,698</u>	 <u>\$ 26,198</u>	 <u>\$ 501,896</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	Capital Projects Fund	Special Revenue Fund	Total
REVENUES			
Maintenance special tax	\$ -	\$ 30,070	\$ 30,070
Facilities special tax	334,076	-	334,076
Time and materials fees	-	5,347	5,347
Interest income	432	3,691	4,123
Change in fair value of investments	(160)	(2,135)	(2,295)
Total Revenues	<u>334,348</u>	<u>36,973</u>	<u>371,321</u>
EXPENDITURES			
Current:			
Services - professional and other	-	36,216	36,216
Utilities	-	11,079	11,079
Total Expenditures	<u>-</u>	<u>47,295</u>	<u>47,295</u>
Changes in Fund Balances	334,348	(10,322)	324,026
Fund Balances, beginning of year	<u>141,350</u>	<u>31,185</u>	<u>172,535</u>
Fund Balances, end of year	<u>\$ 475,698</u>	<u>\$ 20,863</u>	<u>\$ 496,561</u>

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - SPECIAL REVENUE FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUE				
Maintenance special tax	\$ 38,499	\$ 38,499	\$ 30,070	\$ (8,429)
Time and materials fees	-	-	5,347	5,347
Interest income	-	-	3,691	3,691
Change in fair value of investments	-	-	(2,135)	(2,135)
Other	-	9,500	-	(9,500)
Total Revenue	38,499	47,999	36,973	(11,026)
EXPENDITURES				
Current:				
Services - professional and other	38,499	47,999	36,216	11,783
Utilities	-	-	11,079	(11,079)
Total Expenditures	38,499	47,999	47,295	704
Changes in Fund Balance	\$ -	\$ -	(10,322)	\$ (10,322)
Fund Balance, beginning of year			31,185	
Fund Balance, end of year			<u>\$ 20,863</u>	

See accompanying notes to the basic financial statements.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description and Reporting Entity

The Community Facilities District Number 2007-1 (North Beyer Park #2) (the District) was formed in May 2007 by a vote of the property owners within the proposed District. The District, a separate legal entity, was formed to provide a funding mechanism for public facilities and services as required by the District Specific Plan. The District is a 160-acre project, the boundaries of which are recorded in Book 2, page 80 of the Book of Assessment District Maps in the Stanislaus County Recorder's Office.

The District is an integral part of the City of Modesto, California (the City) and the accompanying financial statements are included as a blended component unit of the basic financial statements prepared by the City. A component unit is a separate governmental unit, agency, or nonprofit corporation which, when combined with all other component units, constitutes the reporting entity as defined in the City's basic financial statements.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and statement of activities) report information on all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The statement of activities demonstrates the degree to which direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the community development function. Program revenues include grants and contributions that are restricted to meeting the operational requirements of the community development function. Investment earnings, and other items which are not properly included among program revenues, are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Substantially all taxes and interest, including the net increase (decrease) in the fair value of investments, are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Miscellaneous revenues are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The **Capital Projects** Fund accounts for all financial resources and uses related to acquisition, construction, and formation/annexation activities.

The **Special Revenue** Fund accounts for all financial resources and uses related to maintenance of parkways and open space within the District.

D. Capital Assets

The District is required to record all its capital assets, including infrastructure, at their historical cost, and to depreciate these assets over their estimated useful lives. However, title to all infrastructure assets acquired or constructed by the District is turned over to the City upon completion and acceptance. Accordingly, capital outlay expenditures/expenses are reported in both the District's fund and government-wide financial statements.

E. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the District itself, using the District's highest level of decision-making authority (the City Council). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the District *intends* to use for a specific purpose. Intent can be expressed by the District at either the highest level of decision-making or by an official or body to which the District delegates the authority.
- **Unassigned** - The residual classification for the District that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the District through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

F. Governmental Accounting Standards Update

During the year ended June 30, 2017, the District implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the District's financial statements.

The District is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the District's fiscal year ending June 30, 2018.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the District's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the District's fiscal year ending June 30, 2018.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the District's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the District are pooled with other City funds. The District's portion of this pooled amount was \$500,775 at June 30, 2017. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to the funds based on each fund's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the District's position in the pool is the same as the value of its pool shares.

The fair value hierarchy established by generally accepted accounting principles is based on the valuation inputs used to measure the fair value of the assets. The District's investment in the City's investment pool is exempt from fair value measurement disclosures.

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES

Net position is measured on the full accrual basis of accounting, which differs from the concept of fund balance, which is measured on the modified accrual basis of accounting.

A. Net Position

Net position is the excess of all the District's assets over all its liabilities. Net position is determined only at the government-wide level.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include developer fees received for use on capital projects and District maintenance.

**CITY OF MODESTO, CALIFORNIA
COMMUNITY FACILITIES DISTRICT
NUMBER 2007-1 (NORTH BEYER PARK #2)
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – RESTRICTED NET POSITION AND FUND BALANCES (Continued)

B. Restrictions of Fund Balances

Fund balances are all presented in the restricted category (see Note 1 for a description of fund balance categories). As of June 30, 2017, restrictions included:

Restricted for Capital Projects - the portion of fund balance legally restricted for the acquisition, construction, and formation/annexation activities.

Restricted for District Maintenance - the portion of fund balance legally restricted for maintenance of parkways and open space within the District.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The Honorable City Council
of the City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the City of Modesto Community Facilities District Number 2007-1 (North Beyer Park #2) (the District), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 21, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 21, 2017

**STANISLAUS DRUG ENFORCEMENT
AGENCY**

**INDEPENDENT AUDITOR'S REPORTS AND
BASIC FINANCIAL STATEMENTS**

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**STANISLAUS DRUG ENFORCEMENT AGENCY
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
Public
Accountants

Independent Auditor's Report

Members of the Governing Committee
Stanislaus Drug Enforcement Agency
Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and General Fund of the Stanislaus Drug Enforcement Agency (the Agency) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Agency, as of June 30, 2017, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2017, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 13, 2017

STANISLAUS DRUG ENFORCEMENT AGENCY
GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position reports the difference between the Stanislaus Drug Enforcement Agency's (the Agency) total assets and the Agency's total liabilities, including all the Agency's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the Agency's net position, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the Agency's financial position in a single column.

The Statement of Activities reports increases and decreases in the Agency's net position. It is prepared on the full accrual basis of accounting, which means it includes all the Agency's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis of accounting used in the fund financial statements, which reflect only current assets, current liabilities, available revenues, and measurable expenditures.

The Statement of Activities presents the Agency's expenses that are listed by program first. Program revenues, that is, revenues which are generated directly by these programs – are then deducted from program expenses to arrive at the net expense of each program. The Agency's general revenues are then listed and the Change in Net Position is computed and reconciled with the Statement of Net Position.

These financial statements along with the fund financial statements and the notes to the basic financial statements are called *Basic Financial Statements*.

STANISLAUS DRUG ENFORCEMENT AGENCY
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

ASSETS	
Cash and investments	\$ 2,337,613
Due from other governments	112,163
Interest receivable	4,956
Prepaid expenses	79
Capital assets:	
Nondepreciable	268,000
Depreciable, net	<u>482,177</u>
 Total Assets	 <u>3,204,988</u>
 LIABILITIES	
Accounts payable	174,552
Seized assets	527,839
Unearned revenue	<u>1,655,041</u>
 Total Liabilities	 <u>2,357,432</u>
 NET POSITION	
Investment in capital assets	750,177
Unrestricted	<u>97,379</u>
 Total Net Position	 <u><u>\$ 847,556</u></u>

See accompanying notes to the basic financial statements.

**STANISLAUS DRUG ENFORCEMENT AGENCY
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Public protection	<u>\$ 2,579,853</u>
PROGRAM REVENUES	
Charges for services	205,307
Operating grants and contributions	<u>2,117,090</u>
Total Program Revenues	<u>2,322,397</u>
Net Program Expense	<u>(257,456)</u>
GENERAL REVENUES	
Investment earnings	4,014
Other	<u>3,904</u>
Total General Revenues	<u>7,918</u>
Change in Net Position	(249,538)
Net Position, beginning of year	<u>1,097,094</u>
Net Position, end of year	<u><u>\$ 847,556</u></u>

See accompanying notes to the basic financial statements.

STANISLAUS DRUG ENFORCEMENT AGENCY

FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year. The Stanislaus Drug Enforcement Agency's (the Agency) only fund, the General Fund, is its Major Fund in fiscal year 2017:

THE GENERAL FUND is the operating fund of the Agency. It is used to account for all financial resources.

**STANISLAUS DRUG ENFORCEMENT AGENCY
BALANCE SHEET - GENERAL FUND
JUNE 30, 2017**

ASSETS

Cash and investments	\$ 2,337,613
Due from other governments	112,163
Interest receivable	4,956
Prepaid items	<u>79</u>
 Total Assets	 <u><u>\$ 2,454,811</u></u>

LIABILITIES

Accounts payable	\$ 174,552
Seized assets	527,839
Unearned revenue	<u>1,655,041</u>
 Total Liabilities	 2,357,432

FUND BALANCE

Nonspendable	79
Unassigned	<u>97,300</u>
 Total Fund Balance	 <u>97,379</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 2,454,811</u></u>

Reconciliation of fund balance of the General Fund to the net position for governmental activities:

Total Fund Balance	\$ 97,379
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Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the General Fund above because of the following:

Capital assets used in governmental activities are not current assets or financial resources and, therefore, are not reported in the General Fund.	<u>750,177</u>
 Net Position of Governmental Activities	 <u><u>\$ 847,556</u></u>

See accompanying notes to the basic financial statements.

**STANISLAUS DRUG ENFORCEMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017**

REVENUES	
Fines and forfeited assets	\$ 205,307
Intergovernmental:	
Federal and state grants	1,040,564
Contributions by joint venture participants:	
Cash contributions	75,122
In-kind employee services	1,001,404
Interest	4,014
Other	<u>3,904</u>
Total Revenues	<u>2,330,315</u>
EXPENDITURES	
Contract services	556,515
In-kind:	
County of Stanislaus employees	430,083
City of Modesto employees	571,324
Services and supplies	895,552
Interest cost	<u>13,327</u>
Total Expenditures	<u>2,466,801</u>
Change in Fund Balance	(136,486)
Fund Balance, beginning of year	<u>233,865</u>
Fund Balance, end of year	<u><u>\$ 97,379</u></u>

See accompanying notes to the basic financial statements.

**STANISLAUS DRUG ENFORCEMENT AGENCY
RECONCILIATION OF THE CHANGE IN FUND BALANCE
OF GENERAL FUND WITH THE CHANGE IN NET
POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Change in Fund Balance of General Fund \$ (136,486)

Amounts reported for Governmental Activities in the Statement of Activities are different because of the following:

The General Fund reports capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

Disposition of capital assets	(5,246)
Depreciation expense	<u>(107,806)</u>
Adjustments to capital assets are added back to fund balance	<u>(113,052)</u>
Change in Net Position of Governmental Activities	<u><u>\$ (249,538)</u></u>

See accompanying notes to the basic financial statements.

**STANISLAUS DRUG ENFORCEMENT AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Fines and forfeited assets	\$ 402,453	\$ 402,453	\$ 205,307	\$ (197,146)
Intergovernmental:				
Federal and state grants	1,257,678	1,257,678	1,040,564	(217,114)
Contributions by joint venture participants:				
Cash contributions	201,297	201,297	75,122	(126,175)
In-kind employee services	1,315,665	1,315,665	1,001,404	(314,261)
Interest and rent	-	-	4,014	4,014
Other	-	-	3,904	3,904
Total Revenues	<u>3,177,093</u>	<u>3,177,093</u>	<u>2,330,315</u>	<u>(846,778)</u>
EXPENDITURES				
Contract services	1,522,175	1,522,175	556,515	965,660
In-kind:				
County of Stanislaus employees	474,966	474,966	430,083	44,883
City of Modesto employees	582,780	582,780	571,324	11,456
Services and supplies	729,172	729,172	895,552	(166,380)
Interest costs	-	-	13,327	(13,327)
Total Expenditures	<u>3,309,093</u>	<u>3,309,093</u>	<u>2,466,801</u>	<u>842,292</u>
Changes in Fund Balance	<u>\$ (132,000)</u>	<u>\$ (132,000)</u>	(136,486)	<u>\$ (4,486)</u>
Fund Balance, beginning of year			<u>233,865</u>	
Fund Balance, end of year			<u>\$ 97,379</u>	

See accompanying notes to the basic financial statements.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General

The Stanislaus Drug Enforcement Agency (the Agency) was formed in 1986 by a joint powers agreement between the County of Stanislaus, California, (the County) and several municipalities within the County. During the year ended June 30, 2017, the participating municipalities, in addition to the County, were the cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford. The governing committee of the Agency is comprised of the Sheriff of the County, the District Attorney of the County, the Chief Probation Officer of the County, and the Police Chiefs of the participating municipalities.

The Agency was created to assist in the enforcement of drug control laws of the State of California. The Agency maintains a fully operational, specially trained police unit to assist each of the participating jurisdictions in enforcing these laws and to study, plan, and set priorities for effective enforcement of such laws throughout the County. Agency personnel are provided by the participating jurisdictions.

Funding for Agency operations includes annual cash contributions by the participating jurisdictions. Certain jurisdictions also provide in-kind contributions in the form of employee services. Cash contributions are established based upon assessed property values and the population base of each jurisdiction as of January 1 of each year. The County and the City of Modesto provide cash contributions for Agency salary and benefits expenditures, while all participating jurisdictions provide cash contributions for non-salary and benefits operating expenditures. Other revenue sources include those assets forfeited through court resolution of criminal cases and federal grants supporting drug enforcement activities.

The Agency is considered to be a separate legal entity and is not a component unit of any of the participating jurisdictions. Pursuant to Section 6508.1 of the California Government Code and Section 7F of the joint powers agreement, the debts, liabilities, and obligations of the Agency are those of the Agency and not of the parties to the joint powers agreement.

Financial transactions of the Agency for the year ended June 30, 2017, were processed and accounted for by the City of Modesto.

B. Basis of Presentation

The Agency's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These standards require that the financial statements described below be presented.

Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities include the financial activities of the overall Agency government. Eliminations have been made to minimize the double counting of internal activities.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Agency. The emphasis of fund financial statements is on major individual governmental funds. The Agency has only one fund, the General Fund.

C. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual* basis of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable and available*. The Agency considers all revenues reported in the governmental funds to be available if the revenues are collected within 180 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Non-exchange transactions, in which the Agency gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Other revenues susceptible to accrual include intergovernmental revenues, member contributions, and interest.

D. Due from Other Governments

The Agency's receivables consist of amounts due from grants and other agencies. Management has determined the Agency's receivables to be fully collectible. Accordingly, no allowance for doubtful accounts has been made.

**STANISLAUS DRUG ENFORCEMENT AGENCY
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The Agency capitalizes assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All capital assets with limited useful lives are depreciated over their estimated useful lives. Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets equitably over the lives of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

The Agency has assigned the useful lives below to capital assets:

	Useful Lives In Years
Buildings	30
Structures and Improvements	20
Vehicles, Furnishings, and Equipment	3 to 10

F. Seized Assets

Seized assets can include monetary instruments, real property, and tangible personal property seized as a consequence of a violation of public law that are held as evidence in state and/or mixed jurisdiction cases until adjudicated. Once adjudicated, the seized assets could be either returned to the accused or distributed to any number of government agencies. The seized assets liability at June 30, 2017 was \$527,839.

G. Net Position

Net position is the excess of all the Agency's assets over all its liabilities, regardless of fund. Net position is divided into two captions. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

Investment in Capital Assets, describes the portion of net position which is represented by the current net book value of the Agency's capital assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Agency cannot unilaterally alter.

Unrestricted describes the portion of net position which is not restricted as to use.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the Agency is bound to honor constraints on how specific amounts can be spent.

Nonspendable describes amounts that are not in spendable form (such as imprest cash) or are required either legally or contractually to be maintained intact.

Restricted describes amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.

Committed describes amounts constrained to specific purposes by the Agency itself, using the Agency's highest level of decision-making authority (the Governing Committee). To be reported as committed, amounts cannot be used for any other purpose unless the Agency takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned describes amounts the Agency *intends* to use for a specific purpose. Intent can be expressed by the Agency at either the highest level of decision-making or by an official or body to which the Agency delegates the authority.

Unassigned describes the residual classification for the Agency's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Agency establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the Agency through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

The Agency believes that sound financial management principles require that sufficient funds be retained by the Agency to provide a stable financial base at all times. To retain this stable financial base, the Agency needs to maintain unrestricted fund balance in its funds sufficient to fund cash flows of the Agency and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Accounting Standards Update

During the year ended June 30, 2017, the Agency implemented the following GASB standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the Agency's financial statements.

The Agency is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the Agency's fiscal year ending June 30, 2018.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement is effective for the Agency's fiscal year ending June 30, 2019.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the Agency's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the Agency's fiscal year ending June 30, 2018.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the Agency's fiscal year ending June 30, 2018.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2017, the GASB issued Statement No. 87, *Leases*, which increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the Agency's fiscal year ending June 30, 2021.

J. Defined Benefit Pension Plan

Agency employees participate in the Public Employees' Retirement System of the State of California or Stanislaus County Employees Retirement Association through their applicable sponsoring jurisdiction. Employer pension contributions for these employees are allocated to the Agency by the respective jurisdictions.

K. Budgets and Budgetary Accounting

The Agency's governing committee adopts an annual operating budget for the General Fund on or before June 30. The budget is adopted on a basis of accounting consistent with accounting principles generally accepted in the United States of America. The governing committee may amend the budget during the fiscal year, and Agency expenditures are limited to the amount of total appropriations allowed by this budget.

Budgeted amounts are as originally adopted, or as amended by the governing committee. Individual amendments were not material in relation to the original appropriations which were amended.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments are classified in the financial statements as shown below. Investments are carried at fair value as follows at June 30, 2017:

Cash in City of Modesto Treasury	\$ 2,322,113
Imprest Cash	<u>15,500</u>
 Total Cash and Investments	 <u>\$ 2,337,613</u>

The Agency's Cash in City of Modesto Treasury is cash and investments included in the City of Modesto's cash and investment pool. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to each participant in the pool based on each participant's average monthly cash balance. Detailed information concerning the City of Modesto's pooled cash and investments, including information regarding the fair value of investment, may be found in the City of Modesto's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the Agency's position in the pool is the same as the value of its pool shares. The Agency's investments in the City of Modesto's Treasury are exempt from fair value hierarchy disclosure.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – CAPITAL ASSETS

Capital assets activity for the year is as follows:

	Balance June 30, 2016	Additions	Retirements/ Disposal	Balance June 30, 2017
Capital assets not being depreciated:				
Land	\$ 268,000	\$ -	\$ -	\$ 268,000
Total capital assets not being depreciated	<u>268,000</u>	<u>-</u>	<u>-</u>	<u>268,000</u>
Capital assets being depreciated:				
Buildings and improvements	505,579	-	-	505,579
Vehicles	568,487	-	-	568,487
Intangible assets	23,976	-	-	23,976
Furnishings and equipment	605,103	-	(118,800)	486,303
Total capital assets being depreciated	<u>1,703,145</u>	<u>-</u>	<u>(118,800)</u>	<u>1,584,345</u>
Less accumulated depreciation for:				
Buildings and improvements	(341,495)	(13,982)	-	(355,477)
Vehicles	(255,866)	(54,115)	-	(309,981)
Intangible assets	(23,976)	-	-	(23,976)
Furnishings and equipment	(486,579)	(39,709)	113,554	(412,734)
Total accumulated depreciation	<u>(1,107,916)</u>	<u>(107,806)</u>	<u>113,554</u>	<u>(1,102,168)</u>
Net capital assets being depreciated	<u>595,229</u>	<u>(107,806)</u>	<u>(5,246)</u>	<u>482,177</u>
Total capital assets, net	<u>\$ 863,229</u>	<u>\$ (107,806)</u>	<u>\$ (5,246)</u>	<u>\$ 750,177</u>

Depreciation expense for the year ended June 30, 2017, was \$107,806.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 4 – UNEARNED REVENUE

The Agency is the recipient of fines and forfeitures allocated through legal proceedings of criminal prosecutions issued by government agencies (U.S. Department of Justice, U.S. Department of Treasury, State of California, etc.). Forfeiture proceeds allocated to the Agency are recorded as unearned revenue. The Agency is also a recipient of grants. Revenue is recognized as the fines and forfeitures and grants are expended on approved costs. As of June 30, 2017, the Agency had recorded \$1,655,041 of forfeiture proceeds as unearned revenue.

NOTE 5 – RELATED PARTY TRANSACTIONS

The Agency pays member jurisdictions for various services provided, such as, but not limited to, personnel services and consultant services. The Agency also reimburses the City of Modesto and County of Stanislaus for administrative as well as other costs incurred on the Agency's behalf.

NOTE 6 – COMMITMENTS AND CONTINGENCIES

The Agency is subject to litigation arising in the normal course of business. The current litigation pending will not have a material adverse effect on the financial position of the Agency.

NOTE 7 – RISK MANAGEMENT

As provided in the joint powers agreement, the City of Modesto has sole responsibility for personal injury and damage awards for which the Agency is liable in those cases in which the liability award does not exceed \$100,000. For awards in excess of \$100,000, the City of Modesto and the County share responsibility in proportion to their respective Agency contribution rates for the year.

The joint powers agreement also specifies that workers' compensation insurance will not be provided by the Agency and remains the responsibility of the jurisdiction sponsoring the Agency's respective employees.

The Agency uses two helicopters and two airplanes owned by the County in its operations. Therefore the Agency purchased a commercial insurance policy through the County which provides coverage up to \$10,000,000 with deductibles ranging from \$5,000 to \$8,530, depending on the aircraft and whether the rotors are in motion. The Agency paid a premium of \$25,396 for current year coverage.

NOTE 8 – EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2017, expenditures exceeded appropriations as follows:

General Fund:	
Services and supplies	\$ 166,380
Interest costs	13,327

**CITY OF MODESTO
ABANDONED VEHICLE
ABATEMENT PROGRAM**

INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**CITY OF MODESTO
ABANDONED VEHICLE ABATEMENT PROGRAM**

**INDEPENDENT AUDITOR'S REPORTS
AND FINANCIAL STATEMENT**

FOR THE YEAR ENDED JUNE 30, 2017

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Independent Auditor's Report

To City Council of the City of Modesto
Modesto, California

Report on the Financial Statement

We have audited the accompanying statement of receipts and costs of the City of Modesto, California, Abandoned Vehicle Abatement Program (the Program) for the year ended June 30, 2017, and the related note to the financial statement, as listed in the table of contents.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the cash basis of accounting described in Note 1; this includes determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and certain provisions of the *Abandoned Vehicle Abatement (AVA) Program Handbook*, issued by the California Highway Patrol. Those standards and the *AVA Program Handbook* require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, the receipts and costs of the Program for the year ended June 30, 2017, in accordance with the cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statement, which describes the basis of accounting. The financial statement is prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards and the AVA Program Handbook

In accordance with *Government Auditing Standards* and the *AVA Program Handbook*, we have also issued our report dated October 2, 2017, on our consideration of the Program's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *AVA Program Handbook* in considering the Program's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
October 2, 2017

**CITY OF MODESTO
ABANDONED VEHICLE ABATEMENT PROGRAM
STATEMENT OF RECEIPTS AND COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Receipts received	
Registration fees	<u>\$ 219,174</u>
Costs disbursed	
Personnel	88,909
Services and supplies	<u>21,161</u>
Total costs disbursed	<u>110,070</u>
Excess of receipts received over costs disbursed	109,104
Surplus, beginning of year	<u>91,941</u>
Surplus, end of year	<u><u>\$ 201,045</u></u>

See accompanying note to the financial statement.

**CITY OF MODESTO
ABANDONED VEHICLE ABATEMENT PROGRAM
NOTE TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

The Abandoned Vehicle Abatement Program (the Program) is a statewide program administered by the California Highway Patrol (CHP). The City of Modesto (the City) administers and operates the local vehicle abatement program pursuant to Section 22710 of the Vehicle Code, Modesto Municipal City Code Section 3-2.1002 et seq., and the Stanislaus Area Association of Governments (SAAG) Abandoned Vehicle Program and Plan. Section 9250.7 of the Vehicle Code establishes the funding source for the abatement of abandoned vehicles by a county-based Service Authority (the Authority), pursuant to the provisions of Section 22710 of the Vehicle Code. The Vehicle Code imposes a service fee of one dollar (\$1) on vehicles registered to an owner with an address in the County of Stanislaus that established the Authority. This fee is paid to the Department of Motor Vehicles (DMV) at the time of registration or renewal of registration. The DMV, after deducting its administrative costs, at least quarterly transmits the net amount collected to the State Controller's Office (SCO) for deposit in the Abandoned Vehicle Trust Fund. All money in the fund is continuously appropriated to the SCO for allocation to an Authority that has an approved Program pursuant to Section 22710 of the Vehicle Code, and for payment of the administrative costs of the SCO. SAAG, the Authority established pursuant to Vehicle Code Section 22710, distributes Program funds to participating entities based on the allocations determined in the Vehicle Abatement Services Agreement. The receipts and costs of the Program are included in the General Fund of the City's basic financial statements.

Financial Statement Presentation – The financial statement is prepared on the method of accounting prescribed by the California Highway Patrol (CHP) and the *Abandoned Vehicle Abatement (AVA) Program Handbook*. The financial statement presents the information requested by the CHP and, therefore, does not purport to reflect results of operations in accordance with accounting principles generally accepted in the United States of America.

Basis of Accounting – The financial statement for the Program is prepared on the cash basis of accounting in which revenue is recognized when distributions are received and costs are recognized as disbursed and claimed in accordance with the *AVA Program Handbook* Guidelines.



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards and the AVA Program Handbook

To City Council of the City of Modesto
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and certain provisions of the *Abandoned Vehicle Abatement (AVA) Program Handbook*, issued by the California Highway Patrol, the statement of receipts and costs of the City of Modesto, California, Abandoned Vehicle Abatement Program (the Program) for the year ended June 30, 2017, and the related note to the financial statement, and have issued our report thereon dated October 2, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered the Program's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, we do not express an opinion on the effectiveness of Program's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the *AVA Program Handbook*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the *AVA Program Handbook* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
October 2, 2017

**CITY OF MODESTO
TRANSPORTATION DEVELOPMENT ACT FUNDS**

Independent Auditor's Reports,
Financial Statements,
Required Supplementary Information,
and Independent Accountant's Report

For the Year Ended June 30, 2017



Certified
Public
Accountants

CITY OF MODESTO
Transportation Development Act Funds
For the Year Ended June 30, 2017

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Independent Auditor's Report

Honorable Members of the City Council
City of Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Local Transportation Special Revenue Funds and the Bus Enterprise Fund (collectively known as the Transportation Development Act Funds) of the City of Modesto, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Local Transportation Special Revenue Funds and the Bus Enterprise Fund of the City as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

Basis of Presentation

As discussed in Note 1, the financial statements of the Transportation Development Act Funds of the City are intended to present the financial position, the changes in financial position, and, where applicable, cash flows of only that portion of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City that is attributable to the transactions of the Transportation Development Act Funds. They do not purport to, and do not present fairly the financial position of the City as of June 30, 2017, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Prior-Year Comparative Information

The financial statements include summarized prior-year comparative information. Such information does not include all of the information required or sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2016, from which such summarized information was derived. We have previously audited the 2016 financial statements, and we expressed an unmodified audit opinion on the financial statements in our report dated December 14, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Management has omitted management's discussion and analysis (MD&A) and the respective budgetary comparison schedules for the special revenue funds that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of the Bus Fund's proportionate share of the net pension liability and schedule of the Bus Fund's contributions be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards* and the
Transportation Development Act**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters as it relates to the Transportation Development Act Funds. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance as it relates to the Transportation Development Act Funds. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance as it relates to the Transportation Development Act Funds.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 13, 2017

CITY OF MODESTO
Transportation Development Act Funds
Balance Sheet - Local Transportation Special Revenue Funds
June 30, 2017
(with comparative totals as of June 30, 2016)

	Non- Motorized	Streets and Roads	Totals	
			2017	2016
ASSETS				
Cash and cash equivalents	\$ 1,140,677	\$ 473,002	\$ 1,613,679	\$ 1,324,378
Interest receivable	2,475	1,049	3,524	2,718
Due from other governments	-	-	-	110,277
Total Assets	\$ 1,143,152	\$ 474,051	\$ 1,617,203	\$ 1,437,373
LIABILITIES				
Unearned revenue	\$ 1,141,378	\$ 231,246	\$ 1,372,624	\$ 1,216,481
FUND BALANCES				
Restricted	1,774	242,805	244,579	220,892
Total Liabilities and Fund Balances	\$ 1,143,152	\$ 474,051	\$ 1,617,203	\$ 1,437,373

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Local Transportation Special Revenue Funds
For the Year Ended June 30, 2017
(with comparative totals for the year ended June 30, 2016)

	Non- Motorized	Streets and Roads	Totals	
			2017	2016
REVENUES				
Intergovernmental:				
Local Transportation Funds	\$ -	\$ -	\$ -	\$ 550,590
Other	-	28,193	28,193	19,270
Interest	9,073	-	9,073	11,177
Change in fair value of investments	(6,084)	-	(6,084)	2,112
	<u>2,989</u>	<u>28,193</u>	<u>31,182</u>	<u>583,149</u>
EXPENDITURES				
Current:				
Administrative services	184	-	184	1,931
Capital outlay:				
Street rehabilitation	2,805	-	2,805	8,084
	<u>2,989</u>	<u>-</u>	<u>2,989</u>	<u>10,015</u>
Excess of Revenues Over Expenditures	-	28,193	28,193	573,134
OTHER FINANCING SOURCES				
Transfers:				
Out to other funds of the City	-	(4,506)	(4,506)	(770,974)
Changes in fund balances	-	23,687	23,687	(197,840)
Fund balances, beginning of year	<u>1,774</u>	<u>219,118</u>	<u>220,892</u>	<u>418,732</u>
Fund balances, end of year	<u>\$ 1,774</u>	<u>\$ 242,805</u>	<u>\$ 244,579</u>	<u>\$ 220,892</u>

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Statement of Net Position - Bus Enterprise Fund
June 30, 2017
(with comparative totals as of June 30, 2016)

	<u>2017</u>	<u>2016</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 6,612,999	\$ 8,743,727
Accounts receivable	93,013	70,660
Interest receivable	14,809	17,411
Prepaid expenses	42,339	16,810
Due from other governments	<u>4,441,449</u>	<u>2,504,287</u>
Total Current Assets	<u>11,204,609</u>	<u>11,352,895</u>
Noncurrent assets:		
Capital assets:		
Land and construction in progress	4,283,145	4,777,335
Other capital assets, net of accumulated depreciation	<u>34,879,740</u>	<u>34,649,044</u>
Total Noncurrent Assets	<u>39,162,885</u>	<u>39,426,379</u>
Total Assets	<u>50,367,494</u>	<u>50,779,274</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	<u>675,680</u>	<u>178,451</u>
LIABILITIES		
Current liabilities:		
Accounts payable	2,694,636	2,368,848
Accrued salaries and benefits	37,515	39,884
Unearned revenue PTMISEA	2,524,518	4,166,093
Unearned revenue CTSG	-	9,958
Unearned revenue Capital Transit	1,702,453	1,309,261
Unearned revenue LTF/LCTOP	<u>2,110,282</u>	<u>1,765,931</u>
Total Current Liabilities	9,069,404	9,659,975
Noncurrent liabilities:		
Net pension liability	<u>2,759,942</u>	<u>2,149,389</u>
Total liabilities	<u>11,829,346</u>	<u>11,809,364</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	<u>124,743</u>	<u>249,231</u>
NET POSITION		
Investment in capital assets	39,162,885	39,426,379
Unrestricted	<u>(73,800)</u>	<u>(527,249)</u>
Total Net Position	<u>\$ 39,089,085</u>	<u>\$ 38,899,130</u>

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Statement of Revenues, Expenses, and Changes
in Fund Net Position - Bus Enterprise Fund
For the Year Ended June 30, 2017
(with comparative totals for the year ended June 30, 2016)

	<u>2017</u>	<u>2016</u>
OPERATING REVENUES		
Charges for services	\$ 2,777,228	\$ 2,939,307
Miscellaneous	475,818	413,308
Total Operating Revenues	<u>3,253,046</u>	<u>3,352,615</u>
OPERATING EXPENSES		
Contractual services	12,873,108	11,641,063
Depreciation	2,762,049	2,826,031
Maintenance and supplies	1,944,319	1,626,841
Salaries and wages	1,430,275	1,290,492
Administrative services	839,572	779,613
Employee benefits	569,719	401,581
Allocated indirect administrative costs	265,638	316,333
Utilities	160,043	147,511
Insurance	34,319	20,234
Other	101,775	121,161
Total Operating Expenses	<u>20,980,817</u>	<u>19,170,860</u>
Operating Loss	<u>(17,727,771)</u>	<u>(15,818,245)</u>
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental:		
Local Transportation Funds	7,948,374	7,395,436
State Transit Assistance	1,963,515	2,121,886
Federal Transit Administration	4,684,992	3,127,699
Proposition 1B	8,719	-
CMAQ grants	198,651	341,431
Low Carbon Transit Operations Program	216,396	(183,548)
Other	-	28,515
Loss on disposition of capital assets	(1,155,603)	(171,075)
Interest income	(18,507)	829
Rental income	91,033	154,797
Change in fair value of investments	(41,433)	7,427
Total Nonoperating Revenues	<u>13,896,137</u>	<u>12,823,397</u>
Loss Before Capital Contributions and Transfers	(3,831,634)	(2,994,848)
Capital contributions:		
Local Transportation Funds	431,125	64,661
Federal Transit Administration	1,585,018	394,005
Proposition 1B	1,693,413	635,679
Low Carbon Transit Operations Program	310,533	25,490
Transfers in from other funds of the City	26,435	1,500
Transfers out to other funds of the City	(24,935)	(979,152)
Change in Net Position	<u>189,955</u>	<u>(2,852,665)</u>
Net Position, beginning of year	<u>38,899,130</u>	<u>41,751,795</u>
Net Position, end of year	<u>\$ 39,089,085</u>	<u>\$ 38,899,130</u>

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Statement of Cash Flows - Bus Enterprise Fund
For the Year Ended June 30, 2017
(with comparative totals for the year ended June 30, 2016)

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	\$ 3,205,164	\$ 3,274,979
Payments to suppliers	(15,892,986)	(20,672,946)
Payments to employees	<u>(2,013,527)</u>	<u>(1,807,116)</u>
Net Cash Used in Operating Activities	<u>(14,701,349)</u>	<u>(19,205,083)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash receipts/(payments) from grants:		
Local Transportation Funds	8,652,981	6,568,055
State Transit Assistance	2,509,986	2,121,886
Federal Transit Administration	3,478,581	6,747,594
CMAQ grant for Rideshare Program	166,587	330,795
Low Carbon Transit Operations Program	216,396	(183,548)
Other	-	(142,560)
Transfers in from other funds of the City	26,435	1,500
Transfers out to other funds of the City	<u>(24,935)</u>	<u>(979,152)</u>
Net Cash Provided by Noncapital Financing Activities	<u>15,026,031</u>	<u>14,464,570</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(3,699,403)	(955,042)
Proceeds from the sale of property and equipment	45,245	-
Capital contributions:		
Local Transportation Funds	824,317	941,846
Federal Transit Administration	235,453	4,260,088
Proposition 1B	50,599	377,738
Low Carbon Transit Operations Program	<u>54,684</u>	<u>25,490</u>
Net Cash Provided by/(Used in) Capital and Related Financing Activities	<u>(2,489,105)</u>	<u>4,650,120</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	(57,338)	13,745
Rental income received	<u>91,033</u>	<u>154,797</u>
Net Cash Provided by Investing Activities	<u>33,695</u>	<u>168,542</u>
Change in cash and cash equivalents	(2,130,728)	78,149
Cash and cash equivalents, beginning of year	<u>8,743,727</u>	<u>8,665,578</u>
Cash and cash equivalents, end of year	<u>\$ 6,612,999</u>	<u>\$ 8,743,727</u>

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Statement of Cash Flows - Bus Enterprise Fund
For the Year Ended June 30, 2017
(with comparative totals for the year ended June 30, 2016)

	2017	2016
RECONCILIATION OF OPERATING LOSS TO NET CASH USED IN OPERATING ACTIVITIES:		
Operating loss	\$ (17,727,771)	\$ (15,818,245)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	2,762,049	2,826,031
Changes in assets and liabilities:		
Accounts receivable	(22,353)	(60,826)
Prepaid expenses	(25,529)	(16,810)
Accounts payable	325,788	(6,020,190)
Accrued salaries and benefits	(2,369)	(9,487)
Net pension liability and related deferred outflows/inflows	(11,164)	(105,556)
Net cash used in operating activities	\$ (14,701,349)	\$ (19,205,083)

See accompanying notes to the financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

The City of Modesto (City) accounts for California Transportation Development Act (TDA) monies in the Local Transportation Special Revenue Funds and the Bus Enterprise Fund (TDA Funds). These funds are a part of the City and not a separate legal entity. As such, these financial statements only present the fund financial statements and not the government-wide information or financial statements. The Local Transportation Special Revenue Funds are combined and presented as a special revenue fund in the City's Comprehensive Annual Financial Report (CAFR) along with the Bus Enterprise Fund. These financial statements are intended to reflect the financial position, changes in financial position, and cash flows, where applicable, of the TDA Funds in accordance with accounting principles generally accepted in the United States of America.

B. Basis of Presentation, Basis of Accounting, and Measurement Focus

The Local Transportation Special Revenue Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible with the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting. Intergovernmental and interest revenues are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Under Governmental Accounting Standards Board (GASB) Statement No. 34, budgetary comparison information is required to be presented for each major special revenue fund with a legally adopted budget. The City is not legally required to adopt a budget for the TDA Funds. Therefore, budget comparison information is not included in these financial statements.

The Bus Enterprise Fund is reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in accordance with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the TDA Funds financial statements for the year ended June 30, 2016, from which the summarized information was derived.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The City reports the following Local Transportation Special Revenue Funds:

The **Non-Motorized Fund** accounts for monies received and spent under Article 3, Section 99234 of the TDA.

The **Streets and Roads Fund** accounts for monies received and spent under Article 8, Section 99400(a) of the TDA.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following Enterprise Fund:

The **Bus Enterprise Fund** accounts for monies received and spent under Article 4, Section 99250 (public transit) of the TDA. The Bus Enterprise Fund also receives federal funds through the Federal Transit Administration, and other state and local grants, in addition to operating revenues.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for bus fares, sales, and services. Operating expenses for the enterprise fund includes the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

C. Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

D. Due from Other Governments/Unearned Revenue

Grants, entitlements, or shared revenues are recorded as receivables and revenues in the special revenue funds when they are received or susceptible to accrual. Grants awarded for enterprise funds are recorded as receivables and nonoperating revenues when they are earned.

Unearned revenue consists of grant funds received in excess of qualified expenditures. Grant revenue is recognized in the period of qualified expenditure/expenses.

E. Capital Assets

Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair value at the date of donation.

Capital projects funded by the Local Transportation Special Revenue Funds, including infrastructure (roads, curbs, gutters, streets, bridges, sidewalks, drainage systems, lighting systems, right-of-ways, and land related to such assets), are recorded as transfers out to other City funds and capital outlay expenditures of the Local Transportation Special Revenue Funds. These expenditures are capitalized in the City's government-wide financial statements as the related capital assets become the property of the City and are maintained by the City.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the Bus Enterprise Fund, buildings and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which are 30 years for buildings, 20 years for improvements, 12 years for buses, 10 years for furnishings and equipment, and 2 to 10 years for vehicles. Depreciation is included in operating expenses.

F. Fund Equity

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the City is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required, either legally or contractually, to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the City, using the highest level of decision-making authority (City Council). To be reported as committed, amounts cannot be used for any other purpose unless the City takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the City *intends* to use for a specific purpose. Intent can be expressed by the City at either the highest level of decision-making authority or by an official or body to which the City delegates the authority.
- **Unassigned** - For the TDA Special Revenue Funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The City establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the City through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

G. Net Position

Net position is the excess of all the assets and deferred outflows of resources over all the liabilities and deferred inflows of resources, regardless of fund. Net position is divided into three captions. These captions apply only to net position of the Bus Enterprise Fund, and are described below:

Investment in Capital Assets describes the portion of net position which is represented by the current net book value of the capital assets.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include resources from grant revenues with Federal and State limitations on how the City may expend these grant funds.

Unrestricted describes the portion of net position which is not restricted as to use.

H. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Miscellaneous Plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments of the Plan are reported at fair value.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date:	June 30, 2015
Measurement Date:	June 30, 2016
Measurement Period:	July 1, 2015 to June 30, 2016

I. New Accounting Pronouncements

During the year ended June 30, 2017, the City implemented the following GASB standards:

GASB Statement No. 77, *Tax Abatement Disclosures*, is intended to improve financial reporting relating to disclosures of tax abatement transactions. Statement No. 77 requires governments that enter into tax abatement agreements to disclose (1) descriptive information about the agreements, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients; (2) the gross dollar amount of taxes abated during the period; (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. This statement did not have a significant impact to the City's financial statements.

GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans*, amends the scope and applicability of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer. This statement also establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and require supplementary information for pensions that have the characteristics described above. This statement did not have a significant impact to the City's financial statements.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the City's financial statements.

GASB Statement No. 82, *Pension Issues – An Amendment of GASB Statements No. 67, No. 68, and No. 73*, addresses certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements No. 67 and No. 68*. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. This statement did not have a significant impact to the City's financial statements.

The City is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the City's fiscal year ending June 30, 2018.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement is effective for the City's fiscal year ending June 30, 2019.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the City's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the City's fiscal year ending June 30, 2018.

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the City's fiscal year ending June 30, 2018.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of government' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the City's fiscal year ending June 30, 2021.

NOTE 2 – INVESTMENT IN CITY OF MODESTO POOL

The cash and investments of the TDA Funds are pooled with other City of Modesto funds. The cash and investments of the TDA Funds are reported as cash and cash equivalents on the balance sheet and statement of net position because the City can spend cash of the TDA Funds at any time without prior notice or penalty. At June 30, 2017, the City's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pool cash and investments is credited to each participant in the pool based on each participant's average monthly cash balance. Detailed information concerning the City's pooled cash and investments, including information regarding the fair value of investments, may be found in the City's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the TDA Funds' position in the pool is the same as the value of its pool shares. The TDA Funds' investments in the City of Modesto's investment pool are exempt from fair value hierarchy disclosure.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the Bus Enterprise Fund for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions and transfers in	Deletions and transfers out	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,060,454	\$ -	\$ -	\$ 4,060,454
Construction in progress	716,881	198,554	(692,744)	222,691
Total capital assets, not being depreciated	4,777,335	198,554	(692,744)	4,283,145
Capital assets, begin depreciated:				
Buildings	23,708,412	88,649	-	23,797,061
Improvements	4,336,165	5,283	(1,385,752)	2,955,696
Furnishings and equipment	1,395,887	43,618	(27,317)	1,412,188
Vehicles	222,284	16,834	-	239,118
Buses and fareboxes	28,487,799	4,039,188	(2,573,884)	29,953,103
Total capital assets, being depreciated	58,150,547	4,193,572	(3,986,953)	58,357,166
Less accumulated depreciation for:				
Buildings	(6,232,710)	(776,744)	-	(7,009,454)
Improvements	(2,136,028)	(134,637)	415,915	(1,854,750)
Furnishings and equipment	(658,298)	(130,460)	27,317	(761,441)
Vehicles	(179,641)	(17,452)	-	(197,093)
Buses and fareboxes	(14,294,826)	(1,702,756)	2,342,894	(13,654,688)
Total accumulated depreciation	(23,501,503)	(2,762,049)	2,786,126	(23,477,426)
Total capital assets, being depreciated, net	34,649,044	1,431,523	(1,200,827)	34,879,740
Total capital assets, net	\$ 39,426,379	\$ 1,630,077	\$ (1,893,571)	\$ 39,162,885

Depreciation expense for the year ended June 30, 2017 was \$2,762,049.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 4 – COMPLIANCE REQUIREMENTS OF LOCAL TRANSPORTATION FUNDS

The Bus Enterprise Fund is subject to TDA provisions requiring the calculation and adherence of fare and local support ratios for TDA transit funding. Effective July 1, 2016, the Stanislaus Council of Governments (StanCOG), the transportation planning agency for Stanislaus County, approved a split system farebox recovery ratio of 20% for Fixed Route and 10% for Demand Response. The City's Bus Enterprise Fund separated the fixed route and demand response calculations for 2017 to show compliance with the required farebox recovery ratios. The Bus Enterprise Fund's fare ratio of operating revenues to operating expenses for the year ended June 30, 2017, as calculated below, indicates the City is in compliance with the provisions of the TDA:

	<u>Fixed Route</u>	<u>Demand Response</u>
Charges for services	\$ 2,460,410	\$ 316,818
Advertising revenue	188,916	-
Less: Non-fare charges	-	-
Fare revenues	<u>2,649,326</u>	<u>316,818</u>
Operating expenses	17,706,239	3,274,578
Less expenses not related to fare generated activities:		
Depreciation	(2,762,049)	-
Transfers in from other City funds	(26,435)	-
Capital activities	(124,040)	(248,189)
Grant and rent-funded activities	(873,505)	-
Adjustments	<u>(1,096,314)</u>	<u>-</u>
Applicable operating expenses	<u>\$ 12,823,896</u>	<u>\$ 3,026,389</u>
Fare ratio	<u>20.66%</u>	<u>10.47%</u>

NOTE 5 – PROPOSITION 1B: PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA)

In November 2006, California voters passed a bond measure enacting the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006. Of the \$19.925 billion of State general obligation bonds authorized, \$4 billion was set aside by the State as instructed by the statute as the Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). These funds are available to the California Department of Transportation for intercity rail projects and to transit operators in California for rehabilitation, safety, or modernization improvements; capital service enhancements or expansions; new capital projects; bus rapid transit improvements; or for rolling stock procurement, rehabilitation, or replacement.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 5 – PROPOSITION 1B: PUBLIC TRANSPORTATION MODERNIZATION, IMPROVEMENT, AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) (Continued)

In fiscal year 2017, the City received \$7,426 from State of California Department of Transportation passed through StanCOG. The City spent \$1,692,092 in various projects during the year and earned an additional \$43,091 in interest, leaving \$2,524,518 of unspent PTMISEA funds as of June 30, 2017.

Project Name	Beginning Unearned Revenue	Interest Earned	New Receipts	Expended	Ending Unearned Revenue
Rehabilitation of existing buses	\$ 677	\$ 8	\$ -	\$ (685)	\$ -
New and refurbish buses	2,132,403	19,692	-	(1,462,942)	689,153
Bus stops	107,712	1,393	-	(8,719)	100,386
Depository	446,068	5,081	-	(57,826)	393,323
Security	1,139,535	12,981	-	(161,920)	990,596
Fareboxes	339,698	3,936	7,426	-	351,060
Total	\$4,166,093	\$ 43,091	\$ 7,426	\$ (1,692,092)	\$2,524,518

NOTE 6 – PROPOSITION 1B: CALIFORNIA TRANSIT SECURITY GRANT (CTSG)

In fiscal year 2017, the City received no additional funding but received \$82 in interest on the unspent funds and disbursed all of CTSG funds of \$10,040, leaving \$0 of unspent CTSG funds as of June 30, 2017.

NOTE 7 – CAPITAL TRANSIT AND LOCAL TRANSPORTATION FUNDS

Unearned revenue for the TDA Funds for the year ended June 30, 2017, was as follows:

	Local Transportation Special Revenue Funds		
	Non-Motorized	Streets and Roads	Total
Unearned revenue, beginning of year	\$ 986,698	\$ 229,783	\$ 1,216,481
TDA funds allocated	154,680	1,463	156,143
TDA funds earned	-	-	-
Adjustment	-	-	-
Unearned revenue, end of year	\$ 1,141,378	\$ 231,246	\$ 1,372,624

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 7 – CAPITAL TRANSIT AND LOCAL TRANSPORTATION FUNDS (Continued)

	Bus Enterprise Fund		
	LTF/LCTOP	Capital Transit/ LCTOP	Total
Unearned revenue, beginning of year	\$ 1,765,931	\$ 1,309,261	\$ 3,075,192
TDA funds allocated	8,462,269	1,181,703	9,643,972
TDA funds earned	(8,164,770)	(741,658)	(8,906,428)
Adjustment	46,852	(46,853)	(1)
Unearned revenue, end of year	<u>\$ 2,110,282</u>	<u>\$ 1,702,453</u>	<u>\$ 3,812,735</u>

NOTE 8 – PENSION PLAN

General Information about the Pension Plan

Plan Description – All of the Bus Fund qualified employees are eligible to participate in the City’s Miscellaneous Pension Plan (Plan), an agent multi-employer defined benefit pension plan administered by the California Public Employees’ Retirement System (CalPERS). Departments and funds of the City, including the Bus Fund, are in a cost-sharing arrangement in which all risks and costs are shared proportionately. CalPERS issues a separate comprehensive annual financial report. Copies of the annual audited financial statements are publicly available reports that can be obtained at CalPERS’ website at www.calpers.ca.gov under Forms and Publications or may be obtained from the CalPERS Executive Office, 400 Q Street, Sacramento, California 95811.

The California Legislature passed and the Governor signed the “Public Employees’ Pension Reform Act of 2013” (PEPRA) on September 12, 2012. PEPRA contained a number of provisions intended to reduce future pension obligations. PEPRA primarily affects new pension plan members who are enrolled for the first time after December 2012. Benefit provisions under the Plan and other requirements are established by State statute and City resolution.

Benefits Provided – The benefits for the Plan are based on members’ years of services, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members come fully vested in their retirement benefits earned to date after five years of credited service.

The Plan’s provisions and benefits in effect at June 30, 2017 and 2016 are summarized as follows:

	Prior to January 17, 2012	January 17, 2012 to December 31, 2012	On or After January 1, 2013
Hire date			
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 67	50 to 67	52 to 67
Monthly benefits, as a % of eligible compensation	1.426 to 2.418%	1.092 to 2.418%	1.000 to 2.500%

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 8 – PENSION PLAN (Continued)

Contributions – Section 20814(c) of the California Public Employees Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the measurement period ended June 30, 2016 (the measurement date) for the Plan, the average active employee contribution rate was 6.846% of annual pay and the employer’s contribution rate was 15.31% of annual payroll. For the measurement period ended June 30, 2015 (the measurement date) for the Plan, the average active employee contribution rate was 6.933% of annual pay and the employer’s contribution rate was 13.539% of annual payroll. Employer contribution rates may change if plan contracts are amended. It is the responsibility of the City to make necessary accounting adjustments to reflect the impact due to any employer-paid member contributions or situations where members are paying a portion of the employer contribution.

For the year ended June 30, 2017, the employer contributions recognized as a deferred outflow of resources was \$227,290.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2017, the Bus Fund reported a liability of \$2,759,942 for its proportionate share of the net pension liability. The net pension liability at June 30, 2017, was measured as of June 30, 2016, using an annual actuarial valuation as of June 30, 2015, rolled forward to June 30, 2016 using standard update procedures. The Bus Fund’s proportion of the net pension liability was based on its contributions to the Plan relative to all contributions to the Plan. At June 30, 2017, the Bus Fund’s proportion was 2.7634%.

For the year ended June 30, 2017, the Bus Fund recognized pension expense of \$220,413. At June 30, 2017, the Bus Fund reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

June 30, 2017	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution subsequent to measurement date	\$ 227,290	\$ -
Changes of assumptions		(121,505)
Differences between expected and actual experiences	-	(3,238)
Net difference between projected and actual earnings on pension plan investments	448,390	-
Totals	\$ 675,680	\$ (124,743)

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 8 – PENSION PLAN (Continued)

The pension contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year Ending	
June 30	
2018	\$ (30,390)
2019	(35)
2020	204,136
2021	<u>149,936</u>
Total	<u>\$ 323,647</u>

Actuarial Assumptions – The total pension liabilities in the June 30, 2015 actuarial valuations, which were rolled forward to June 30, 2016, were determined using the following actuarial method and assumptions:

Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.00%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses, includes Inflation
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds

⁽¹⁾ The probabilities of mortality are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and Post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

All other actuarial assumptions used in the June 30, 2015 valuation was based on the results of actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS website under Forms and Publications.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 8 – PENSION PLAN (Continued)

Discount Rate – The discount rate used to measure the total pension liability at June 30, 2017 was 7.65 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the discount rate is adequate and the use of municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65 percent is applied to all plans in the Public Employees Retirement Fund for the June 30, 2016 measurement date. The stress test results are presented in a detailed report called “GASB Crossover Testing Report” that can be obtained at CalPERS’ website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS staff took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

The target allocation for the June 30, 2016 measurement date was as follows:

<u>Asset Class</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10 ⁽¹⁾</u>	<u>Real Return Years 11+ ⁽²⁾</u>
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	4.50%	5.13%
Infrastructure and Forestland	2.00%	4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
Total	<u>100.00%</u>		

⁽¹⁾ An expected inflation of 2.5% used for this period.

⁽²⁾ An expected inflation of 3.0% used for this period.

CITY OF MODESTO
Transportation Development Act Funds
Notes to the Financial Statements
For the Year Ended June 30, 2017

NOTE 8 – PENSION PLAN (Continued)

Sensitivity of the Bus Fund's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Plan as of the June 30, 2016 measurement date, calculated using the discount rate of 7.65 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	Discount Rate - 1% (6.65%)	Current Discount Rate (7.65%)	Discount Rate + 1% (8.65%)
Bus Fund's Proportionate Share of Plan's Net Pension Liability	\$ 4,337,214	\$ 2,759,942	\$ 1,744,499

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial report. Copies of which may be obtained from the CalPERS Executive Offices, Lincoln Plaza East, 400 Q Street, Sacramento, California 95811.

CITY OF MODESTO
Transportation Development Act Funds
Required Supplementary Information (Unaudited)
Schedule of the Bus Fund's Proportionate Share
of the Net Pension Liability
Last 10 Years*

	2015	2016	2017
Miscellaneous Plan:			
Bus Fund's proportion of the net pension liability	2.55465%	2.68432%	2.76335%
Bus Fund's proportionate share of the net pension liability	\$ 1,899,090	\$ 2,149,389	\$ 2,759,942
Bus Fund's covered payroll	\$ 1,127,265	\$ 1,115,678	\$ 1,249,245
Plan net pension liability as a percentage of their covered payroll	168.47%	201.29%	233.94%
Plan fiduciary net position as a percentage of the total pension liability	81.18%	79.02%	74.26%

Notes to Schedule:

Changes in assumptions:

The discount rate was changed from 7.50 percent (net of administrative expense) in 2015 to 7.65% in 2016.

* - GASB Statement No. 68 was implemented in 2015.

CITY OF MODESTO
Transportation Development Act Funds
Required Supplementary Information (Unaudited)
Schedule of the Bus Fund's Contributions
Last 10 Years*

	2015	2016	2017
Miscellaneous Plan:			
Contractually required contribution	\$ 143,374	\$ 178,451	\$ 227,290
Contributions in relation to the contractually required contribution	143,374	178,451	227,290
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Bus Fund's covered payroll	\$ 1,075,274	\$ 1,127,265	\$ 1,115,678
Contributions as a percentage of covered payroll	13.33%	15.83%	15.31%

Notes to Schedule:

The actuarial methods and assumptions used to determine contribution rates for the year ended June 30, 2017 were from the actuarial valuations for the year ended June 30, 2014.

Actuarial cost method	Entry-Age Normal
Actuarial assumptions:	
Inflation	2.75%
Salary increase	Varies ⁽¹⁾
Payroll growth	3.00% ⁽²⁾
Investment rate of return	7.50%
Retirement age	2014 Experience Study ⁽³⁾
Mortality	2014 Experience Study ⁽⁴⁾

(1) Depending on age, service, and type of employment.

(2) Net of pension plan investment and administrative expenses, including inflation.

(3) The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period 1997 to 2011.

(4) The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2007. Pre-retirement and post-retirement mortality rates include 5 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

* - GASB Statement No. 68 was implemented in 2015.

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the Transportation Development Act

Honorable Members of the City Council
City of Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Local Transportation Special Revenue Funds and the Bus Enterprise Fund (collectively known as the Transportation Development Act Funds) of the City of Modesto, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, and have issued our report thereon dated November 13, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting as it relates to the Transportation Development Act Funds (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's Transportation Development Act Funds financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable statutes, rules and regulations of the Transportation Development Act and the allocation instructions and resolutions of the Stanislaus Council of Governments as required by Sections 6666 and 6667 of Title 21, Division 3, Chapter 2, Article 5.5 of the California Code of Regulations, noncompliance with which could have a direct

and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or the Transportation Development Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and the Transportation Development Act in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 13, 2017



Certified
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**Independent Accountant's Report on Compliance with the Public
Transportation Modernization, Improvement, and Service
Enhancement Account (PTMISEA)**

Honorable Members of the City Council
City of Modesto, California

We have examined the City of Modesto's (City) compliance with the verification of receipt and appropriate expenditure of bond funds per the Public Transportation Modernization, Improvement and Service Enhancement Account (PTMISEA) Guidelines during the year ended June 30, 2017. Management is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended June 30, 2017.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 13, 2017

MODESTO-CERES FIRE PROTECTION AGENCY

INDEPENDENT AUDITOR'S REPORTS,
BASIC FINANCIAL STATEMENTS, AND
OTHER INFORMATION

FOR THE YEAR ENDED JUNE 30, 2017



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**MODESTO-CERES FIRE PROTECTION AGENCY
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report

Board of Directors
Modesto-Ceres Fire Protection Agency
Modesto, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and General Fund of the Modesto-Ceres Fire Protection Agency (the Agency) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Agency, as of

June 30, 2017, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The schedule of officers is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The schedule of officers has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2017, on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
October 17, 2017

**MODESTO-CERES FIRE PROTECTION AGENCY
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
AND BALANCE SHEET - GENERAL FUND
JUNE 30, 2017**

ASSETS

Cash and investments	\$	220,337
Taxes receivable		15,922
Interest receivable		809
		809

Total Assets		237,068
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LIABILITIES

Accounts payable		237,068
		237,068

FUND BALANCE/NET POSITION

Unassigned/Unrestricted	\$	-
		-

See accompanying notes to the basic financial statements.

**MODESTO-CERES FIRE PROTECTION AGENCY
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
AND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGE IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENDITURES/EXPENSES

Fire and ambulance service:

Services, professional, and other	\$ 4,941
Liability insurance	1,070
City of Modesto - administrative fee	16,749
Other	<u>2,632</u>

Total Expenditures/Expenses	<u>25,392</u>
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GENERAL REVENUES AND DISTRIBUTIONS

General Revenues:

Taxes	557,812
Interest	1,931
Change in fair value of investments	(1,294)

Distributions:

City of Modesto	(296,113)
City of Ceres	<u>(236,944)</u>

Total General Revenues and Distributions	<u>25,392</u>
--	---------------

Change in Fund Balance/Net Position	-
-------------------------------------	---

Fund Balance/Net Position, beginning of year	<u>-</u>
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Fund Balance/Net Position, end of year	<u><u>\$ -</u></u>
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See accompanying notes to the basic financial statements.

MODESTO-CERES FIRE PROTECTION AGENCY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017

	Budgeted Amounts		Actual Amounts	Variance With Final Budget
	Original	Final		
REVENUE				
Taxes	\$ 533,758	\$ 555,605	\$ 557,812	\$ 2,207
Interest	2,695	4,395	1,931	(2,464)
Change in fair value of investments	-	300	(1,294)	(1,594)
Total Revenue	536,453	560,300	558,449	(1,851)
EXPENDITURES				
Services, professional, and other	4,957	4,957	4,941	16
Liability insurance	1,500	1,500	1,070	430
City of Modesto - administrative fee	16,094	22,094	16,749	5,345
Other	1,966	1,966	2,632	(666)
Total Expenditures	24,517	30,517	25,392	5,125
Excess of Revenues over Expenditures	511,936	529,783	533,057	3,274
OTHER FINANCING USES				
Distributions to Member Agencies:				
City of Modesto	(284,380)	(294,283)	(296,113)	(1,830)
City of Ceres	(227,556)	(235,500)	(236,944)	(1,444)
Total Other Financing Uses	(511,936)	(529,783)	(533,057)	(3,274)
Changes in Fund Balance	\$ -	\$ -	-	\$ -
Fund Balance, beginning of year			-	
Fund Balance, end of year			\$ -	

See accompanying notes to the basic financial statements.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES**

A. Organization

The Modesto-Ceres Fire Protection Agency (the Agency) was formed on March 13, 2007 by a joint powers agreement made in accordance with Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (commencing with Section 6500) between the Industrial Fire District (District), the City of Modesto, and the City of Ceres for the cities to provide fire protection and administrative services within the District. The Agency operates under the Fire Protection District Law of 1987 and the Health and Safety Code, Sections 13801-13999.

Revenue to finance the Agency's operation is derived from the County of Stanislaus property tax rolls.

B. Summary of Significant Accounting Policies

The accounting and reporting policies of the Agency relating to the funds included in the accompanying financial statements conform in all material respects to accounting principles generally accepted in the United States of America (GAAP) that are applicable to state and local governments.

The following significant accounting policies were applied in the preparation of the accompanying financial statements.

C. Reporting Entity

The Agency's financial statements include the accounts of all Agency operations. The criteria for including organizations as component units within the Agency's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Boards (GASB) Codification of Government Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Agency holds the corporate powers of the organization
- the Agency appoints a voting majority of the organization's board
- the Agency is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Agency
- there is fiscal dependency by the organization on the Agency

Based on the aforementioned criteria, the Agency has no component units.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

D. Government-Wide and Fund Financial Statements

The Agency's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental activities for the Agency.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the Agency's assets and liabilities are included in the accompanying statement of net position.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activities are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or identifiable activity. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or identifiable activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or identifiable activity. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Agency's governmental fund financial statements include a balance sheet and a statement of revenues, expenditures, and change in fund balance. The General Fund is the only governmental fund.

The General Fund is accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and change in fund balance presents increases (revenues) and decreases (expenditures) in fund balance.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except for revenues susceptible to accrual (generally received 60 days after year-end). The primary revenue source, which have been treated as susceptible to accrual by the Agency, is property taxes.

Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Since the amounts presented in the Agency's balance sheet and statement of net position are the same, they are presented as one financial statement. Similarly, since the amounts presented in the Agency's statement of revenues, expenditures, and change in fund balance and the statement of activities are the same, they are presented as one financial statement. There were no encumbrances outstanding as of June 30, 2017, so the actual budgetary-basis expenditures are the same as the actual GAAP-basis expenditures.

E. Budget

The budget for the General Fund is prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; expenditures, which include encumbrances, are budgeted in the year that the applicable warrant requisitions are expected to be issued.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

Annual budget requests are submitted by the Agency staff to the Agency's Board of Directors for review. After public hearing, a budget is approved by the Agency's Board of Directors, with a resolution adopting said budget. Copies of the approved budget are sent to all required agencies.

The General Fund budget is prepared within the limit on spending as regulated by Proposition 4 Appropriations Limitation. Unencumbered appropriations for annually budgeted funds lapse at year-end.

F. Proposition 4

The Proposition 4 Appropriations Limitation for the year ended June 30, 2017, was \$1,043,543.

G. Property Tax

Secured property taxes attach as an enforceable lien on real property as of the 1st day of January. Taxes are payable in two installments on November 1 and February 1, and become delinquent if not paid before December 10th and April 10th. Unsecured property taxes are billed in one installment, are due March 15th, and become delinquent if not paid on or before August 31st. The County of Stanislaus bills and collects all property taxes and remits to the Agency its share of the 1% property tax allocation.

H. Employees' Retirement Plan

The Agency no longer participates in the County of Stanislaus retirement plan since firefighters are paid by the Cities of Modesto and Ceres.

I. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the Agency is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** – Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** – Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** – Amounts constrained to specific purposes by the Agency itself, using the Agency's highest level of decision-making authority (the Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the Agency takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** – Amounts the Agency *intends* to use for a specific purpose. Intent can be expressed by the Agency at either the highest level of decision-making authority or by an official or body to which the Agency delegates the authority.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **Unassigned** – The residual classification for the Agency’s General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Agency establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption or amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the Agency through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the Agency’s policy to use restricted resources first, followed by the committed, assigned and unassigned resources as they are needed.

J. Accounting Standards Update

During the year ended June 30, 2017, the Agency implemented the following GASB standards:

GASB Statement No. 77, *Tax Abatement Disclosures*, is intended to improve financial reporting relating to disclosures of tax abatement transactions. Statement No. 77 requires governments that enter into tax abatement agreements to disclose (1) descriptive information about the agreements, such as the tax being abated, the authority under which tax abatements are provided, eligibility criteria, the mechanism by which taxes are abated, provisions for recapturing abated taxes, and the types of commitments made by tax abatement recipients; (2) the gross dollar amount of taxes abated during the period; (3) commitments made by a government, other than to abate taxes, as part of a tax abatement agreement. This statement did not have a significant impact to the Agency’s financial statements.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the Agency’s financial statements.

The Agency is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the Agency’s fiscal year ending June 30, 2018.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

**NOTE 1 – ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING
POLICIES (Continued)**

A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement is effective for the Agency's fiscal year ending June 30, 2019.

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the Agency's fiscal year ending June 30, 2019.

In March 2017, the GASB issued Statement No. 85, Omnibus 2017, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the Agency's fiscal year ending June 30, 2018.

In May 2017, the GASB issued Statement No. 86, Certain Debt Extinguishment Issues, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the Agency's fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, Leases, increases the usefulness of government' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The Statement is effective for the Agency's fiscal year ending June 30, 2021.

NOTE 2 – CASH AND INVESTMENTS

Cash and investments of the Agency are pooled with other City of Modesto funds. The Agency's portion of this pooled amount was \$220,337 at June 30, 2017. At June 30, 2017, the City of Modesto's investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to each participant in the pool based on each participant's average monthly cash balance. Detailed information concerning the City of Modesto's pooled cash and investments, including information regarding the fair value of investments, may be found in the City of Modesto's Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the Agency's position in the pool is the same as the value of its pool shares. The Agency's investments in the City of Modesto's investment pool are exempt from fair value hierarchy disclosure.

**MODESTO-CERES FIRE PROTECTION AGENCY
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2017, expenditures exceeded appropriations as follows:

General Fund	
Other	\$666

OTHER INFORMATION

**MODESTO-CERES FIRE PROTECTION AGENCY
SCHEDULE OF OFFICERS
JUNE 30, 2017**

President	Bryan Nicholes – City of Ceres Deputy Fire Chief
Vice President	Vacant
Secretary	Jena Duke – City of Modesto Executive Assistant
City of Modesto	Joseph P. Lopez – City of Modesto Interim City Manager
City of Ceres	Toby Wells – City of Ceres City Manager
City of Modesto	Alan Ernst – City of Modesto Interim Fire Chief



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Board of Directors
Modesto-Ceres Fire Protection Agency
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and General Fund of the Modesto-Ceres Fire Protection Agency (Agency) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated October 17, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Agency's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
October 17, 2017

TUOLUMNE RIVER REGIONAL PARK

INDEPENDENT AUDITOR'S REPORTS,
BASIC FINANCIAL STATEMENTS, AND
REQUIRED SUPPLEMENTARY
INFORMATION

FOR THE YEAR ENDED JUNE 30, 2017



Certified
Public
Accountants

**TUOLUMNE RIVER REGIONAL PARK
FOR THE YEAR ENDED JUNE 30, 2017**

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Certified
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Accountants

Independent Auditor's Report

Tuolumne River Regional Park Commission,
The Board of Supervisors of the
County of Stanislaus, California, and
The City Councils of Modesto and Ceres, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Tuolumne River Regional Park (the Park) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Park's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Park as of June 30, 2017, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 28, 2017, on our consideration of the Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Park's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Park's internal control over financial reporting and compliance.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 28, 2017

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

This section of the annual financial report presents a discussion and analysis of financial performance of Tuolumne River Regional Park (the Park) during the past fiscal year. Please read it in conjunction with the Park's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The assets of the Park exceeded liabilities at the close of the 2017 fiscal year by \$6,607,537 (net position). Of this amount, \$6,605,180 is invested in capital assets, and \$2,357 (unrestricted net position) may be used to meet ongoing obligations to citizens and creditors.

- Total net position increased by \$226,376 from current year activity.
- As of June 30, 2017, the Park's funds reported combined fund balance of \$2,357, an increase of \$60,666 in comparison with the prior year.
- At the end of the fiscal year, the General Fund had a fund balance of \$47,400.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Park's basic financial statements. The basic financial statements are made up of three components 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-Wide Financial Statements are designed to provide readers with a broad overview of Park finances, in a manner similar to a private-sector business.

The statement of net position presents information on all assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Park is improving or deteriorating.

The statement of activities presents information showing how net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash inflows or outflows in future fiscal periods.

The sole function of the Park is parks and recreation. It is principally supported by contributions from the three participating agencies of the Park joint powers agreement, the County of Stanislaus and the Cities of Modesto and Ceres, rather than by user fees, and thus, is considered a governmental activity.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund Financial Statements provide evidence of accountability by demonstrating compliance with budgetary decisions. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or purposes stipulated by laws, regulations, or policies. Both Park funds are governmental funds.

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Park maintains two individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for both the General Fund and the Capital Projects Fund.

The governmental funds financial statements can be found on pages 12 through 14 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes can be found on pages 15 through 20 of this report.

Required Supplementary Information presents budgetary comparison schedules for the General Fund to demonstrate compliance with the budget. Required supplementary information can be found on pages 21 through 22 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. Net position of the Park was \$6,607,537 at the close of fiscal year 2017, compared with \$6,381,161 as of June 30, 2016.

Statement of Net Position – Governmental Activities

	2017	2016
Current and other assets	\$ 903,139	\$ 430,092
Capital assets	6,605,180	6,210,706
Total assets	7,508,319	6,640,798
Current and other liabilities	900,782	259,637
Net position:		
Investment in capital assets	6,605,180	6,210,706
Unrestricted	2,357	170,455
Total net position	\$ 6,607,537	\$ 6,381,161

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

The largest portion of net position, \$6,605,180, is made up of the Park's investment in capital assets. The Park uses these assets to provide its parks and recreation services; consequently, they are not available for future spending.

Current and other assets increased by \$473,047 or 110% due to a significant increase in due from other governments in the amount of \$435,191. The increase is due to increased billing of State grants project and timing associated with cash collection.

The resultant unrestricted net position is \$2,357. This amount is the balance at year-end which may be used to meet the Park's ongoing obligations.

The Park's net position increased by \$226,376 during the current fiscal year.

Statement of Activities – Governmental Activities

	<u>2017</u>	<u>2016</u>
Revenues:		
Program revenues:		
Charges for services	\$ 46,556	\$ 63,317
Capital grants and contributions	692,487	193,313
Operating grants and contributions	147,923	255,577
General revenues:		
Other	<u>7,352</u>	<u>980</u>
Total revenues	894,318	513,187
Expenses:		
Parks and recreation	<u>667,942</u>	<u>615,404</u>
Change in net position	226,376	(102,217)
Net position, beginning of year	<u>6,381,161</u>	<u>6,483,378</u>
Net position, end of year	<u><u>\$ 6,607,537</u></u>	<u><u>\$ 6,381,161</u></u>

The 2017 net position increase by \$226,376 is mainly attributable to overall increase in capital grants and contributions from state grants compared to 2016.

FINANCIAL ANALYSIS OF PARK FUNDS

As noted earlier, the Park uses fund accounting to ensure and demonstrate compliance with budgetary decisions.

Governmental funds. The parks and recreation function of the Park is recorded in the General and Capital Projects Funds. The focus of these governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Park's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of net resources available for spending at the end of the fiscal year.

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

At June 30, 2017, the Park's governmental funds reported a combined fund balance of \$2,357, an increase of \$60,666 in comparison with the prior year.

The General Fund is the chief operating fund of the Park. At June 30, 2017, the General Fund had a fund balance of \$47,400, an increase of \$36,688 from the prior year. This increase can be attributed to the increase in state grants and contributions from the joint powers authority.

General and Capital Projects funds revenues totaled \$1,123,082 in fiscal year 2017, an increase of \$609,895 or 118.84% over fiscal year 2016. The following table presents the revenues from various sources as well as increases or decreases from the prior year.

**Revenues Classified by Source
Governmental Funds**

Revenues by Source	2017		2016		Change	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent
Rents	\$ 46,556	4.15%	\$ 63,317	12.34%	\$ (16,761)	-26.47%
Contributions by supporting agencies	374,645	33.36%	279,870	54.54%	94,775	33.86%
Intergovernmental	694,529	61.84%	169,020	32.93%	525,509	310.92%
Other	7,352	0.65%	980	0.19%	6,372	650.20%
	<u>\$ 1,123,082</u>	<u>100.00%</u>	<u>\$ 513,187</u>	<u>100.00%</u>	<u>\$ 609,895</u>	<u>118.84%</u>

The increase in revenues is attributable to the increase in contributions by supporting agencies and intergovernmental revenues. The Park received state grant during the fiscal year to fund for the Tuolumne River Regional Park Gateway Parcel Phase 2 Project.

The following table presents expenditures by function compared to prior year amounts.

**Expenditures by Function
Governmental Funds**

Expenditures by Function	2017		2016		Change	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent
Parks and recreation	\$ 366,865	34.53%	\$ 316,662	62.09%	\$ 50,203	15.85%
Interest cost	3,064	0.29%	-	0.00%	3,064	100.00%
Capital outlay	692,487	65.18%	193,313	37.91%	499,174	258.22%
	<u>\$ 1,062,416</u>	<u>100.00%</u>	<u>\$ 509,975</u>	<u>100.00%</u>	<u>\$ 552,441</u>	<u>108.33%</u>

Current parks and recreation expenditures for operations showed significant increase, primarily due to increased maintenance expenses for the year. Capital outlay increased due to the increased activity in the Tuolumne River Regional Park Gateway Parcel Phase 2 Project compared to 2016. These costs are expected to be reimbursed by a grant from the State of California.

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

The current year changes in fund balances are presented in the following table:

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

	General Fund	Capital Projects Fund	Total
Revenues	\$ 428,553	\$ 694,529	\$ 1,123,082
Expenditures	(366,865)	(695,551)	(1,062,416)
Other financing sources:			
Transfers in	-	25,000	25,000
Transfers out	(25,000)	-	(25,000)
Changes in fund balances	36,688	23,978	60,666
Fund balances (deficit), beginning of year	10,712	(69,021)	(58,309)
Fund balances (deficit), end of year	<u>\$ 47,400</u>	<u>\$ (45,043)</u>	<u>\$ 2,357</u>

The fund balance of the Park's General Fund increased by \$36,688 during the fiscal year, compared to the final budget anticipated increase of \$33,707. The key factor was the continued financial support by the Joint Powers Authority (JPA) participants and minimal reduction to expenses overall.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues were lower than final budgetary estimates by \$8,452. This is mainly attributable to lower than budgeted rents due to closure of certain facilities due to flooding. Actual expenditures were \$36,433 lower than final budgetary estimates. This is mainly attributable to lower than budgeted contractual services (i.e., financial support by the City of Modesto).

CAPITAL ASSETS

The Park's investment in capital assets as of June 30, 2017, amounted to \$6,605,180 (net of accumulated depreciation). This investment in capital assets includes land, buildings and other improvements, and construction in progress. The investment in capital assets increased by \$394,474, or 6.35% over the prior year. The major components of this change were:

Depreciation expense	\$ (298,013)
Construction in progress additions	<u>692,487</u>
Total	<u>\$ 394,474</u>

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

For government-wide financial statement presentation, all depreciable capital assets are being depreciated using the straight-line method. Fund financial statements record capital asset purchases as expenditures. The Park has no infrastructure assets.

Capital assets, net of depreciation, are shown below to illustrate changes from the prior year:

	2017	2016	Increase (Decrease)
Land	\$ 2,528,566	\$ 2,528,566	\$ -
Buildings	41,109	42,534	(1,425)
Improvements	2,866,487	3,163,075	(296,588)
Construction in progress	1,169,018	476,531	692,487
Total	\$ 6,605,180	\$ 6,210,706	\$ 394,474

Additional information on the Park's capital assets can be found in Note 3 on page 20 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The three agencies that make up the Park's JPA continue to work collaboratively to ensure that the vision for this urban river corridor becomes a reality. Contributing agency funding levels increased last year with all of the participating agencies' apportionments allocated to operating costs. Utility costs continue to increase and the Park has limited options to control or reduce these costs. Turf watering has been eliminated in Legion Park with the turf areas of the Park reverting to a more natural, native look and becoming brown during the periods of no rain or low river levels.

The TRRP Commission has approved a budget for FY 2017/18 that does not include a contribution from the City of Ceres due to budgetary constraints on the City of Ceres. The City of Ceres has indicated that they will readdress the potential to reinstate their contribution for FY 2018/19.

The City of Modesto's Parks, Recreation, and Neighborhoods Department began a project to plan for the future development of the Park when the JPA of the City of Modesto, City of Ceres, and Stanislaus County adopted the Park Master Plan in December 2001. In April 2005, staff began work on the Precise Plan and the Finding of Conformance to the MEIR for the Gateway Parcel project, and in September 2005, the City Council approved the Precise Plan for the Gateway Parcel of the Park. Since then, three phases of restoration work, totaling approximately 63 acres, have been completed.

Staff and the Park Commission continue to seek funding from all appropriate grant sources. The Park JPA was successful in being awarded a \$2.2 million grant, funded by State Proposition 84, and a \$450,000 grant, funded by the Land and Water Conservation Fund, for the development of Phase 2 of the Gateway Parcel. Phase 2 will continue habitat restoration by creating a backwater channel, developing approximately 800-feet of trail, installing a pre-fabricated pedestrian bridge and River Overlook, and planting approximately 11 acres of riparian habitat plants. This project is currently under construction but was delayed due to flooding in early 2017 and is now anticipated to be completed in 2018. This project will improve the high water flow capacity of the park, helping to reduce the impact of flood events down river from the Gateway Parcel while completing the restoration of the riparian areas of the Gateway Parcel.

**TUOLUMNE RIVER REGIONAL PARK
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2017**

There will be three new projects added to the Capital Improvement Budget in FY 2017/18. The first project is the Carpenter Road (Bellenita Park) Soccer Complex which will construct three (3) new soccer fields, a parking lot and various site amenities. The grant from California State Parks was awarded in the amount of \$1,000,000. The second project is the Tuolumne River Regional Park River Overlook which will construct a boardwalk to protect the floodplain/seasonal wetland and increase the recreational and educational opportunities through a sensitive riparian habitat which is adjacent to the existing Riverwalk Trail near the river's edge. The grant from California Natural Resources Agency was awarded in the amount of \$500,000. The final project is the Neece Drive Boat Launch Facility which will construct a boat launch from Neece Drive to the Tuolumne River, including parking, access road and other site amenities. The grant from California Department of Boating and Waterways will be awarded at approximately \$780,000.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Park's finances for those interested in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Modesto, Accounting Division, P.O. Box 642, Modesto, California 95353.

TUOLUMNE RIVER REGIONAL PARK
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2017

ASSETS	
Investment in City of Modesto pool	\$ 6,955
Due from other governments	843,102
Accounts receivable	52,988
Interest receivable	94
Capital assets:	
Nondepreciable	3,697,584
Depreciable, net	<u>2,907,596</u>
 Total Assets	 <u>7,508,319</u>
 LIABILITIES	
Accounts payable	15,231
Due to other governments	<u>885,551</u>
 Total Liabilities	 <u>900,782</u>
 NET POSITION	
Investment in capital assets	6,605,180
Unrestricted	<u>2,357</u>
 Total Net Position	 <u><u>\$ 6,607,537</u></u>

See accompanying notes to the basic financial statements.

**TUOLUMNE RIVER REGIONAL PARK
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

EXPENSES	
Parks and recreation	<u>\$ 667,942</u>
PROGRAM REVENUES	
Charges for services	46,556
Capital grants and contributions	692,487
Operating grants and contributions	<u>147,923</u>
Total Program Revenues	<u>886,966</u>
Net Program Revenue	219,024
GENERAL REVENUES	
Other	<u>7,352</u>
Change in Net Position	226,376
Net Position, beginning of year	<u>6,381,161</u>
Net Position, end of year	<u><u>\$ 6,607,537</u></u>

See accompanying notes to the basic financial statements.

**TUOLUMNE RIVER REGIONAL PARK
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2017**

	General Fund	Capital Projects Fund	Total Governmental Funds
ASSETS			
Investment in City of Modesto pool	\$ 6,955	\$ -	\$ 6,955
Due from other governments	-	843,102	843,102
Accounts receivable	52,988	-	52,988
Interest receivable	94	-	94
	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 60,037</u>	<u>\$ 843,102</u>	<u>903,139</u>
LIABILITIES AND FUND BALANCES (DEFICIT)			
Liabilities			
Accounts payable	\$ 12,637	\$ 2,594	\$ 15,231
Due to other governments	-	885,551	885,551
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	12,637	888,145	900,782
Fund Balances (Deficit)			
Unassigned	47,400	(45,043)	2,357
	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fund Balances (Deficit)	<u>\$ 60,037</u>	<u>\$ 843,102</u>	

Amounts reported for governmental activities in the Statement of Net Position are different from those reported in the governmental funds above because of the following:

Capital assets used in governmental activities are not current assets or financial resources and, therefore, are not reported in the governmental funds.	<u>6,605,180</u>
Net Position of Governmental Activities	<u>\$ 6,607,537</u>

See accompanying notes to the basic financial statements.

**TUOLUMNE RIVER REGIONAL PARK
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017**

	General Fund	Capital Projects Fund	Total Governmental Funds
REVENUES			
Rents	\$ 46,556	\$ -	\$ 46,556
Contributions made by joint powers authority participants	374,645	-	374,645
Intergovernmental	-	694,529	694,529
Other	7,352	-	7,352
Total Revenues	428,553	694,529	1,123,082
EXPENDITURES			
Current:			
Contractual services	356,025	-	356,025
Materials and supplies	1,507	-	1,507
Insurance and taxes	9,333	-	9,333
Interest cost	-	3,064	3,064
Capital outlay	-	692,487	692,487
Total Expenditures	366,865	695,551	1,062,416
OTHER FINANCING SOURCES (USES)			
Transfers in	-	25,000	25,000
Transfers out	(25,000)	-	(25,000)
Total Other Financing Sources (Uses)	(25,000)	25,000	-
Changes in Fund Balances	36,688	23,978	60,666
Fund Balances (Deficit), beginning of year	10,712	(69,021)	(58,309)
Fund Balances (Deficit), end of year	<u>\$ 47,400</u>	<u>\$ (45,043)</u>	<u>\$ 2,357</u>

See accompanying notes to the basic financial statements.

**TUOLUMNE RIVER REGIONAL PARK
RECONCILIATION OF THE CHANGES IN FUND BALANCES
OF TOTAL GOVERNMENTAL FUNDS WITH THE CHANGE
IN NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2017**

Changes in Fund Balances of Total Governmental Funds	\$	60,666
<p>Amounts reported for governmental activities in the Statement of Activities are different because of the following:</p>		
<p>Revenues earned in the Statement of Activities in a previous year that did not provided current financial resources in that year were not reported as revenue in the governmental funds until they provided current financial resources this year.</p>		(228,764)
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.</p>		
Capital outlay expenditures		692,487
Depreciation expense		(298,013)
		692,487
		(298,013)
Change in Net Position of Governmental Activities	\$	226,376

See accompanying notes to the basic financial statements.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity and Description of Services

Tuolumne River Regional Park (the Park) was founded in 1972 by an agreement between the County of Stanislaus (the County) and the cities of Modesto and Ceres (Cities). The agreement provides for financing, development, and maintenance of the Park facilities. The Park includes approximately 180 developed and 330 undeveloped acres with group picnic areas, play equipment lots, ballfields, and Legion Hall. Rent is generated from public use of these facilities. The County and Cities provide additional operating funds. The Park is governed by the Tuolumne River Regional Park Committee, which consists of two members of the County's Board of Supervisors, two members of the City of Modesto's City Council, and one member of the City of Ceres' City Council.

Financial transactions initiated by the Park are processed and accounted for by the City of Modesto's financial system.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Park. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities normally are supported by contributions, rents, and intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses are offset by program revenues. Direct expenses are those that are clearly identifiable with the parks and recreation function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by the parks and recreation function and 2) grants and contributions that are restricted to meeting the operational requirements of the parks and recreation function. Revenues that are not classified as program revenues, including investment earnings and other revenues, are reported as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Basis of Presentation, Basis of Accounting, and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For this purpose, the Park considers revenues to be available if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under the accrual basis of accounting.

Substantially all rents, contributions made by joint powers authority participants, interest, including the change in fair value of investments, and intergovernmental are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenues are considered to be measurable and available only when cash is received by the Park.

The Park reports the following major governmental funds:

General Fund

The General Fund is the operating fund of the Park.

Capital Projects Fund

The Capital Projects Fund is used to account for financial resources restricted for specific purposes.

D. Management's Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Park as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which are 30 years for buildings and 20 years for improvements. Operating expenses include depreciation on all depreciable capital assets.

Capital assets acquired by the governmental funds are recorded as expenditures by the governmental funds and are capitalized, at cost, in the statement of net position. Title to capital assets vests with all of the parties to the agreement, each having an undivided interest therein.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Net Position

Net position is the excess of all the Park's assets over all its liabilities, regardless of fund. Net position is divided into three captions. These captions apply only to net position, which is determined only at the government-wide level, and are described below:

Investment in Capital Assets, describes the portion of net position which is represent by the current net book value of the Park's capital assets.

Restricted describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the Park cannot unilaterally alter.

Unrestricted describes the portion of net position which is not restricted as to use.

G. Fund Balance

In the fund financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned, or unassigned based primarily on the extent to which the Park is bound to honor constraints on how specific amounts can be spent.

- **Nonspendable** - Amounts that are not in spendable form (such as inventory) or are required either legally or contractually to be maintained intact.
- **Restricted** - Amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional or enabling legislation.
- **Committed** - Amounts constrained to specific purposes by the Park itself, using the Park's highest level of decision-making authority (Park Committee). To be reported as committed, amounts cannot be used for any other purpose unless the Park takes the same highest level action to remove or change the constraint. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.
- **Assigned** - Amounts the Park *intends* to use for a specific purpose. Intent can be expressed by the Park at either the highest level of decision-making or by an official or body to which the Park delegates the authority.
- **Unassigned** - The residual classification for the Park's General Fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Park establishes and modifies or rescinds fund balance commitments by passage of an ordinance or policy. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget as a designation or commitment of the fund, such as approved construction contracts. Assigned fund balance is established by the Park through adoption or amendment of the budget or future year budget plan as intended for a specific purpose.

When both restricted and unrestricted resources are available for use, it is the Park's policy to use restricted resources first, followed by the committed, assigned, and unassigned resources as they are needed.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Risk Management

The Park is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Park participates in the City of Modesto's insurance pool to mitigate the risk of loss and contributes its pro-rata share of estimated losses. The City of Modesto's insurance pool does not maintain separate records for estimated outstanding liabilities, including incurred but not reported claims. Refer to the City of Modesto's Comprehensive Annual Financial Report for further information related to the insurance pool. Additional insurance is purchased for special events when certain Park facilities are rented to the public.

I. Governmental Accounting Standards Update

During the fiscal year ending June 30, 2017, the Park implemented the following Governmental Accounting Standards Board (GASB) standards:

GASB Statement No. 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14*. The statement establishes an additional blending requirement for the financial statement presentation of component units. This statement did not have a significant impact to the Park's financial statements.

The Park is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

In March 2016, the GASB issued Statement No. 81, *Irrevocable Split-Interest Agreements*. The statement provides recognition and measurement guidance for situations in which a government is a beneficiary of these agreements. This Statement is effective for the Park's fiscal year ending June 30, 2018.

In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset.

A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement is effective for the Park's fiscal year ending June 30, 2019.

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*, improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement is effective for the Park's fiscal year ending June 30, 2020.

In March 2017, the GASB issued Statement No. 85, *Omnibus 2017*, addresses practical issues that have been identified during implementation and application of certain GASB Statements. The statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, pensions and other postemployment benefits. This Statement is effective for the Park's fiscal year ending June 30, 2018.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In May 2017, the GASB issued Statement No. 86, *Certain Debt Extinguishment Issues*, improves consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. This Statement is effective for the Park’s fiscal year ending June 30, 2018.

In June 2017, the GASB issued Statement No. 87, *Leases*, increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The Statement is effective for the Park’s fiscal year ending June 30, 2021.

NOTE 2 – INVESTMENT IN CITY OF MODESTO POOL

All of the Park’s cash and investments are included within the City of Modesto’s cash and investment pool. The Park’s portion of this pooled amount was \$6,955. At June 30, 2017, the City’s investment pool is unrated and the weighted average maturity is 483 days. Interest earned on pooled cash and investments is credited to each participant in the pool based on each participant’s average monthly cash balance. The Modesto City Council has oversight responsibility of the City of Modesto investment pool. Detailed information concerning the City of Modesto’s pooled cash and investments, including information regarding the fair value of investments, may be found in the City of Modesto’s Comprehensive Annual Financial Report. As of June 30, 2017, the fair value of the Park’s position in the pool is the same as the value of its pool shares. The Park’s investments in the City of Modesto’s investment pool are exempt from fair value hierarchy disclosure.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Ending Balance
Capital assets, not being depreciated:			
Land	\$ 2,528,566	\$ -	\$ 2,528,566
Construction in progress	476,531	692,487	1,169,018
Total capital assets not being depreciated	<u>3,005,097</u>	<u>692,487</u>	<u>3,697,584</u>
Capital assets, being depreciated:			
Buildings	455,935	-	455,935
Improvements	7,481,168	-	7,481,168
Total capital assets, being depreciated	<u>7,937,103</u>	<u>-</u>	<u>7,937,103</u>
Less accumulated depreciation for:			
Buildings	(413,401)	(1,425)	(414,826)
Improvements	(4,318,093)	(296,588)	(4,614,681)
Total accumulated depreciation	<u>(4,731,494)</u>	<u>(298,013)</u>	<u>(5,029,507)</u>
Total capital assets, being depreciated, net	<u>3,205,609</u>	<u>(298,013)</u>	<u>2,907,596</u>
Capital assets, net	<u>\$ 6,210,706</u>	<u>\$ 394,474</u>	<u>\$ 6,605,180</u>

Depreciation expense for the year ended June 30, 2017, was \$298,013.

NOTE 4 – RELATED PARTY TRANSACTIONS

The Park reimburses the City of Modesto for administrative and other costs incurred by the City of Modesto on the Park's behalf. During the 2017 fiscal year, contractual service expenditures included \$127,906 of the City of Modesto's payroll costs allocated to the Park. The additional costs are due to the increased staff time due to the February 2017 storms and tree trimming operations adjacent to the Airport.

REQUIRED SUPPLEMENTARY INFORMATION

**TUOLUMNE RIVER REGIONAL PARK
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2017**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Rents	\$ 62,360	\$ 62,360	\$ 46,556	\$ (15,804)
Contributions made by joint powers authority participants	374,645	374,645	374,645	-
Other	-	-	7,352	7,352
Total Revenues	<u>437,005</u>	<u>437,005</u>	<u>428,553</u>	<u>(8,452)</u>
EXPENDITURES				
Current:				
Contractual services	386,021	386,021	356,025	29,996
Materials and supplies	7,850	7,850	1,507	6,343
Insurance and taxes	9,427	9,427	9,333	94
Total Expenditures	<u>403,298</u>	<u>403,298</u>	<u>366,865</u>	<u>36,433</u>
OTHER FINANCING USES				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
Changes in Fund Balance	<u>\$ 8,707</u>	<u>\$ 8,707</u>	36,688	<u>\$ 27,981</u>
Fund Balance, beginning of year			<u>10,712</u>	
Fund Balance, end of year			<u>\$ 47,400</u>	

See accompanying note to the required supplementary information.

**TUOLUMNE RIVER REGIONAL PARK
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING

Tuolumne River Regional Park (the Park) operates under the general laws of the State of California and annually adopts a budget for its General Fund to be effective July 1 for the ensuing fiscal year. The budget must be approved by each of the legislative bodies of parties to the joint powers agreement. From the effective date of the budget, which is adopted and controlled at the fund level, the amounts stated therein as proposed expenditures become appropriations. The Park may amend the budget by approval from each of the legislative bodies of the parties to the agreement during the fiscal year. The budget for the General Fund is prepared on the cash and expenditures/encumbrance basis. Revenues are budgeted in the year receipt is expected; expenditures, which include encumbrances, are budgeted in the year that the applicable warrant requisitions are expected to be issued. There were no encumbrances outstanding as of June 30, 2017, so the actual budgetary-basis expenditures are the same as the actual GAAP-basis expenditures.

OTHER REPORT



Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Tuolumne River Regional Park Commission,
The Board of Supervisors of the
County of Stanislaus, California, and
The City Councils of Modesto and Ceres, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Tuolumne River Regional Park (the Park), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Park's basic financial statements, and have issued our report thereon dated November 28, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Park's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Park's internal control. Accordingly, we do not express an opinion on the effectiveness of the Park's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Park's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those

provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
November 28, 2017

**TUOLUMNE RIVER REGIONAL PARK
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
FOR THE YEAR ENDED JUNE 30, 2017**

2015 Comment:	<i>2015-002 – Proper Reporting of Unearned and Unavailable Revenues</i>
Condition/Effect:	Receivables not collected during the period of availability were not deferred as unavailable in the Park’s Capital Projects Fund. This condition resulted in a material audit adjustment adding the ‘unavailable revenue’ balance and eliminating the ‘intergovernmental’ revenue amount of \$228,764 in the Park’s Capital Projects Fund.
Recommendation:	Management should strengthen its understanding of unearned and unavailable revenue and year-end close procedures over intergovernmental revenues in order to properly recognize such revenues.
Status:	Corrected

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-71**

**RESOLUTION APPROVING THE FISCAL YEAR 2016-17 SINGLE AUDIT
REPORTS FOR THE CITY OF MODESTO AND THE STANISLAUS DRUG
ENFORCEMENT AGENCY FROM EXTERNAL AUDITORS MACIAS, GINI &
O'CONNELL, LLP**

WHEREAS, the City of Modesto and Stanislaus Drug Enforcement Agency Single Audit reports are federally mandated by the provisions of the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), which requires an audit to be conducted for any non-Federal entity that expends \$750,000 or more a year in Federal awards, and

WHEREAS, this audit was conducted by the City's external auditor, Macias, Gini & O'Connell, LLP and the main objectives were to ensure a fair presentation of the basic financial statements and the schedule of expenditures of Federal awards, and to also audit the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards expended during the fiscal year, and

WHEREAS, as part of the City's Fiscal Year 2016-2017 Single Audit report, two audit findings were reported for the Department and Transportation and Housing Urban Development (HOME program), and

WHEREAS, as part of the Stanislaus Drug Enforcement Agency Fiscal Year 2016-2017 Single Audit report, no audit findings were reported.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2016-2017 Single Audit reports for the City of

Modesto and Stanislaus Drug Enforcement Agency, as listed in **Exhibit A**, which is incorporated by reference herein.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

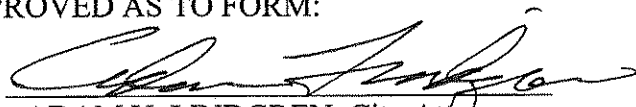
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-71**

**RESOLUTION ACCEPTING THE FISCAL YEAR 2016-2017 SINGLE AUDIT
REPORTS**

EXHIBIT A

City of Modesto:

1. City of Modesto Single Audit FY 16-17

Other Agencies:

2. Stanislaus Drug Enforcement Agency Single Audit FY 16-17

CITY OF MODESTO, CALIFORNIA

Single Audit Reports

For the Fiscal Year Ended June 30, 2017



Certified
Public
Accountants

CITY OF MODESTO, CALIFORNIA
Single Audit Reports
For the Fiscal Year Ended June 30, 2017

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**Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance With *Government Auditing Standards***

City Council of the City of Modesto
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Modesto, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 18, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001 and 2017-002 that we consider to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The City's Responses to the Findings

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 18, 2017



**Independent Auditor's Report on Compliance for Each Major Federal Program;
Report on Internal Control Over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance**

City Council of the City of Modesto
Modesto, California

Report on Compliance for Each Major Federal Program

We have audited the City of Modesto, California's (City) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended June 30, 2017. The City's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the City's compliance.

Basis for Qualified Opinion on CFDA No. 14.239 Home Investment Partnerships Program

As described in the accompanying schedule of findings and questioned costs, the City did not comply with requirements regarding Housing Quality Standards for CFDA No. 14.239 Home Investment Partnerships Program as described in finding number 2017-004. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Qualified Opinion on CFDA No. 14.239 Home Investment Partnerships Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA No. 14.239 Home Investment Partnerships Program for the year ended June 30, 2017.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's result section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2017.

Other Matters

The results of our auditing procedures disclosed another instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2017-003. Our opinion on each major federal program is not modified with respect to this matter.

The City's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The City's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-004 to be a material weakness.

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2017-003 to be a significant deficiency.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements. We issued our report thereon dated December 18, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Walnut Creek, California
January 11, 2018

CITY OF MODESTO, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Grantor Direct or Pass-through Grantor Federal Program Title	CFDA Number	Grant/Project Number	Total Federal Expenditures	Amount Passed to Subrecipients
U.S. Department of Housing and Urban Development				
<i>Direct</i>				
Community Development Block Grants/Entitlement Grants	14.218	B-10-MC-060002	\$ 169,314	\$ -
Community Development Block Grants/Entitlement Grants	14.218	B-13-MC-060002	68,148	8,953
Community Development Block Grants/Entitlement Grants	14.218	B-14-MC-060002	201,840	-
Community Development Block Grants/Entitlement Grants	14.218	B-15-MC-060002	612,506	500,000
Community Development Block Grants/Entitlement Grants	14.218	B-11-MC-060002	265,566	-
Community Development Block Grants/Entitlement Grants	14.218	B-16-MC-060002	1,748,437	754,500
Total Community Development Block Grants/Entitlement Grants			<u>3,065,811</u>	<u>1,263,453</u>
Emergency Solutions Grant Program	14.231	E-15-MC-060002	57,263	56,768
Emergency Solutions Grant Program	14.231	E-16-MC-060002	153,140	140,660
Total Emergency Solutions Grant Program			<u>210,403</u>	<u>197,428</u>
Home Investment Partnerships Program	14.239	M-13-MC-060207	31,892	-
Home Investment Partnerships Program	14.239	M-15-MC-060207	163,858	-
Home Investment Partnerships Program	14.239	M-16-MC-060207	174,502	-
Home Investment Partnerships Program	14.239	M-09-MC-060207	101,704	-
Home Investment Partnerships Program	14.239	M-10-MC-060207	35,628	-
Home Investment Partnerships Program	14.239	M-11-MC-060207	199,105	-
Home Investment Partnerships Program	14.239	M-12-MC-060207	218,297	-
Total Home Investment Partnerships Program			<u>924,986</u>	<u>-</u>
ARRA - Neighborhood Stabilization Program (Recovery Act Funded)	14.256	B-09-LN-CA-0053	92,047	-
Total U.S. Department of Housing and Urban Development			<u>4,293,247</u>	<u>1,460,881</u>
U.S. Department of Justice				
<i>Direct</i>				
Public Safety Partnership and Community Policing Grants	16.710	2016ULWX0021	60,789	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2009 CK WX 0449	1	-
Total U.S. Department of Justice			<u>60,790</u>	<u>-</u>
U.S. Department of Transportation				
<i>Direct</i>				
Airport Improvement Program	20.106	3-06-0153-037	13,351	-
Airport Improvement Program	20.106	3-06-0153-039	1,664,844	-
Airport Improvement Program	20.106	3-06-0153-040	97,615	-
Total Airport Improvement Program			<u>1,775,810</u>	<u>-</u>
Federal Transit - Capital Investment Grants	20.500	CA-04-0198	230,415	-
Federal Transit - Capital Investment Grants	20.500	CA-90-Y870	390	-
Total Federal Transit - Capital Investment Grants			<u>230,805</u>	<u>-</u>
Federal Transit - Formula Grants	20.507	CA-2017-010-00	2,838,360	-
Federal Transit - Formula Grants	20.507	CA-95-X174	64,086	64,086
Federal Transit - Formula Grants	20.507	CA-95-X248	17,101	-
Federal Transit - Formula Grants	20.507	CA-37-XI01-2	6,108	6,108
Federal Transit - Formula Grants	20.507	CA-90-Z230	2,154,447	803,310
Federal Transit - Formula Grants	20.507	CA-95-X148-01	103,882	-
Federal Transit - Formula Grants	20.507	CA-90-Y754	959,109	-
Total Federal Transit - Formula Grants			<u>6,143,093</u>	<u>873,504</u>
Total Federal Transit Cluster			<u>6,373,898</u>	<u>873,504</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF MODESTO, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Grantor Direct or Pass-through Grantor Federal Program Title	CFDA Number	Grant/Project Number	Total Expenditures	Amount Passed to Subrecipients
U.S. Department of Transportation (continued)				
<i>Passed through the California Department of Transportation</i>				
Highway Planning and Construction	20.205	10-957051L	\$ 19,863	\$ -
Highway Planning and Construction	20.205	10-956975L	2,878	-
Highway Planning and Construction	20.205	10-956902I	14,191	-
Highway Planning and Construction	20.205	1000020580L-N	122,646	-
Highway Planning and Construction	20.205	10-0002060I	11,378	-
Highway Planning and Construction	20.205	1000020602L-N	36,921	-
Highway Planning and Construction	20.205	1000020600	4,368	-
Highway Planning and Construction	20.205	10-12000064L	1,701	-
Highway Planning and Construction	20.205	1000020579L-N	33,284	-
Highway Planning and Construction	20.205	10-12000149L-N	22	-
Highway Planning and Construction	20.205	10-12000235L-N	740,474	-
Highway Planning and Construction	20.205	10-13000231L-N	21,630	-
Highway Planning and Construction	20.205	1015000187L-N	4,364	-
Highway Planning and Construction	20.205	10-2000236L-N	20,519	-
Highway Planning and Construction	20.205	10-2000046L	99,102	-
Highway Planning and Construction	20.205	10-12000274L-N	15,552	-
Highway Planning and Construction	20.205	1014000040L-N	21,418	-
Highway Planning and Construction	20.205	10-12000275L-N	26,425	-
Highway Planning and Construction	20.205	10-12000276L-N	9,603	-
Highway Planning and Construction	20.205	1013000085	13,529	-
Highway Planning and Construction	20.205	1014000109L-N	38,276	-
Highway Planning and Construction	20.205	1015000084L-N	130,158	-
Highway Planning and Construction	20.205	1015000109L-N	48,489	-
Highway Planning and Construction	20.205	10-15000116	192,176	-
Highway Planning and Construction	20.205	10-15000095	17,319	-
Highway Planning and Construction	20.205	10-15000096	97,886	-
Highway Planning and Construction	20.205	10-14000082	8,703	-
Highway Planning and Construction	20.205	10-15000183	27,074	-
Highway Planning and Construction	20.205	10-15000182	9,550	-
Highway Planning and Construction	20.205	10-12000045L-O	13,366	-
Highway Planning and Construction	20.205	10-15000155	29,717	-
Highway Planning and Construction	20.205	10-16000068	16,221	-
Highway Planning and Construction	20.205	10-16000213	100,534	-
Highway Planning and Construction	20.205	10-16000214	109,529	-
Highway Planning and Construction	20.205	10-16000218	11,769	-
Highway Planning and Construction	20.205	10-16000222	11,448	-
Highway Planning and Construction	20.205	10-16000232	9,793	-
Highway Planning and Construction	20.205	1016000112L-N	23,161	-
Total Highway Planning and Construction			2,115,037	-

See accompanying notes to schedule of expenditures of federal awards.

CITY OF MODESTO, CALIFORNIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Grantor				
Direct or Pass-through Grantor	CFDA		Total	Amount Passed
Federal Program Title	Number	Grant/Project Number	Expenditures	to Subrecipients
<i>Passed through the California Office of Traffic Safety</i>				
State and Community Highway Safety	20.600	PT1685	\$ 32,647	\$ -
State and Community Highway Safety	20.600	PT1771	112,484	-
Total State and Community Highway Safety			<u>145,131</u>	<u>-</u>
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT1685	92,202	-
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608	PT1771	110,924	-
Total Minimum Penalties for Repeat Offenders for Driving While Intoxicated			<u>203,126</u>	<u>-</u>
Total U.S. Department of Transportation			<u>10,613,002</u>	<u>873,504</u>
U.S. Environmental Protection Agency				
<i>Passed through the California State Water Resources Control Board</i>				
Capitalization Grants for Clean Water State Revolving Funds	66.458	C-06-8062-110	618,174	-
Total U.S. Environmental Protection Agency			<u>618,174</u>	<u>-</u>
U.S. Department of Homeland Security				
<i>Direct</i>				
Assistance to Firefighters Grant	97.044	EMW-2014-FR-00495	5,395	-
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2015-FH-00410	440,681	-
Total U.S. Department of Homeland Security			<u>446,076</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 16,031,289</u>	<u>\$ 2,334,385</u>

See accompanying notes to schedule of expenditures of federal awards.

CITY OF MODESTO, CALIFORNIA
Notes to Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal award programs of the City of Modesto, California (City). The City reporting entity is defined in Note I.A. to the City's basic financial statements. All federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included in the Schedule.

NOTE 2 – BASIS OF ACCOUNTING

Expenditures of federal awards reported in the Schedule are recognized when incurred, which is consistent with the modified accrual basis of accounting used by the City's governmental funds and the accrual basis of accounting used by the City's proprietary funds, which are described in Note I.C. to the City's basic financial statements.

NOTE 3 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the schedule agree to or can be reconciled with the amounts reported in the related financial reports.

NOTE 4 – INDIRECT COSTS

The City did not elect to use the 10% de minimis cost rate as covered in 2 CFR section 200.414 Indirect (F&A) costs.

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major federal programs:	
• Material weakness(es) identified?	Yes
• Significant deficiency(ies) identified?	Yes
Type of auditor’s report issued on compliance for major federal programs:	Qualified for Home Investment Partnerships Program (CFDA No. 14.239) and Unmodified for Community Development Block Grants/Entitlement Grants (CFDA No. 14.218) and Federal Transit Cluster (CFDA Nos. 20.500 and 20.507)
Any audit findings required to be reported in accordance with 2 CFR 200.516(a)?	Yes

Identification of major federal programs:

CFDA Number	Name of Major Federal Program or Cluster
14.218	Community Development Block Grants/Entitlement Grants
14.239	Home Investment Partnerships Program
20.500, 20.507	Federal Transit Cluster

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee	No

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section II – Financial Statement Findings

Finding 2017-001 – Significant Deficiency
Procurement Card

Per the City of Modesto procurement card policy, a competitive quotation is required for all transactions over a \$1,500 threshold. The policy also establishes the following spending limits - \$1,500 for single transactions and a monthly limit of \$4,500. Spending above these limits are allowed with pre-approval.

During our audit, out of a sample of 27 monthly employee procurement activity, we noted the following:

- Two cases over \$1,500 that did not have competitive quotation.
- Two cases where an employee spent over their preapproved single transaction limit.
- One case where an employee spent over their preapproved monthly transaction limit.

We recommend the City strengthen internal controls over the procurement card process for collection of competitive quotations and the monitoring of employee procurement card limits. The City may improve the monitoring of spending limits by comparing a listing of each employee and their standard single transaction limit and standard monthly transaction limit to their monthly procurement card statement.

Management Response:

The City Program Administrators have developed an internal form to document the authorization for one-time limit authorization increases due to emergency purchase situations or business reasons for the departments which are reviewed and evaluated by the department manager and Director of Finance. This will document any increases which exceeded the standard spending limits. In addition, one of the City Program Administrators identified an error in the setup of the standard spending limit which has been corrected. The Finance Department performs monthly audits on all procurement card statements and will continue to monitor the compliance of the policy.

Finding 2017-002 – Significant Deficiency
Procurement Administration and Approval

During the audit, it has come to our attention that certain purchasing policies and procedures were not being followed. The purchasing policies and procedures are essential to meeting the City's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

Some of the initial findings relate to a lack of clarity regarding administering contracts and purchasing procedures, inadequate policies and oversight, inadequate training, lack of communication among departments, staffing constraints, and unauthorized extensions and contract adjustments. The City has proactively engaged professional assistance in investigating these discrepancies in order to identify the causes of breakdown in internal controls. The next step is to take the necessary corrective actions in order to cure any deficiencies that need action and strengthen the existing internal controls to ensure compliance with the City's purchasing policies and procedures.

We recommend the City continue its investigation of past contracts and make the appropriate changes to its purchasing policies and procedures in order to strengthen the internal controls over this area. Also, the City should implement a monitoring and oversight process to ensure adherence to purchasing policies and procedures as designed.

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Management Response:

All City departments completed an inventory review of all active purchasing documents in late 2017 and identified several situations of not complying with the City Purchasing Policy and Municipal Code. The Finance Department have implemented better controls in the system to enforce additional levels of approval and uploading all relevant documents authorizing the approval for all agreements created in the procurement system. The Finance Department is producing monthly reports to all departments to monitor all active purchasing documents to review expiration dates and the balance remaining on these agreements. The Finance Department will be presenting monthly Purchasing updates to Council to provide transparency of all active Purchasing documents to reinforce the monitoring being implemented by all departments. The Finance Department will be providing training in February 2018 to provide clarity on the interpretation of the City Purchasing Policy and Municipal Code and assist departments on the resources available in the system to provide better monitoring and oversight for their responsible purchasing documents.

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section III – Federal Award Findings and Questioned Costs

Reference Number: 2017-003
Type of Finding: Significant Deficiency
Category of Finding: Subrecipient Monitoring and Procurement
Federal Program Title: Federal Transit – Formula Grants (Urbanized Area Formula Program)
Federal Catalog Number: 20.507
Federal Agency: U.S. Department of Transportation
Federal Award Numbers and Years: CA-95-X174-00 and CA-90-Z230

Criteria:

2 CFR sections 25.200 and 25.205:

- (a) An agency may not make an award to an entity until the entity has complied with the requirements described in §25.200 to provide a valid unique entity identifier and maintain an active System for Award Management (SAM) registration with current information (other than any requirement that is not applicable because the entity is exempted under §25.110).
- (b) At the time an agency is ready to make an award, if the intended recipient has not complied with an applicable requirement to provide a unique entity identifier or maintain an active SAM registration with current information, the agency:
- (1) May determine that the applicant is not qualified to receive an award; and
 - (2) May use that determination as a basis for making an award to another applicant.

Condition:

We reviewed 2 out of 3 subrecipient files and noted that 1 subrecipient did not have the universal identifier and SAM requirements in accordance with 2 CFR 25.200. Additionally, the City did not retain documentation to indicate whether it collected the subrecipients' unique entity identifier prior to awarding funds in accordance with 2 CFR 25.205.

Cause:

The City did not have a process in place to ensure the required information is communicated and collected, nor did the City ensure its subrecipient maintain active SAM registration.

Effect:

The City is at risk for awarding federal funds to entities that have not properly registered with the SAM.

Questioned Costs:

There are no questioned costs.

Recommendation:

We recommend that the City should review all federal statutes, regulations, and the terms and conditions of the federal award and determine whether or not policies and procedures exist and are operating effectively to ensure compliance with all requirements.

Further, the City should maintain adequate documentation that the unique entity identifier has been obtained.

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Management Response and Corrective Action:

The City recognizes the current state of sub-recipient oversight of transit systems operated by the City of Ripon and Stanislaus County. It is apparent that current staff resources and expertise in sub-recipient oversight is inadequate to properly oversee grantees. The City should consider future separation from these obligations or develop a comprehensive oversight plan, which will include methods to fully understand, track, monitor, take action and comply with all oversight responsibilities. This oversight plan will require a review of staffing and training requirements to better understand the staffing needs of the department to adequately comply with this requirement.

Reference Number:	2017-004
Type of Finding:	Material Weakness and Material Instance of Noncompliance
Category of Finding:	Special Tests & Provisions - Housing Quality Standards
Federal Program Title:	Home Investment Partnership Program (HOME)
Federal Catalog Number:	14.239
Federal Agency:	U.S. Department of Housing and Urban Development
Federal Award Numbers and Years:	All awards

Criteria:

24 CFR Sections 92.209(i), 92.251(f), and 92.504(d):

During the period of affordability (i.e., the period for which the non-Federal entity must maintain subsidized housing) for HOME assisted rental housing, the participating jurisdiction must perform on-site inspections to determine compliance with property standards and verify the information submitted by the owners no less than (a) every 3 years for projects containing 1 to 4 units, (b) every 2 years for projects containing 5 to 25 units, and (c) every year for projects containing 26 or more units.

Condition:

The City did not perform inspections for the year ended June 30, 2017. However, the City has developed controls and procedures to identify those units on which housing quality inspections are due to ensure the required inspections are performed. City staff developed a monitoring schedule and HOME units are scheduled to be inspected starting January 2018. This is a repeat finding since the single audit for the year ended June 30, 2015.

Cause:

Due to management changes and reorganization, staff was unable to perform inspections.

Effect:

The City is at risk of being in violation of property standards. Noncompliance and needed repairs may not be detected and corrected timely.

Questioned Costs:

There are no questioned costs.

CITY OF MODESTO, CALIFORNIA
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Recommendation:

During the fiscal year, the City's Citizens Housing and Community Development Committee approved HOME policies and procedures, which were also subsequently approved by the City Council. These policies and procedures require the City to perform required on-site inspections of HOME-assisted properties periodically, consistent with the Criteria noted above. We recommend that the City continue to evaluate the effectiveness of its current internal control policies to ensure that the required inspections of units are performed as housing quality inspections are due.

Management Response and Corrective Action:

The City has developed a monitoring schedule that began with the monitoring of Neighborhood Stabilization Program and Community Development Block Grants funded units first, and will continue to conduct on-site inspections, for HOME-funded units beginning January 2018. In the interim, HOME recipients have been conducting inspections on their units to ensure needed repairs are being completed to comply with current health and safety standards. These inspections include City of Modesto fire inspections, inspections conducted by the State of California (when state affordable housing funds are utilized), and Housing Authority of the County of Stanislaus (HACS), Housing Quality Standards (HQS) inspections on an annual basis, when Section 8/HCV Vouchers are being utilized in conjunction with the HOME funded units.



**City of Modesto Finance Department
Accounting Division
P. O. Box 642
Modesto, CA 95353-0642**

Corrective Action Plan

For the Fiscal Year Ended June 30, 2017

Reference Number: 2017-003
Type of Finding: Significant Deficiency
Category of Finding: Subrecipient Monitoring and Procurement
Federal Program Title: Federal Transit – Formula Grants (Urbanized Area Formula Program)
Federal Catalog Number: 20.507
Federal Agency: U.S. Department of Transportation
Federal Award Numbers and Years: CA-95-X174-00 and CA-90-Z230

The City recognizes the current state of sub-recipient oversight of transit systems operated by the City of Ripon and Stanislaus County. It is apparent that current staff resources and expertise in sub-recipient oversight is inadequate to properly oversee grantees. The City should consider future separation from these obligations or develop a comprehensive oversight plan, which will include methods to fully understand, track, monitor, take action and comply with all oversight responsibilities. This oversight plan will require a review of staffing and training requirements to better understand the staffing needs of the department to adequately comply with this requirement.

Corrective Action Plan

The Public Works Department will review the staffing and training requirements to properly administer a sub-recipient oversight program and review the possibilities of separating from this responsibility. These reviews will provide a proposed a solution for approval by June 30, 2018.

Contact

Adam Barth, Transit Manager
209-577-5298, abarth@modestogov.com



City of Modesto Finance Department
Accounting Division
P. O. Box 642
Modesto, CA 95353-0642

Reference Number: 2017-004
Type of Finding: Material Weakness and Material Instance of Noncompliance
Category of Finding: Special Tests & Provisions - Housing Quality Standards
Federal Program Title: Home Investment Partnership Program (HOME)
Federal Catalog Number: 14.239
Federal Agency: U.S. Department of Housing and Urban Development
Federal Award Numbers and Years: All awards

The City has developed a monitoring schedule that began with the monitoring of NSP and CDBG funded units first, and will continue to conduct on-site inspections, beginning with HOME funded units beginning January 2018. In the interim, HOME recipients have been conducting inspections on their units to ensure needed repairs are being completed to comply with current health and safety standards. These inspections include City of Modesto fire inspections, inspections conducted by the State of California (when state affordable housing funds are utilized), and Housing Authority of the County of Stanislaus (HACS), Housing Quality Standards (HQS) inspections on an annual basis, when Section 8/HCV Vouchers are being utilized in conjunction with the HOME funded units.

Corrective Action Plan

The City's Community Development Division (CDD) has developed a monitoring schedule for on-site inspections of the HOME funded units. Beginning January 2018 through October 2018, the on-site inspections for these HOME units will be completed to comply with current health and safety standards (HQS).

Contact

Marjorie Blom, Interim Community Development Manager
209-577-5321 mablom@modestogov.com



City of Modesto Finance Department
Accounting Division
P. O. Box 642
Modesto, CA 95353-0642

**Status of Prior Year Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017**

Reference Number: 2016-001

Type of Finding: Material Weakness and Material Instance of Noncompliance - Reporting

Condition: The City did not submit the required HUD 60002 information for fiscal years 2014, 2015 and 2016.

Cause: Due to management changes, reorganization and staff shortage, the City fell behind on filing the HUD 60002. The City had turnover within the Community Development Department during the prior fiscal year and did not appropriately transfer all of the position responsibilities to the remaining personnel. In addition, HUD required the report to be filed in a new web-based system.

Effect: Key line items containing critical information of Form HUD 60002 are not submitted to HUD on a timely basis.

Recommendation: We recommend that the City develop procedures to transition key duties to personnel in place to ensure that it meets all mandated reporting deadlines. In addition, the City should evaluate its internal control procedures on grant reporting requirements to ensure that procedures are properly documented and updated so that reporting requirements are completed during staff absence or turnover.

Current Year Status: Corrected.



City of Modesto Finance Department
Accounting Division
P. O. Box 642
Modesto, CA 95353-0642

Reference Number: 2015-010

Type of Finding: Material Weakness and Material Instance of Noncompliance – Special Test and Provisions

Condition: The City did not perform housing quality inspections for the fiscal years 2015 and 2016.

Cause: Due to management changes and reorganization, staff did not perform inspections.

Effect: Property standards might not be met and/or needed repairs might not be completed timely.

Recommendation: We recommend that the City develop controls and procedures to identify those units on which housing quality inspections are due and to ensure that the required inspections of units are performed as outlined above.

Current Year Status: In progress. See Finding 2017-004.

**STANISLAUS DRUG ENFORCEMENT
AGENCY**

Single Audit Reports

For the Year Ended June 30, 2017



Certified
Public
Accountants

**STANISLAUS DRUG ENFORCEMENT AGENCY
SINGLE AUDIT REPORTS
FOR THE YEAR ENDED JUNE 30, 2017**

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Members of the Governing Committee
Stanislaus Drug Enforcement Agency
Modesto, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of the Stanislaus Drug Enforcement Agency (the Agency) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 13, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 13, 2017



Independent Auditor's Report on Compliance for the Major Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Members of the Governing Committee
Stanislaus Drug Enforcement Agency
Modesto, California

Report on Compliance for the Major Federal Program

We have audited the Stanislaus Drug Enforcement Agency's (the Agency) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Agency's major federal program for the year ended June 30, 2017. The Agency's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Agency's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Agency's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Agency's compliance.

Opinion on the Major Federal Program

In our opinion, the Agency complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the Agency is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Agency's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to

determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities and the general fund of the Agency as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements. We have issued our report thereon dated December 13, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Macias Gini & O'Connell LLP

Walnut Creek, California
December 13, 2017

**STANISLAUS DRUG ENFORCEMENT AGENCY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Justice			
<i>Direct:</i>			
Equitable Sharing Program	16.922	N/A	\$ 205,311
Equitable Sharing Program	16.922	N/A	30,569
Equitable Sharing Program	16.922	N/A	1,610
Total Equitable Sharing Program			<u>237,490</u>
<i>Passed through County of Stanislaus, California</i>			
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 675-15	218,665
Edward Byrne Memorial Justice Assistance Grant Program	16.738	BSCC 675-17	264,115
Total Edward Byrne Memorial Justice Assistance Grant Program			<u>482,780</u>
Total U.S. Department of Justice			<u>720,270</u>
U.S. Executive Office of the President			
<i>Passed through the County of Stanislaus, California</i>			
High Intensity Drug Trafficking Areas Program	95.001	G12CV002A	203,061
Total U.S. Executive Office of the President			<u>203,061</u>
Total Expenditures of Federal Awards			<u>\$ 923,331</u>

See accompanying notes to schedule of expenditures of federal awards.

**STANISLAUS DRUG ENFORCEMENT AGENCY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2017**

NOTE A – GENERAL

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all federal financial assistance programs of the Stanislaus Drug Enforcement Agency (Agency). The Agency reporting entity is defined in Note I.A to the Agency's basic financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies, is included in the Schedule.

NOTE B – BASIS OF ACCOUNTING

Expenditures of federal awards reported in the Schedule are recognized when incurred, which is consistent with the modified accrual basis of accounting used by the Agency's governmental funds, which is described in Note I.C to the Agency's basic financial statements.

NOTE C – INDIRECT COSTS

The Agency did not elect to use the 10% de minimis cost rate as covered in 2 CFR section 200.414 Indirect (F&A) costs.

NOTE D – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

Amounts reported in the Schedule agree to or can be reconciled with the amounts reported in the related financial reports.

NOTE E – SUBRECIPIENTS

The Agency did not provide any federal awards to subrecipients for the fiscal year ended June 30, 2017.

**STANISLAUS DRUG ENFORCEMENT AGENCY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2017**

Section I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards:

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 (a)?	No

Identification of major federal programs:

CFDA Number	Name of Major Federal Program or Cluster
16.738	Edward Byrne Memorial Justice Assistance Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualified as low-risk auditee	No

Section II – Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None



City of Modesto
Department of Finance
1010 Tenth Street, Suite 5200
Modesto, CA 95354

Summary Schedule of Prior Year Findings

Federal Award Findings:

There were no audit findings nor questioned costs for the year ended June 30, 2016.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-72**

RESOLUTION APPROVING THE AWARD OF PROPOSAL AND CONTRACT FOR THE FURNISHING OF AUDITING SERVICES FOR THE FINANCE DEPARTMENT, ACCOUNTING DIVISION TO HUDSON AND HENDERSON INC., FRESNO, CA, FOR A THREE (3) YEAR AGREEMENT WITH TWO (2) ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT FOR AN ESTIMATED ANNUAL COST OF \$147,110, AND OVER FIVE (5) YEARS OF \$735,550

WHEREAS, under Section 1306 of the Modesto City Charter requires the Council to employ independent auditors to perform an annual financial audit of the City to examine the financial records managed by City employees, and

WHEREAS, the City requests an external auditor to express an opinion on the fair presentation of its basic financial statements and schedule of expenditures from federal awards in conformity with generally accepted accounting principles, the provisions of the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and

WHEREAS, the City is the financial administrator for five (5) joint power agencies/program audits, eleven (11) Community Facilities Districts, and a compliance report for the Federal Aviation Passenger Facility Charge program and will require the financial statement compilation and express an opinion on the financial statements for these funds, and

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Proposals (RFP) for the furnishing of auditing services, and

WHEREAS, the Purchasing Division issued RFP No. 1718-15 Auditing Services to eleven (11) prospective proposers and posted the RFP on the City's website, and

WHEREAS, proposals were formally opened in the City Clerk's Office. Five (5) companies chose to respond, none of which were local companies, and

WHEREAS, an evaluation committee comprised of five (5) City staff members evaluated the proposals and Mayor Ted Brandvold (Chair of Audit Committee) was chosen to observe the RFP process. Based on being ranked highest in total evaluation criteria, the evaluation committee recommends the award of proposal for the auditing services to Hudson and Henderson Inc., and

WHEREAS, the award of proposal for the furnishing of auditing services for the Finance Department, Accounting Division to Hudson and Henderson Inc., Fresno, CA, conforms to Modesto Municipal Code 8-3.103, and

WHEREAS, sufficient funds are budgeted in Fiscal Year 2017-18, to cover the first year estimated annual cost and the new contract with Hudson and Henderson will be an estimated annual cost of \$147,110 which will be a decrease in our annual cost by \$75,581 when compared to the previous contract for auditing services, and

NOW, THEREFORE, BE IT RESOLVED by the Council of City of Modesto that it hereby authorizes the award of proposal and contract for the furnishing of auditing services for the Finance Department, Accounting Services to Hudson and Henderson Inc., Fresno, CA, for three (3) year agreement with two (2) one-year extension options at the sole discretion of the City,

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

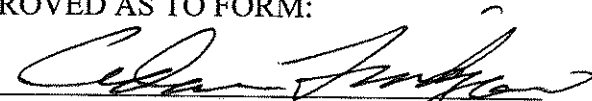
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-73**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-18 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following votes:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

COMMUNITY AND ECONOMIC DEVELOPMENT

A budget adjustment is necessary to reduce Project #100046 – SR 99/Pelandale Avenue Interchange Reconstruction Project – Phase 1 expense budget by \$954,363 and establish the expense budget for Project #101063 – SR 99/Pelandale Avenue Interchange Reconstruction Project – Phase 2. Additionally, a transfer needs to be established of \$954,363 from Streets Capital Facility Fee Fund Reserves for project #101063 as the project resides in Fund 3160 – Capital Grants – Streets CIP Projects. Project #100046 did not have a transfer established as the project resides in Fund 3410 – Streets Capital Facility Fee Fund and funding came from the fund balance.

A budget adjustment is necessary to establish a transfer in the amount of \$2,635,322 from the Village One #2 CFD Fund - Capital, Fund 3295, to the Village One #2 CFD Fund, Fund 3290, and reallocate to Capital Improvement Project #100098 – Oakdale Road from Floyd to Sylvan discretionary developer reimbursement task. Council per resolution 2017-415 at the October 24, 2017 meeting approved an updated Acquisition and Shortfall Agreement with Berberian Holdings LP for public improvements that are eligible for reimbursement up to \$2,635,322, but this action did not include a resolution to amend the budget to appropriate funds. This adjustment will appropriate the transfer and increase the project expense budget so that reimbursements can be completed.

A budget adjustment is necessary to increase project #100051 - Claratina: McHenry/Coffee 4 Lanes & Intersection Improvements expense budget by \$957,975. Council per resolution 2017-310 at the August 8, 2017 meeting approved a reimbursement agreement with Findlay Shack Prop LLC for public improvements identified in the Capital Facility Fees program, but this action did not include a resolution to amend the budget to appropriate funds. The increase in the project expense budget will be absorbed by Fund 3410 – Streets Capital Facility Fee Fund where the project resides.

FIRE DEPARTMENT

A budget adjustment is to establish revenue budget for the Fire Department's SAFER Grant, in the amount of \$851,404, that was not included during budget development. This is a technical adjustment as the expense has been budgeted for this grant but the revenue side was not entered into the budget software during the budget process. There is no impact to the General Fund as this action will be correctly creating the budget for grant revenue that the City is already receiving.

A budget adjustment is necessary to clean-up the non-capital budget for Project 100889 (MFD-Facilities & Fleet) to properly account for revenues that have been received. An increase in the revenue budget in the amount of \$16,028 needs to be made to account for the additional revenue that has been received in the project. This has brought the total revenue for the project to \$503,028 to-date. In addition, the current expenditure budget of \$415,000 needs to be increased in the amount of \$88,028 to give the department the ability to spend the additional funds received to-date on needed fire station maintenance and repair. This adjustment essentially accounts for the revenue received and then appropriates that revenue for expenditure in the amount in project 100889.

PUBLIC WORKS

A budget adjustment is necessary to recognize \$60,000 of unbudgeted revenue from the State Department of Transportation in the Capital Grants – Streets CIP Fund, Fund 3160, and reallocate to Capital Improvement Project #101066 Traffic Signal Oakdale Road at Claratina Avenue Engineering/Design/Administration account. There is no local match for the design portion of the project.

A budget adjustment is necessary to re-establish the loan repayment per Resolution 2013-257, in the amount of \$51,919, between the Compost Fund and the Wastewater Fund for the purchase of the Compost site land. This budget amount was inadvertently removed during the budget development process and needs to be reappropriated as there are still payments outstanding on this loan agreement between the two funds.

A budget adjustment is necessary to transfer \$393,920 from the Waste to Energy Fund to the Green Waste Fund. The transfer is necessary to restore the Green Waste Fund due to increased operational needs in FY 2016-17. A rate study will be brought to Council at a future date to determine fees for the Solid Waste program as it relates to sustaining any future operational costs.

A budget adjustment is necessary in the amount of \$65,000 to fully fund the refurbishment project of 14 model year 2003 Gillig Transit buses for the Public Works department (Project 100449). On August 3, 2016, Council authorized the award of a proposal and contract for this refurbishment to Complete Coach Works for an estimated total cost of \$2,765,913 under resolution 2016-316. Throughout the course of the project unanticipated repairs have been authorized by MAX maintenance staff that were not part of the original budget. These additional expenses were necessary and are being funded with Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA) grant funds and Local Transportation Fund (LTF) funds awarded to the City's Transit program for transit capital projects. No General Fund will be used.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-74**

RESOLUTION APPROVING A LICENSE AGREEMENT WITH THE CITY OF TURLOCK FOR A 3.79-ACRE PORTION OF REAL PROPERTY, LOCATED AT JENNINGS RANCH IN MODESTO (APN: 022-001-005), FOR THE NORTH VALLEY REGIONAL RECYCLED WATER PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE LICENSE AGREEMENT

WHEREAS, the City of Modesto is lead agency for the North Valley Regional Recycled Water Project (the Project), and

WHEREAS, the Project will convey treated wastewater via pipeline from the City's Jennings Treatment Facilities to the Delta-Mendota Canal via a new pump station and underground pipelines, to serve irrigation customers of the Del Puerto Water District (DPWD), and

WHEREAS, the City of Turlock is a participant in the project and will deliver treated wastewater from Turlock to the Jennings Treatment Facilities pump station via pipeline, located at Jennings Ranch in Modesto (APN: 022-001-005), and

WHEREAS, Turlock's treated wastewater will be added to Modesto's treated wastewater and delivered to the Del Puerto Water District's Delta-Mendota Canal, and

WHEREAS, the City of Modesto, the owner of the Subject Property, has agreed to grant the City of Turlock a License Agreement to allow the City of Turlock to install and maintain a pipeline through the City of Modesto's Jennings Ranch, and

WHEREAS, City staff recommends that the City Council approve the Grant of a License Agreement to the City of Turlock.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Grant of License Agreement to the City of Turlock for a treated

water pipeline, over a 3.79-acre area, of the Subject Property located at Jennings Ranch, in Modesto (APN: 022-001-005), for the North Valley Regional Recycled Water Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Grant of License Agreement, and all related documents, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-75**

RESOLUTION APPROVING A GRANT OF TEMPORARY CONSTRUCTION EASEMENT TO THE CITY OF TURLOCK FOR A 1.13-ACRE PORTION OF REAL PROPERTY, LOCATED AT 4000 WEST MAIN AVENUE IN MODESTO (APN: 058-001-001), AND A SECOND TEMPORARY CONSTRUCTION EASEMENT FOR 15.04 ACRES LOCATED AT THE JENNINGS TREATMENT FACILITIES (APN: 022-001-005) FOR THE NORTH VALLEY REGIONAL RECYCLED WATER PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE TWO GRANTS OF TEMPORARY CONSTRUCTION EASEMENTS

WHEREAS, the City of Modesto is the lead agency for the North Valley Regional Recycled Water Project (the Project), and

WHEREAS, the Project will convey treated wastewater via pipeline from the City's Jennings Treatment Facilities to the Delta-Mendota Canal via a new pump station and underground pipelines, to serve irrigation customers of the Del Puerto Water District (DPWD), and

WHEREAS, the City of Turlock is a participant in the project and will deliver treated wastewater from Turlock to the Jennings Treatment Facilities pump station via pipeline, located at Jennings Ranch in Modesto (APN 022-001-005), and

WHEREAS, Turlock's treated wastewater will be added to Modesto's treated wastewater and delivered to the Del Puerto Water District's Delta-Mendota Canal, and

WHEREAS, the City of Modesto, the owner of the Subject Property, has agreed to grant to the City of Turlock a Temporary Construction Easement to allow an area for material staging and other construction activities on a 1.13-acre portion of City of Modesto's property adjacent to West Main Avenue in Jennings Ranch, and

WHEREAS, a second Temporary Construction Easement is required within the Jennings Treatment Facility (APN 022-001-005) over an area of 15.04-acres to construct Turlock's portion of the Project to deliver treated water to Modesto's pump station, and

WHEREAS, City staff recommends that the City Council approve the two Grants of Temporary Construction Easement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Grant Temporary Construction Easement to the City of Turlock for a temporary construction easement, over a 1.13-area of the Subject Property located at Jennings Ranch in Modesto (APN 058-001-001), for the North Valley Regional Recycled Water Project and a second Grant of Temporary Construction Easement over a 15.04-acre area to construct Turlock's portion of the Project within the Jennings Treatment Facility.


BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the two Grants of Temporary Construction Easements, and all related documents required, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-76**

RESOLUTION APPROVING THE ISSUANCE OF A PURCHASE ORDER TO HAROLD W. THOMPSON, INC., STOCKTON, CA IN THE AMOUNT OF \$48,000 WITH A CONTINGENCY OF \$20,000 FOR THE CUSTOMER SERVICES CARPET REPLACEMENT PROJECT FOR A TOTAL AMOUNT NOT TO EXCEED \$68,000, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE ORDER

WHEREAS, the existing carpet flooring of the Customer Services Division area has experienced substantial wear and deterioration due to the high volume of employee traffic and mail carts transporting mail several times a day, and

WHEREAS, several sections of the carpet have lifted, presenting potential tripping hazards to staff, and

WHEREAS, the Purchasing Division issued RFB 1718-16 and prospective bidders were noticed online of the proposal opportunity, and

WHEREAS, five companies chose to download the RFB document and attend the mandatory site visit, and

WHEREAS, bids were formally opened in the City Clerk's office and only one company had chose to respond, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.203 it is generally required that all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, Harold W. Thompson, Inc., was the lowest responsive and responsible bidder, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding of the bid and issuing a Purchasing Order to Harold

W. Thompson, Inc., Stockton, CA, for the Customer Services Carpet Replacement Project in the amount of \$48,000.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue a purchase order with a contingency of \$20,000 in the event unforeseen conditions warrant additional necessary work. Any additional work would result in a separate purchase order funded through contingency.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

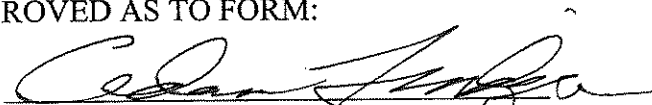
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-77**

RESOLUTION APPROVING AN AMENDMENT TO THE ORIGINAL AGREEMENT WITH E-BUILDER, INC. PLANTATION, FL., FOR THE WORK ORDER TO UPGRADE TO THE “PORTFOLIO LEVEL FUNDING” COST MODULE, NOT TO EXCEED \$11,550 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, The City of Modesto has the need for e-Builder software as a solution to the City’s need to digitally manage, track and report on various Capital Improvement Projects for the City, and

WHEREAS, prior to e-Builder, the City’s standard documentation management system consisted of one comprehensive paper file structure as the official file for archiving and auditing purposes, and

WHEREAS, on April 5, 2016, by Resolution 2016-136, Council approved an agreement for \$559,628 with e-Builder, Inc., of Plantation, Fl., to purchase and implement e-Builder software and

WHEREAS, to date this phase has been fully implemented successfully and provided a tremendous savings for staff and Contractors, both in time and resources, and

WHEREAS, Portfolio Level Funding will allow e-Builder to more closely mimic the financial structure of COSMO, and

WHEREAS, the direct mirroring will allow information to be directly utilized by both COSMO and e-Builder, and

WHEREAS, this upgrade improves the ability of staff to manage multiple funded projects, and

WHEREAS, Staff recognized the potential for e-Builder to further benefit the public by leveraging information in broader and more transparent ways, and

WHEREAS, the improved accuracy of the data would allow for the automatic reporting system of e-Builder to generate data that may be posted to OpenGov, effectively mitigating the potential for further human error, and meeting the City's intent to achieve a truly transparent government, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Amendment to the original Agreement with e-Builder Inc., of Plantation, FL., for the Work Order to upgrade to the "Portfolio Level Funding" Cost Module.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the amendment in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

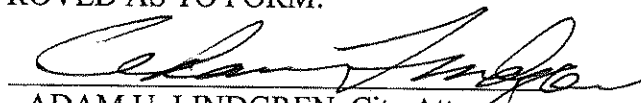
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-78**

**RESOLUTION APPROVING AN AGREEMENT WITH BENCHMARK
ENGINEERING, INC., OAKDALE, CA, FOR ON-CALL LAND SURVEYING
SERVICES FOR A TERM OF ONE YEAR, NOT TO EXCEED \$49,000 AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, The City of Modesto has the need for professional Land Surveying services on various projects, and

WHEREAS, The Utilities Department lacks sufficient qualified staff members to satisfy the demand for these services, and

WHEREAS, Project workloads and permit workloads require more resources than the City survey staff has available, and

WHEREAS, Land surveying support is required on public works projects, and

WHEREAS, Land surveying Services are needed for reviewing legal maps, plans and documents for property lines, monuments and subdivisions, and

WHEREAS, Benchmark Engineering meets or exceeds the standard of work set forth by the City of Modesto for Land Surveying services, and

WHEREAS, in accordance with Modesto Municipal Code 7-3.204(a) Exceptions to Formal Bidding Requirements, this agreement for professional services is exempt from the bid requirement, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Benchmark Engineering, Inc., Oakdale, CA, for On-call Land Surveying Services for various City projects for one year in an amount not to exceed \$49,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

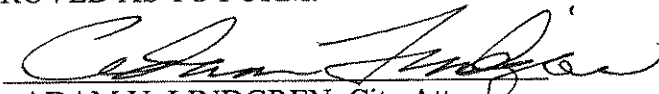
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-79**

**RESOLUTION APPROVING AN AGREEMENT WITH DELAMARE-FULTZ
ENGINEERING, INC., MODESTO, CA, FOR ON-CALL LAND SURVEYING
SERVICES FOR A TERM OF ONE YEAR, NOT TO EXCEED \$49,000 AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, The City of Modesto has the need for professional Land Surveying services on various projects, and

WHEREAS, The Utilities Department lacks sufficient qualified staff members to satisfy the demand for these services, and

WHEREAS, Project workloads and permit workloads require more resources than the City survey staff has available, and

WHEREAS, land surveying support is required on public works projects, and

WHEREAS, Land surveying Services are needed for reviewing legal maps, plans and documents for property lines, monuments and subdivisions, and

WHEREAS, DeLaMare-Fultz Engineering meets or exceeds the standard of work set forth by the City of Modesto for Land Surveying services, and

WHEREAS, in accordance with Modesto Municipal Code 7-3.204(a) Exceptions to Formal Bidding Requirements, this agreement for professional services is exempt from the bid requirement, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with DeLaMare-Fultz Engineering, Inc., Modesto, CA, On-call Land Surveying Services for various City projects for one year in an amount not to exceed \$49,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

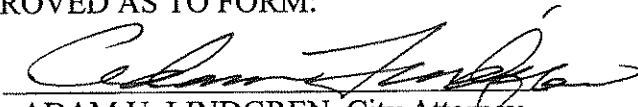
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-80**

**RESOLUTION APPROVING AN AGREEMENT WITH NORTHSTAR
ENGINEERING, INC., MODESTO, CA FOR ON-CALL LAND SURVEYING
SERVICES FOR A TERM OF ONE YEAR, NOT TO EXCEED \$49,000 AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, The City of Modesto has the need for professional Land Surveying services on various projects, and

WHEREAS, The Utilities Department lacks sufficient qualified staff members to satisfy the demand for these services, and

WHEREAS, Project workloads and permit workloads require more resources than the City survey staff has available, and

WHEREAS, land surveying support is required on public works projects, and

WHEREAS, Land surveying Services are needed for reviewing legal maps, plans and documents for property lines, monuments and subdivisions, and

WHEREAS, NorthStar Engineering meets or exceeds the standard of work set forth by the City of Modesto for Land Surveying services, and

WHEREAS, in accordance with Modesto Municipal Code 7-3.204(a) Exceptions to Formal Bidding Requirements, this agreement for professional services is exempt from the bid requirement, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Northstar Engineering, Inc. for On-call Land Surveying Services for various City projects for one year in an amount not to exceed \$49,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

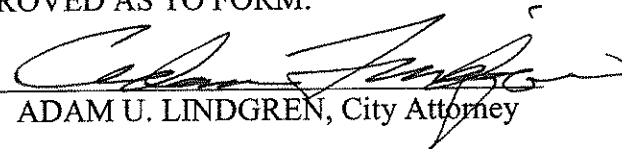
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-81**

**RESOLUTION APPROVING AN AGREEMENT WITH O'DELL
ENGINEERING, INC., MODESTO, CA, FOR ON-CALL LAND SURVEYING
SERVICES FOR A TERM OF ONE YEAR, NOT TO EXCEED \$49,000 AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, The City of Modesto has the need for professional Land Surveying services on various projects, and

WHEREAS, The Utilities Department lacks sufficient qualified staff members to satisfy the demand for these services, and

WHEREAS, The Utilities Department lacks sufficient qualified staff members to satisfy the demand for these services, and

WHEREAS, Project workloads and permit workloads require more resources than the City survey staff has available, and

WHEREAS, land surveying support is required on public works projects, and

WHEREAS, Land surveying Services are needed for reviewing legal maps, plans and documents for property lines, monuments and subdivisions, and

WHEREAS, O'Dell Engineering meets or exceeds the standard of work set forth by the City of Modesto for Land Surveying services, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with O'Dell Engineering, Inc., Modesto, CA, for On-call Land Surveying Services for various City projects for one year in an amount not to exceed \$49,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

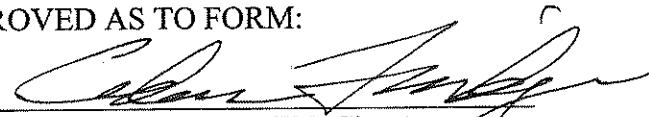
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-82**

**RESOLUTION APPROVING THE SUBMISSION OF THE CITY'S
TRANSPORTATION DEVELOPMENT ACT (TDA) TRANSIT CLAIM FOR
TRANSPORTATION CENTER IMPROVEMENTS FOR FISCAL YEAR 2017-18
TO THE STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) IN THE
AMOUNT OF \$523,544**

WHEREAS, the Stanislaus Council of Governments (StanCOG) has informed the Transit Division that Transportation Development Act (TDA) funds are available for Transportation Center improvements in preparation for the Altamont Corridor Express (ACE) to stop in Modesto, and

WHEREAS, the City has prepared a TDA claim for Fiscal Year 2017-2018 to access these additional funds, and

WHEREAS, the Transportation Center Capital Budget for these improvements is \$3,942,019, and

WHEREAS, the first phase of the project will be \$523,544 in Local Transportation Funds (LTF) for the design of the improvements, which is being submitted to StanCOG for LTF funding, and

WHEREAS, Council action authorizing submission of the Claim is required by StanCOG pursuant to Section 99233.11 of the California Public Utilities Code before any TDA funding can be released to the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the TDA Transportation Center capital claim for Fiscal Year 2017-2018 to StanCOG in the amount of \$523,544.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-83**

**RESOLUTION AUTHORIZING A BUDGET ADJUSTMENT AMENDING
FISCAL YEAR 2017-18 OPERATING BUDGET IN THE AMOUNT OF \$523,544
TO FUND IMPROVEMENTS TO THE TRANSPORTATION CENTER IN
PREPARATION FOR THE ALTAMONT CORRIDOR EXPRESS (ACE) AND
AUTHORIZE THE INTERIM CITY MANAGER TO IMPLEMENT THE
PROVISIONS OF THIS RESOLUTION**

WHEREAS, Stanislaus Council of Governments (StanCOG) has adopted by Resolution 17-13 the Fiscal Year 2016-17 Local Transportation Fund (LTF) Supplemental Apportionment in the amount of \$1,648,705, and

WHEREAS, staff recommended that \$1,267,691 of the supplemental apportionment be reserved for future regional transit projects such as future rail services offered by ACE, and

WHEREAS, On November 6, 2017, the item was presented to and approved by the Executive Committee Team, and

WHEREAS, City staff has estimated the total cost of Phase 1 of the improvement to the Transportation Center in preparation for ACE at \$2,236,581, and

WHEREAS, this claim is the formal request to StanCOG to release \$523,544 reserved for regional transit projects, and

WHEREAS, the Fiscal Year 2017-18 operating budget must be amended by \$523,544.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-18 operating budget.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of February, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

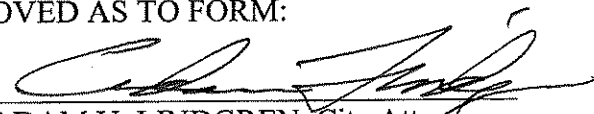
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-84**

RESOLUTION APPROVING THE FIRST AMENDMENT TO THE CONSULTANT CONTRACT WITH CPSI OF FRESNO, CA FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT TO INCREASE THE EXISTING CONTRACT BY \$864,687 TO PROVIDE ADDITIONAL RIGHT OF WAY CONSULTANT SERVICES PLUS \$86,500 FOR ADDITIONAL SERVICES, IF NEEDED, FOR A TOTAL CONTRACT AMOUNT OF \$1,759,687 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE FIRST AMENDMENT TO THE CONTRACT

WHEREAS, Stanislaus Council of Governments (StanCOG), City of Modesto, Stanislaus County and the California Department of Transportation (Caltrans) are completing the formal studies for the Project Approval and Environmental Document (PA&ED) Phase for the State Route 132 West Freeway/Expressway Project (Ultimate Project), and

WHEREAS, the Ultimate Project is presently in the final stage of the environmental approval process, with approval expected in mid-March of 2018, and

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Phase 1 Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, delivery of the PA&ED phase of the Ultimate Project has been slowed due to problems with gaining environmental clearance of contaminated soils stockpiles, and Project construction must commence on or before June 30, 2019, and

WHEREAS, the combination of environmental clearance delay along with a shortened window for startup of construction has resulted in the need to accelerate

supporting services of the final design (PS&E) phase of the Phase 1 Project to meet the construction startup deadline of June 2019, and

WHEREAS, this acceleration must be performed so that approximately \$25.5 million of construction funding will not be lost, and

WHEREAS, it is anticipated that Caltrans will complete CEQA and NEPA review in mid-March 2018 as part of the current PA&ED Phase and select a Project alternative at that time. It is anticipated that Caltrans will select one of the two build alternatives, but there is potential risk that Caltrans will select the no-build alternative, which would mean no Project would go forward, and

WHEREAS, on August 8, 2017, the City Council approved an agreement to engage the services of CPSI to commence Right Of Way (ROW) Support services for the Phase 1 Project (Agreement), in an amount not to exceed \$735,000, plus \$73,500 for additional services, if needed, and

WHEREAS, on August 15, 2017, staff issued a Notice to Proceed to begin these support services, and CPSI has been conducting on-going activities for the clearance of the right of way that is necessary for Project construction, in anticipation of approval of the Project Environmental Document (ED), and

WHEREAS, the scope of work for CPSI has increased from the initial 39 cases (29 acquisitions and 10 relocations) to a total of 76 cases (54 acquisitions and 22 relocations), and Caltrans has notified staff that significant additional environmental study will be required, and

WHEREAS, this added work significantly impacts the originally contemplated scope of work for CPSI and represents over a 100% increase in scope for CPSI, and

WHEREAS, due to the urgency of the need for these support services to continue, the City is requesting an amendment to the existing agreement with CPSI to increase the amount of the Agreement by \$864,687, plus \$86,500 for additional services, if needed as determined by the City Manager, for a total amount of \$1,759,687.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the Agreement with CPSI , increasing the contract amount for professional services by \$864,687, plus \$86,500 for additional services, if needed, for a total amount of \$1,759,687.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute the First Amendment to the Agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-85**

RESOLUTION AUTHORIZING STAFF TO ENGAGE IN REAL PROPERTY NEGOTIATIONS AND TO PROCEED WITH ACQUISITIONS NOT TO EXCEED \$3.54 MILLION, AUTHORIZING THE CITY OF MODESTO INTERIM CITY MANAGER TO ESTABLISH THE AMOUNT OF JUST COMPENSATION TO BE OFFERED TO PROPERTY OWNERS, AND DELEGATING SIGNATURE AND SETTLEMENT AUTHORITY UP TO CERTAIN SPECIFIED AMOUNTS TO CITY OF MODESTO PROJECT MANAGER, CITY ENGINEER AND CITY MANAGER FOR RIGHT OF WAY TO SUPPORT THE CONSTRUCTION OF THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, the Project Environmental Document (ED) has been delayed, but is expected to be approved in mid-March 2018, with expected approval of the authorization to spend federal funds (E-76) mid-April to early May 2018, and

WHEREAS, the delay in ED approval places significant risk to the Project's programmed construction funding, and all final design elements of the Project are presently being progressed at risk and significant funds have already been expended in an effort to complete these activities within the agreed schedule, and

WHEREAS, the right of way acquisition process usually takes about 21-months to complete, and usually begins immediately following the approval of the Environmental Document, and

WHEREAS, construction must be commenced by no later than June 2019, or the Project will lose approximately \$25.5 million of construction funding, and

WHEREAS, real property must be acquired early and prior to ED approval to meet the June 2019 construction start date and prevent the loss of approximately \$25.5 million of construction funding, and

WHEREAS, Staff has requested approval to make offers and commence acquisition and relocation activities necessary for the Project to meet the shortened window of opportunity, and

WHEREAS, Staff has requested that authority be delegated to the City of Modesto Project Manager, City Engineer and Interim City Manager, to execute documents and approve settlements for the purpose of acquiring right of way for the Project, as specified below, and

WHEREAS, acquisitions and relocations will follow State and Federal law, including the provisions of the Uniform Act and regulations in 49 CFR part 24, and the requirements of title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d-2000d-4), so as not to jeopardize State and Federal funding for the project, and

WHEREAS, these early acquisitions will not influence the environmental review process for the Project, and any properties that are acquired will not be put to any use prior to ED approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that Staff is authorized to engage in real property negotiations and to proceed with acquisitions not to exceed \$3.54 Million,

BE IT FURTHER RESOLVED, that:

1. The City of Modesto Project Manager is authorized to recommend the amounts of just compensation for properties to be acquired for the Project,

and the Interim City Manager is authorized to establish the amounts of just compensation for such properties, based on approved appraisals;

2. The Interim City Manager is authorized to execute Purchase and Sale Agreements for properties that are acquired pursuant to the authority granted under this Resolution;
3. That Offer Letters and Purchase and Sale Agreements presented to property owners prior to ED approval will include language notifying the property owner that the purchase and sale negotiations are voluntary, and not subject to eminent domain actions. Pre-ED approval offers that do not result in an agreement to purchase the property will be withdrawn;
4. That settlement authority for the purchase and sale of properties for the Project is delegated to the following designated City of Modesto staff up to the following specified amounts in excess of the appraised values:
 - City of Modesto Project Manager: up to \$5,000 in excess of appraised value and for properties valued up to \$125,000 the lesser of 20% of the appraised value or \$25,000
 - City of Modesto City Engineer: for properties valued up to \$200,000 the lesser of 20% of the appraised value or \$40,000
 - City of Modesto City Manager: for properties valued up to \$300,000 the lesser of 20% of the appraised value or \$60,000
 - City of Modesto City Council approval will be required for any properties valued in excess of \$300,000 and for settlements that exceed the appraised value by more than \$60,000.

5. That the Interim City Manager is authorized to approve claims and invoices relating to Project right of way acquisition and relocation assistance in amounts up to \$50,000.
6. That pursuant to Government Code section 27281, the City of Modesto City Engineer is authorized to execute Certificates of Acceptance accepting ownership of property for the Project and to have the transfer document recorded.
7. That the City of Modesto City Engineer is authorized to execute documents associated with property acquisitions and relocations necessary for the Project, which may include Escrow Instructions, Amended Escrow Instructions, Relocation eligibility and entitlement documents, and similar documents which are necessary for such purposes.
8. That once Project environmental approval is achieved, purchase offers will be tendered, and property acquisitions will proceed under the reimbursement strategy following State and Federal guidelines and laws.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-86**

RESOLUTION APPROVING A TWO-YEAR AGREEMENT WITH THREE (3) ONE YEAR RENEWAL OPTIONS FOR UMPIRE SERVICES WITH THE GREATER SAN JOAQUIN UMPIRE ASSOCIATION, FOR AN ANNUAL AMOUNT NOT TO EXCEED \$35,000 AND A TOTAL OF \$175,000 OVER FIVE YEARS, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Parks, Recreation and Neighborhoods Department offers a wide variety of sports and leisure activities to the citizens of Modesto, and

WHEREAS, one of the most popular offerings is adult softball leagues serving more than 3,000 participants and generating more than \$60,000 in revenue annually, and

WHEREAS, the program produces positive park use and promotes healthy outdoor activities, and

WHEREAS, in September 2015, the City entered into an agreement with the Greater San Joaquin Umpire Association to provide umpire services for city softball leagues, with an automatically renewed term ending date, and

WHEREAS, in accordance with the information provided at the January 23, 2018 Council Meeting regarding contracts, Parks, Recreation and Neighborhoods Department staff is terminating all "evergreen" contracts and bringing to council any contracts requiring council approval, and

WHEREAS, the Greater San Joaquin Umpire Association has agreed to enter into a new contract which includes an ending term date, and both annual and total funding limits that are not to be exceeded, and

WHEREAS, the USA Softball Association of Central California has jurisdiction based on their membership with the USA Softball, the services provided by the Greater San Joaquin Umpire Association are a sole source and not requiring formal bid, and

WHEREAS, the professional services provided through this umpire agreement ensure there are trained, insured, and well qualified officials at all softball programs to maximize the quality of play and minimize the risks, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the two-year Agreement with three (3) one year renewal options for Umpire Services with the Greater San Joaquin Umpire Association, for an annual amount not to exceed \$35,000 and a total of \$175,000 over five years.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-87**

RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE OF FEDERAL AND SPEER BRAND DUTY-USE AMMUNITION FOR THE MODESTO POLICE DEPARTMENT TO SAN DIEGO POLICE EQUIPMENT CO., INC., SAN DIEGO, CA, FOR A TWO YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE AGREEMENT FOR AN AMOUNT NOT TO EXCEED \$97,155 ANNUALLY AND \$485,775 OVER FIVE YEARS

WHEREAS, the Interim City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for the purchase of Federal Brand ammunition, and

WHEREAS, the Purchasing Division issued RFB No. 1718-22 Federal Brand Ammunition, posted the RFB on the City's website and formally advertised by law, and

WHEREAS an Addendum to the bid was subsequently sent out stating that the Police Department would accept Remington Brand or an equivalent for training ammunition, and

WHEREAS, bids were formally opened in the City Clerk's Office. Two companies chose to respond. Both companies provided responsive and responsible bids, and

WHEREAS, the Modesto Police Department conducted a comparison study for both duty and range training ammunition, for the sole reason that training ammunition is cheaper and would result in a cost savings to the City. It was determined that Federal and Speer brand ammunition could provide the better duty-use ammunition and Remington could provide a more cost effective range training-use ammunition, and

WHEREAS, based on providing a responsive and responsible bid, City staff recommends the award of bid for the purchase of Federal and Speer brand duty-use ammunition to San Diego Police Equipment Co., Inc., San Diego, CA, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bid for the purchase of Federal and Speer brand duty-use ammunition for the Modesto Police Department to San Diego Police Equipment Co., Inc., San Diego, CA, conforms to the Modesto Municipal Code, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto, that it hereby authorizes the award of bid for the purchase of Federal and Speer brand duty-use ammunition for the Modesto Police Department to San Diego Police Equipment Co., Inc., San Diego, CA.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized issue a purchase agreement for a two year agreement with three one-year extension options, for an annual amount not to exceed \$97,155, for a total five-year agreement amount not to exceed \$485,775.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-88**

RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE OF REMINGTON BRAND TRAINING-USE AMMUNITION FOR THE MODESTO POLICE DEPARTMENT TO PROFORCE LAW ENFORCEMENT, PRESCOTT, AZ, FOR A TWO YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE AGREEMENT FOR AN AMOUNT NOT TO EXCEED \$123,605 ANNUALLY AND \$618,025 OVER FIVE YEARS

WHEREAS, the Interim City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for the purchase of Federal Brand ammunition, and

WHEREAS, the Purchasing Division issued RFB No. 1718-22 Federal Brand Ammunition, posted the RFB on the City's website and formally advertised by law, and

WHEREAS, an Addendum to the bid was subsequently sent out stating that the Police Department would accept Remington Brand or an equivalent for training ammunition, and

WHEREAS, bids were formally opened in the City Clerk's Office. Two companies chose to respond. Both companies provided responsive and responsible bids, and

WHEREAS, the Modesto Police Department conducted a comparison study for both duty and range training ammunition, for the sole reason that training ammunition is cheaper and would result in a cost savings to the City. It was determined that Federal and Speer brand ammunition could provide the better duty-use ammunition and Remington could provide a more cost effective range training-use ammunition, and

WHEREAS, based on providing a responsive and responsible bid, City staff recommends the award of bid for the purchase of Remington brand range training-use ammunition to Proforce Law Enforcement, Prescott, AZ, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bid for the purchase of Remington brand range training -use ammunition for the Modesto Police Department to Proforce Law Enforcement, Prescott, AZ, conforms to the Modesto Municipal Code, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto, that it hereby authorizes the award of bid for the purchase of Remington brand duty-use ammunition for the Modesto Police Department to Proforce Law Enforcement, Prescott, AZ.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized issue a purchase agreement for a two year agreement with three one-year extension options, for an annual amount not to exceed \$123,605, for a total five-year agreement amount not to exceed \$618,025.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-89**

RESOLUTION APPROVING A SOLE SOURCE PURCHASING AGREEMENT WITH HACH, LOVELAND, CO, FOR FIELD SERVICE OF ON-LINE INSTRUMENTS, WHICH ARE USED AT THE WASTEWATER TREATMENT FACILITY TO MONITOR THE TREATMENT PROCESS, FOR A TOTAL COST NOT TO EXCEED \$59,904 OVER THREE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO EXECUTE A PURCHASING AGREEMENT

WHEREAS, the Wastewater Treatment Plants have installed various Hach instruments throughout its facilities, and

WHEREAS, these instruments ensure process control and compliance by monitoring and collecting critical data needed for the City's National Pollutant Discharge Eliminate System Permit, and

WHEREAS, the instruments also assist the operations staff in maintaining equipment and processes with real time data, and

WHEREAS, this Hach field service agreement includes but is not limited to on site calibration, on site routine maintenance, and parts necessary to keep equipment in service and new equipment it will be added to this agreement for a nominal fee, and

WHEREAS, in the past, Operations staff have calibrated and performed minimum routine maintenance on Hach instruments estimated to take approximately 100 labor hours per year (\$3,818/year), and

WHEREAS, this maintenance does not include tasks such as firmware updates, controller services and replacements, and electronics repairs/replacements that staff is not qualified to perform, and

WHEREAS, these labor hours will be spent by staff developing crucial Standard Operating Procedures for the new Phase 2 Treatment Facility at the Jennings Treatment Plant, and

WHEREAS, this Hach field service agreement is crucial to the reliability of critical process control and compliance instrument, and

WHEREAS, since the construction and commissioning of Phase 2 of our tertiary treatment facility, Hach meters needing regular service have increased from nine to twenty-seven and this contract will ensure dependable service and warranty compliance for these units, and

WHEREAS, Hach's factory-trained service personnel are authorized to perform any repair, start-up service, or maintenance on these instruments and this will ensure accuracy of critical data points required for plant optimization and regulatory compliance, as well as dependability of the instruments to minimize downtime of the facility and potential lost water sales to the North Valley Regional Recycled Water Project, and

WHEREAS, staff will receive field service reports that will demonstrate a proper maintenance program and will be especially valuable during State audits of our maintenance records for compliance required meters, and

WHEREAS, a maintenance program performed by authorized field service technicians is subject to less scrutiny than a City operated maintenance program, and

WHEREAS, this contract will also limit additional costs associated with spare parts, calibration standards and equipment, replacement units and manufacturer service fees which were \$68,487 since 2015 and Hach will also provide full replacement of any failed units under this agreement for as long as the unit is a supported product, and

WHEREAS, under this Hach field service agreement, all of the work required to maintain Hach instruments will be performed by a certified Hach technician, thereby guaranteeing their work and replacement parts, and ensuring parts remain under warranty, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid; however, there are exceptions to the rule set forth in the Modesto Municipal Code, and

WHEREAS, staff recommends the award of agreement with Hach, Loveland, CO, should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) since they are the sole provider of these services, and

WHEREAS, MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirements where the Purchasing Agency's requirements can be met solely by a single article or process, therefore, this purchase qualifies for exemption from formal bidding for that reason, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a purchasing agreement with Hach, Loveland, CO, for sole source field service of on-line instruments at a cost not to exceed \$59,904 over three years and authorizing the Purchasing Manager, or her designee, to execute a purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

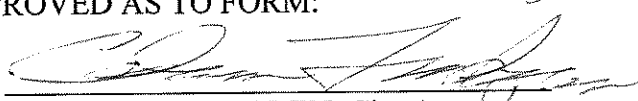
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-90**

**RESOLUTION APPROVING THE STANISLAUS MULTI-AGENCY REGIONAL
STORM WATER RESOURCE PLAN MEMORANDUM OF UNDERSTANDING
FOR LOCAL MATCH COMMITMENTS AND AUTHORIZING THE INTERIM
CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, Proposition 1 (Prop 1) was passed by voters in November 2014 and provided \$7.5 billion in general obligation bonds to be used throughout the state for various types of water resource related projects, and

WHEREAS, the State Water Resources Control Board (State Water Board) will administer \$200 million in grant funds for public agencies to develop multi-beneficial storm water management type projects, and

WHEREAS, Stanislaus County, as the lead agency, was successful in obtaining the Proposition 1 Planning Grant in the amount of \$499,840 to develop a Stanislaus Multi-Agency Regional Storm Water Resource Plan (SWRP), and

WHEREAS, in general, a SWRP includes information needed for effective regional management of storm water as a resource; it will identify, evaluate, and prioritize potential storm water resource-related capital improvement projects, and

WHEREAS, a SWRP is also a prerequisite to receiving future grants from voter approved bond funds for storm water and dry weather runoff capture projects, as per the California Legislature Senate Bill 985, for any bond approved by voters after January 2014, and

WHEREAS, the City has partnered in this effort to be eligible for Round 2 Implementation Round in 2018, which will provide a total of \$90,000,000 in construction monies throughout the State, and

WHEREAS, the Prop 1 Planning Grant received by Stanislaus County requires a local match to the grant amount, and

WHEREAS, the local match monies can be made up of labor-in-kind or cash, and were estimated to be \$744,004 for the combined multiagency efforts, and

WHEREAS, on March 28, 2017, when the Stanislaus County Board of Supervisors approved the Grant for the SWRP, they also approved funding of \$104,000 for the County's portion of the local match, and

WHEREAS, this cash will only be used if the State Water Boards does not approve some of the proposed labor-in-kind, and

WHEREAS, the majority of the local match is comprised of labor-in-kind from work completed by the Cities of Modesto, Oakdale, and Patterson, and the Eastside Water District, and

WHEREAS, the City of Modesto has contributed \$140,000 in labor-in-kind in the form of the following studies:

City of Modesto Municipal Storm Water Program – Annual Progress Report 2015-16

City of Modesto Municipal Storm Water Program – Annual Progress Report 2014-15

City of Modesto Wastewater Collection System Master Plan, and

WHEREAS, a Memorandum of Understanding between the Cities of Modesto, Oakdale and Patterson, the Eastside Water District and the County of Stanislaus, has been developed to memorialize the Stanislaus Multi-Agency Regional Storm Water Resource Plan coordination, including the labor-in-kind efforts, and documentation to meet the Prop1 requirements of local match, and

WHEREAS, Stanislaus County will continue to be the lead agency, and will contract with a consultant (Woodard and Curran) to complete the project work for the Regional Storm Water Resource Plan at no charge to the other parties, and

WHEREAS, City of Modesto staff time to participate in the development and review of the SWRP is estimated to be less than \$20,000, with funding available in the current fiscal year,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Stanislaus Multi-Agency Regional Storm Water Resource Plan Memorandum of Understanding for Local Match Commitments.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

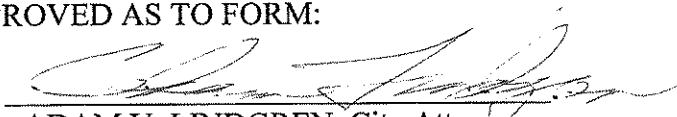
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-91**

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE MPD HVAC RENOVATION PROJECT (ADMINISTRATION BUILDING), ACCEPTING THE BID, AND APPROVING A CONSTRUCTION CONTRACT WITH AMERICAN CHILLER SERVICE, INC., MODESTO, CA, IN THE AMOUNT OF \$779,700 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the MPD HVAC Renovation Project (Administration Building), and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the MPD HVAC Renovation Project (Administration Building) were opened at 11:00 a.m. on January 23, 2018 pursuant to Modesto Municipal Code section 8-3.403 and Charter section 1307 , and

WHEREAS, the Director of Utilities and the Interim City Manager has recommended that the bid of \$779,770 received from American Chiller Service, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to American Chiller Service, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for MPD HVAC Renovation Project (Administration Building) and accepts the bid of \$779,770 and awards American Chiller Service, Inc., of Modesto, CA the construction contract for the MPD HVAC Renovation (Administration Building) Project .

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-92**

RESOLUTION AMENDING THE FISCAL YEAR 2017-18 CAPITAL IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$896,736 TO BE TRANSFERRED INTO THE PROJECT FROM MPD'S OPERATING BUDGET TO FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE MPD HVAC RENOVATION PROJECT (ADMINISTRATION BUILDING)

WHEREAS, certain budgetary transactions are necessary in the amount of \$896,736, in order to fund construction, contingency, construction administration, and design support during construction for the MPD HVAC Renovation Project, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-2018 Capital Improvement Program Budget as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

To fully fund CIP project **101034** – MPD HVAC Systems Replacement the following budget adjustment is necessary:

Operating Budget Adjustments:

0100-19490-53300	
General Fund – MPD Building Services – Professional Services	(\$809,603)
0100-19320-51403	
General Fund – MPD – Field Operations – Salary Adj. – Decrease	(\$60,993)
0100-19320-51903	
General Fund – MPD – Field Operations – Benefits Adj. – Decrease	(\$26,140)

Transfer Budget Adjustments:

0100-19490-71342	
GF – MPD Building Services – Transfer Out to Fund 1342	\$896,736
1342-19999-60100-101034	
Special Fund for Capital Outlay – Transfer In from Fund 0100	\$896,736

Project Budget Adjustments: 101034 MPD HVAC Systems Replacements

Eng/Design/Admin	\$7,798
Construction	\$779,770
Construction Admin	\$31,191
Contingency	\$77,977
Total	\$896,736

101034 - MPD HVAC Systems Replacement

	<u>Current Budget</u>	<u>Request</u>	<u>Revised Budget</u>	<u>Amount of Adjustment</u>
EDA	\$ 28,000.00	\$ 7,798.00	\$ 35,798.00	\$ 7,798.00
CON	\$ -	\$ 779,770.00	\$ 779,770.00	\$ 779,770.00
CA	\$ -	\$ 31,191.00	\$ 31,191.00	\$ 31,191.00
CTGY	\$ -	\$ 77,977.00	\$ 77,977.00	\$ 77,977.00
	\$ 28,000.00	\$ 896,736.00	\$ 924,736.00	\$ 896,736.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-93**

**RESOLUTION AWARDING A DESIGN BUILD CONTRACT TO DIEDE
CONSTRUCTION, OF WOODBRIDGE, CA FOR THE WATER
CORPORATION YARD PROJECT IN THE AMOUNT OF \$14,100,000 AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO
EXECUTE THE AGREEMENT**

WHEREAS, the City of Modesto Utilities Department – Water Services Division has been in search of a replacement Corporation Yard since 2013, and

WHEREAS, on November 4, 2015, by Resolution Numbers 2015-424 and 2015-426, Council approved the purchase of a 48.62 acre property located on Litt Road in northeast Modesto for the Water Corporation Yard Project, and

WHEREAS, the project site is approximately 3,000 feet north of Sylvan Avenue and 850 feet south of Plainview Road, just outside of City limits but within the City's sphere of influence., and

WHEREAS, to achieve an anticipated project completion by fall of 2019, the City will need to expedite the project delivery (design and construction), and

WHEREAS, staff recommends pursuing a Design-Build (D-B) approach, which expedites the design and construction process by compiling the design and construction services under a single entity, and

WHEREAS, this methodology should minimize risks, reduce the project delivery schedule, reduce bid times, decreased disputes, enhance communication, and

WHEREAS, on August 2, 2017, the City issued a Request for Qualifications (RFQ) to invite interested parties to submit their team's D-B experience and qualifications to create a pre-qualified short-list of proposers, and

WHEREAS, on September 14, 2017, RFPs were issued to the three D-B teams and proposals were received on December 1, 2017, and

WHEREAS, interviews were held on December 7, 2017, with the panel selecting Diede Construction of Woodbridge, CA, as the most qualified D-B team to design and construct the Water Corporation Yard project, and

WHEREAS, the stipulated sum D-B contract price for the construction of the Water Corporation Yard Project is \$14,100,000, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby awards Diede Construction, of Woodbridge, CA, the contract for the Water Corporation Yard Project in the amount of \$14,100,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

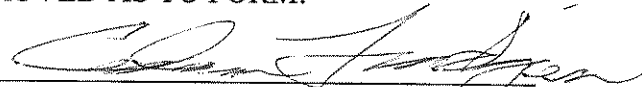
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-94**

RESOLUTION APPROVING A PARTIAL REIMBURSEMENT IN AMOUNT OF \$75,000 TO FLINT BUILDERS, INC. OF ROSEVILLE, CA AND \$75,000 TO HARRIS CONSTRUCTION, INC. OF FRESNO, CA FOR THE WORK COMPLETED IN ATTEMPTING TO OBTAIN A DESIGN BUILD CONTRACT FOR THE WATER CORPORATION YARD PROJECT

WHEREAS, the City of Modesto Utilities Department – Water Services Division has been in search of a replacement Corporation Yard since 2013, and

WHEREAS, on November 4, 2015, by Resolution Numbers 2015-424 and 2015-426, Council approved the purchase of a 48.62 acre property located on Litt Road in northeast Modesto for the Water Corporation Yard Project, and

WHEREAS, the project site is approximately 3,000 feet north of Sylvan Avenue and 850 feet south of Plainview Road, just outside of City limits but within the City's sphere of influence., and

WHEREAS, to achieve an anticipated project completion by fall of 2019, the City will need to expedite the project delivery (design and construction), and

WHEREAS, staff recommends pursuing a Design-Build (D-B) approach, which expedites the design and construction process by compiling the design and construction services under a single entity, and

WHEREAS, this methodology should minimize risks, reduce the project delivery schedule, reduce bid times, decreased disputes, enhance communication, and

WHEREAS, on August 2, 2017, the City issued a Request for Qualifications (RFQ) to invite interested parties to submit their team's D-B experience and qualifications to create a pre-qualified short-list of proposers, and

WHEREAS, on September 14, 2017, RFPs were issued to the three D-B teams and proposals were received on December 1, 2017, and

WHEREAS, interviews were held on December 7, 2017, with the panel selecting Diede Construction of Woodbridge, CA, as the most qualified D-B team to design and construct the Water Corporation Yard project, and

WHEREAS, the stipulated sum D-B contract price for the construction of the Water Corporation Yard Project is \$14,100,000, and

WHEREAS, due to the nature of the RFP and the level of effort provided in preparing a design-build proposal for the City, a partial reimbursement of \$75,000 was included in the RFP, and

WHEREAS, the partial reimbursement would be paid to those shortlisted firms that were unsuccessful in obtaining a contract with the City, and

WHEREAS, it is industry standard practice for the level of effort involved in preparing a proposal for vertical construction design build projects, and

WHEREAS, the partial reimbursement would be considered works for hire, cover some of the costs of the proposal and presentation, and

WHEREAS, the partial reimbursement constitutes an agreement by the firms that the City of Modesto may use ideas or approaches developed from their proposals.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a partial reimbursement in an amount of \$75,000 to Flint Builders, Inc. of Roseville, CA and \$75,000 to Harris Construction, Inc. of Fresno, CA for the work completed in attempting to obtain a design build contract for the Water Corporation Yard Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-95**

RESOLUTION APPROVING AN AGREEMENT WITH CONSOLIDATED CM, INC., OAKLAND, CA, FOR OWNER'S ADVISOR CONSTRUCTION SERVICES AND ENGINEERING SUPPORT DURING CONSTRUCTION FOR THE WATER CORPORATION YARD PROJECT, IN AN AMOUNT NOT TO EXCEED \$856,289 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$85,629 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A MAXIMUM TOTAL AMOUNT OF \$941,918 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, Consolidated CM, Inc. (CCM) is the Design-Build (D-B) owner's advisor consultant for the Water Corporation Yard Project, and

WHEREAS, due to staffing and lack of in-house expertise of D-B projects, as well as the size and complexity of the project, engineering support during construction (ESDC) by CCM is necessary to facilitate construction activities and promote timely and successful completion of the project, and

WHEREAS, the scope of services to be provided under the ESDC agreement includes: 1) Technical oversight of project activity, including review of submittals and shop drawings; 2) Review and response to Requests for Information and change order requests; 3) Technical observation and inspection of construction activities; 4) Final commissioning of all facilities built and 5) Project management through design and construction phase, and

WHEREAS, these support services will promote timely and successful construction of the facilities, while also reducing risk to the City, and

WHEREAS, staff recommends approving the agreement with CCM for construction and engineering services during construction for the Water Corporation Yard Project,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Consolidated CM, Inc., Oakland, CA for Owner's Advisor Construction Services and Engineering Support During Construction for the Water Corporation Yard Project, in an amount not to exceed \$856,289 for the identified scope of services, plus \$85,629 for additional services (if needed), for a maximum total amount of \$941,918.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-96**

RESOLUTION AMENDING THE FISCAL YEAR 2017-18 CAPITAL IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$3,897,500 TO BE TRANSFERRED INTO THE PROJECT FROM WATER FUND RESERVES IN ORDER TO FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, CITY CONSTRUCTION FORCES, AND ENGINEERING SUPPORT DURING CONSTRUCTION FOR THE WATER CORPORATION YARD PROJECT

WHEREAS, certain budgetary transactions are necessary in the amount of \$3,897,500, in order to fund construction, contingency, construction administration, City construction forces, design support during construction plus City staff support for the Water Corporation Yard Project, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-2018 Capital Improvement Program Budget as shown in **Exhibit A**, attached hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of February, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

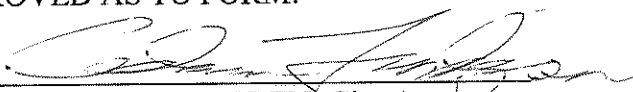
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Due to construction costs being higher than initially anticipated for the project, a budget adjustment is necessary for CIP account:

100812 - Water Corporation Yard

To fully fund the above account, \$3,897,500 will be transferred from Water Fund Reserves as follows:

**CIP 100812
Water Corp Yard**

	<u>PJTD Budget</u>	<u>PJTD Actual</u>	<u>PJTD Commitment</u>	<u>PJTD Available</u>	<u>Request</u>	<u>Need</u>
CA	\$ 600,000.00	\$ 133.15	\$ -	\$ 599,866.85	\$ 273,000.00	\$ (326,866.85)
CCF	\$ 680,000.00	\$ 76,533.41	\$ 14,561.66	\$ 568,904.93	\$ -	\$ (588,904.93)
CON	\$ 10,326,000.00	\$ -	\$ -	\$ 10,326,000.00	\$ 13,650,000.00	\$ 3,324,000.00
CTGY	\$ 600,000.00	\$ -	\$ -	\$ 600,000.00	\$ 1,092,000.00	\$ 492,000.00
EDA	\$ 1,420,000.00	\$ 711,977.05	\$ 302,019.15	\$ 406,003.79	\$ 1,183,918.00	\$ 777,914.21
LA	\$ 2,188,000.00	\$ 2,183,357.57	\$ -	\$ 4,642.43	\$ -	\$ (4,642.43)
ENV	\$ -	\$ -	\$ -	\$ -	\$ 224,000.00	\$ 224,000.00
	\$ 15,814,000.00	\$ 2,972,001.18	\$ 316,580.82	\$ 12,525,418.00	\$ 16,422,918.00	\$ 3,897,500.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-97**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MUNICIPAL RESOURCE GROUP, IN THE AMOUNT OF \$68,000, TO PROVIDE ASSISTANCE WITH COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT PROJECTS, FOR A TOTAL AGREEMENT AMOUNT OF \$113,000 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, Municipal Resource Group is a governmental consulting firm which has an extensive background providing support services to municipalities throughout Northern California; and

WHEREAS, in February of 2018, the City entered into a Professional Services Agreement with Municipal Resources Group (MRG) to provide assistance with special projects in the City Manager's Office; and

WHEREAS, a vacancy in the City Manager's Office has created the need for assistance with special projects and the preparation and review of agenda reports; and

WHEREAS, with the recent resignation of the Community & Economic Development Director, the City now needs additional support services from MRG to ensure that projects in that department continue moving forward; and

WHEREAS, specific tasks to be addressed for the Community & Economic Development Department include review of recent HUD findings and development of a strategy for success, analysis of current staffing in the Engineering Division and development of a recommendation for the appropriate staffing structure, development of performance measures and review and implementation of recommendations from the Development Services Permit Efficiency Study; and

WHEREAS, providing the additional support is necessary to continue to meet the goals and objectives of Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a First Amendment to the Professional Services Agreement with Municipal Resource Group, in the amount of \$68,000, to provide assistance with Community & Economic Development Department projects, for a total agreement amount of \$113,000.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to sign the amendment to the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-98**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND SOLAR COOL PROPERTIES LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND SOLAR COOL PROPERTIES II LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, TO CONNECT TO THE CITY OF MODESTO'S EXISTING SEWER SYSTEM FOR THE PROPERTIES LOCATED AT 240 BUNKER AND 310 RIVER ROAD (APN: 038-004-025&026 AND 038-004-004), AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, Solar Cool Properties and Solar Cool Properties II, both LLC, California Limited Liability Companies own commercial properties located at 240 Bunker Avenue and 310 River Road which are located outside of Modesto City Limits and outside the City's Sphere of Influence, and

WHEREAS, the properties located at 240 Bunker Avenue and 310 River Road are not connected to the City's sewer system and are requesting a sewer connection, and

WHEREAS, on November 25, 2014, City Council approved Resolution No. 2014-473 amending City Council Policy 5.002, and

WHEREAS, on December 9, 2014, City Council approved adoption of Ordinance No.3612-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS both of these amendments included language allowing the City Manager, upon the recommendation of the Director responsible for utility system planning to approve standard agreements of service for extension of sewer services into certain unincorporated areas without City Council approval, and

WHEREAS, the properties located at 240 Bunker Avenue and 310 River Road are not located within one of those designated areas and therefore require City Council approval prior to allowing the sewer connection, and

WHEREAS, City staff has completed an analysis and determined that it is reasonable for the City of Modesto to provide sewer service to these properties, and

WHEREAS, the sewer connection fees shall be paid and associated permits will be obtained prior to connecting to the City sewer system, and

WHEREAS, the property owner has executed an Outside Service Agreement for sewer service with the City as required to receive sewer service outside the City limits,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for sewer service for the properties located at 240 Bunker Avenue and 310 River Road (APN: 038-004-025&026 and 038-004-004) in Modesto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Will Serve letter and the Outside Service Agreement for sewer service.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

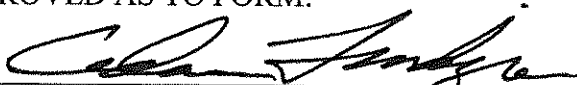
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-99**

**RESOLUTION DIRECTING STAFF TO PREPARE AND FILE THE 2018-2019
ANNUAL ENGINEER'S REPORT FOR CITY OF MODESTO LANDSCAPE
MAINTENANCE ASSESSMENT DISTRICT NO. 1**

WHEREAS, Resolution No. 88-935 adopted by the Council of the City of Modesto on December 13, 1988, initiated proceedings for the formation of Landscape Assessment District No. 1 (LMAD No. 1) to provide funding for the landscape maintenance in the public right-of-way, street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 1-6, and

WHEREAS, LMAD No. 1 was formed in accordance with the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 through 22679), and comprised of 749 single-family residential lots and three (3) public agency owned parcels and

WHEREAS, Section 22620 et. seq. of the Streets and Highways Code requires the legislative body (the City Council) adopt a resolution which shall generally describe any proposed new improvements or any substantial changes in existing improvements and orders the preparation and filing of the report, and

WHEREAS, the annual assessment for LMAD No. 1 has remained the same since 1996, and

WHEREAS, staff does not anticipate any new improvements or substantial changes in existing improvements,

NOW, THEREFORE, BE IT RESOLVED that the City Engineer is designated by this Council as the Engineer of Work for LMAD No. 1, and is hereby directed to prepare and file an annual report in accordance with the provisions of the Landscaping and

Lighting Act of 1972, as amended (Streets and Highways Code Sections 22500 through 22679).

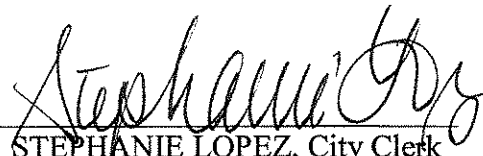
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

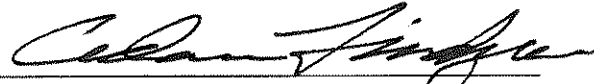
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-100**

**RESOLUTION DIRECTING STAFF TO PREPARE AND FILE THE 2018-2019
ANNUAL ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE
ASSESSMENT DISTRICT NO. 2**

WHEREAS, Resolution No. 89-460, adopted by the Council of the City of Modesto on April 4, 1989, initiated proceedings for the formation of Landscape Maintenance Assessment District No. 2 (LMAD No. 2) to provide funding for the landscape maintenance in the public right-of-way, street medians, and areas adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 7 through 10, Creekwood Meadows Subdivision, and Yosemite Meadows Subdivisions Units 1 and 2, and

WHEREAS, LMAD No. 2 was formed in accordance with the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 through 22679), and

WHEREAS, Section 22620 of the Streets and Highways Code requires the legislative body (the City Council) to adopt a resolution which shall generally describe any proposed new improvements or any substantial changes in existing improvements and direct staff to prepare and to file a report accordingly, and

WHEREAS, the annual assessment for LMAD No. 2 has gradually increased since July 2000, and

WHEREAS, staff does not anticipate any new improvements or substantial changes in existing improvements,

NOW, THEREFORE, BE IT RESOLVED, that the City Engineer is designated by this City Council as the Engineer of Work for LMAD No. 2, and is hereby directed to prepare and file an annual report in accordance with the provisions of the Landscaping

and Lighting Act of 1972, as amended, (Streets and Highways Code Sections 22500 through 22679).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None


ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-101**

**RESOLUTION DIRECTING STAFF TO PREPARE AND FILE THE 2018-2019
ANNUAL ENGINEER'S REPORT FOR THE SHACKELFORD LANDSCAPE
AND LIGHTING DISTRICT**

WHEREAS, on June 29, 1999, the County of Stanislaus formed the Shackelford Landscape and Lighting District (Shackelford LLD) for the purpose of administering the maintaining seventy-seven (77) 200-watt high-pressure sodium streetlights, and

WHEREAS, the Shackelford LLD was formed in accordance with the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 through 22679), and

WHEREAS, the Shackelford LLD is comprised of approximately 153 acres, includes 496 lots with both residential and commercial development, and is bounded by Crows Landing Road on the west, East Hatch Road on the south, Union Pacific Railroad on the east, and State Route 99 on the north, and

WHEREAS, on July 1, 2012, the City of Modesto assumed jurisdiction of the Shackelford Landscape and Lighting District from the County of Stanislaus, and

WHEREAS, Section 22620 of the Streets and Highways Code requires the legislative body (the City Council) to adopt a resolution which shall generally describe any proposed new improvements or any substantial changes in existing improvements and direct staff to prepare and to file a report accordingly,

WHEREAS, the annual assessment for the Shackelford LLD has gradually increased since June 1999, and

WHEREAS, staff does not anticipate any new improvements or substantial changes in existing improvements,

NOW, THEREFORE, BE IT RESOLVED that the City Engineer is designated by this Council as the "Engineer of Work" for the Shackelford LLD, and is hereby directed to prepare and file an annual report in accordance with the provisions of the Landscaping and Lighting Act of 1972, as amended (Streets and Highways Code Sections 22500 through 22679).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

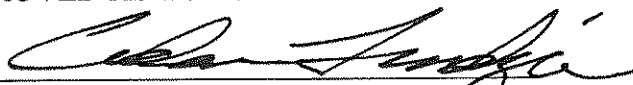
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-102**

RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$14,500,000 PRINCIPAL AMOUNT OF WASTEWATER REVENUE REFUNDING BONDS, SERIES 2018A, AUTHORIZING AND DIRECTING EXECUTION OF A FOURTH SUPPLEMENTAL WASTEWATER REVENUE BOND INDENTURE PURSUANT TO WHICH SUCH BONDS ARE ISSUED, APPROVING A BOND PURCHASE AGREEMENT, AN OFFICIAL STATEMENT AND A CONTINUING DISCLOSURE AGREEMENT, AND AUTHORIZING OTHER OFFICIAL ACTIONS

WHEREAS, the City of Modesto is a charter city and a municipal corporation organized and existing under the laws of the State of California (the “City”); and

WHEREAS, pursuant to Section 200 of the Charter of the City of Modesto and the City of Modesto Wastewater Treatment Facilities Revenue Bond Law, constituting Chapter 6 of Title VIII of the Modesto Municipal Code (the “Bond Law”), the City is authorized to issue revenue bonds to finance the acquisition, construction, improvement, furnishing, equipping, remodeling, repair, reconstruction or rehabilitation of the wastewater treatment facilities of the City (the “Enterprise”) or for the purpose of refunding bonds issued for such purposes; and

WHEREAS, the City has entered into a Wastewater Revenue Bond Indenture, dated as of April 1, 2005 (the “Master Indenture”), between the City and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”) to U.S. Bank National Association, providing for the issuance of wastewater revenue bonds thereunder and for the pledge of and first claim on the Net Revenues of the Wastewater System (as defined in the Master Indenture), which are held by the City in the Sewer Enterprise Fund established under the Master Indenture, to the payment of bonds and parity obligations issued thereunder; and

WHEREAS, in accordance with the Bond Law and the Master Indenture, as supplemented by a First Supplemental Indenture, dated as of April 1, 2005 (the “First Supplemental Indenture”), a Second Supplemental Indenture, dated as of April 1, 2005 (the “Second Supplemental Indenture”), and a Third Supplemental Indenture, dated as of December 1, 2006 (the “Third Supplemental Indenture,” and together with the Master Indenture, the First Supplemental Indenture and the Second Supplemental Indenture, the “Indenture”), each by and between the City and the Trustee, the City has previously issued its City of Modesto, California Wastewater Revenue Refunding Bonds, Series 2005A (the “Series 2005A Bonds”), its City of Modesto, California Wastewater Revenue Refunding Bonds, Series 2005B (Taxable) (“Series 2005B Bonds”) and its City of Modesto, California Wastewater Revenue Bonds, Series 2006A (the “Series 2006 Bonds”); and

WHEREAS, the Series 2005B Bonds matured, were paid timely and are no longer outstanding; and

WHEREAS, the Indenture provides that the City may issue any indebtedness, installment sale obligation, lease obligation or other obligation of the City for borrowed money having an equal lien and charge upon the Net Revenues, therefore payable on a parity with the Prior Bonds (whether or not any Bonds are Outstanding under the Indenture) (“Parity Debt”), from time to time in accordance with the terms of the Indenture; and

WHEREAS, the City previously incurred an obligation (the “2011 SWRCB Obligation”), pursuant to a Project Finance Agreement, dated as of August 26, 2011, as amended on May 11, 2012, by and between the State Water Resources Control Board, an

administrative and regulatory agency of the State of California (the “SWRCB”), and the City, which 2011 SWRCB Obligation constitutes Parity Debt pursuant to Section 3.05(c) of the Indenture; and

WHEREAS, the City previously issued a bond (the “Series 2015 Bond”), pursuant to a Bond Purchase Agreement, dated as of October 30, 2015, among the City, Capital One Public Funding, LLC, and The Bank of New York Mellon Trust Company, N.A., as paying agent, which Series 2015 Bond constitutes Parity Debt pursuant to Section 3.05(c) of the Indenture, and which refunded all of the Series 2005A Bonds and the November 1, 2023 and 2024 maturities of the Series 2006 Bonds; and

WHEREAS, the City previously incurred an obligation (the “2016 SWRCB Obligation”), pursuant to a Project Finance Agreement, dated as of June 8, 2016, by and between the SWRCB and the City, which 2016 SWRCB Obligation constitutes Parity Debt pursuant to Section 3.05(c) of the Indenture; and

WHEREAS, the Indenture provides that the City may issue bonds from time to time as authorized by a supplemental indenture; and

WHEREAS, the City has determined that it is desirable and necessary and in the best interest of the City to authorize an additional series of wastewater revenue bonds in order to provide moneys to refund all the Series 2006 Bonds that remain outstanding, in a principal amount not to exceed \$14,500,000, to be designated “City of Modesto, California Wastewater Revenue Refunding Bonds, Series 2018A” (the “Series 2018A Bonds”), to be issued pursuant to the Indenture, as supplemented and amended by the Fourth Supplement (defined below); and

WHEREAS the Series 2018A Bonds are proposed to be sold to Raymond James & Associates, Inc. (the “Underwriter”) pursuant to the Bond Purchase Agreement described below; and

WHEREAS, it is proposed that the City execute and deliver the Continuing Disclosure Agreement described below to allow the Underwriter to comply with Rule 15c2-12(b)(5) of the Securities Exchange Act of 1934; and

WHEREAS, it is proposed that the City deem final for purposes of Rule 15c(2)-12 of the Securities Exchange Act of 1934, as amended, a Preliminary Official Statement (the “Preliminary Official Statement”) and to execute and deliver a final Official Statement (the “Official Statement”) and to authorize the distribution of the Preliminary Official Statement to prospective purchasers of the Series 2018A Bonds and the Official Statement to the actual purchasers of the Series 2018A Bonds; and

WHEREAS, all acts, conditions and things required by the Bond Law and the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the sale and issuance of the Series 2018A Bonds authorized hereby do exist, have happened and have been performed in regular and due time, form and manner required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to issue and sell the Series 2018A Bonds for the purpose, in the manner and upon the terms herein provided;

WHEREAS, The Bank of New York Mellon Trust Company, N.A. serves as Trustee and

WHEREAS, the forms of the Preliminary Official Statement, the Bond Purchase Agreement, the Continuing Disclosure Agreement and the Fourth Supplement are on file with the City Clerk; and

NOW, THEREFORE BE IT RESOLVED, that the Council of the City of Modesto hereby approves and authorizes:

1. Recitals. The above recitals are true and correct.
2. Approval of Series 2018A Bonds. The City Council hereby authorizes the issuance of its Wastewater Revenue Bonds, Series 2018A in an aggregate principal amount not to exceed \$14,500,000.

3. Fourth Supplemental Indenture; Form of Series 2018A Bonds. The City Council hereby approves the form of the Fourth Supplemental Wastewater Revenue Bond Indenture (the “Fourth Supplement”) by and between the Trustee, in substantially the form on file with the City Clerk together with any additions thereto or changes therein deemed necessary or advisable by Norton Rose Fulbright US LLP, Bond Counsel, or by the authorized officer executing the same, whose execution thereof shall be conclusive evidence of such officer’s approval of any such additions and changes. Each of the Mayor, the City Manager or the Finance Director, or any duly authorized designee of any of such officers (each, an Authorized Officer”), acting singly, is authorized and directed to execute, and the City Clerk is authorized and directed to attest to said signature on, the final form of the Fourth Supplement for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of the Fourth Supplement. The proposed form of the Series 2018A Bonds as set forth in the Fourth Supplement is hereby approved and any Authorized Officer, acting singly, is hereby authorized and directed to execute for and on behalf of the City the Series 2018A Bonds in substantially such forms

and the City Clerk is authorized and directed to attest to said signature on the Series 2018A Bonds, and the Trustee is hereby authorized and directed to authenticate and deliver the Series 2018A Bonds to the Underwriter in accordance with the Fourth Supplement and the Bond Purchase Agreement approved herein, subject to the limitations set forth in Section 4 hereof.

4. Bond Purchase Agreement. The City Council hereby approves the form of the Bond Purchase Agreement (the “Bond Purchase Agreement”) by and between the City and the Underwriter in substantially the form on file with the City Clerk together with any additions thereto or changes, therein deemed necessary or advisable by Bond Counsel, or by the Authorized Officer executing the same, whose execution thereof shall be conclusive evidence of such Authorized Officer’s approval of any such additions and changes; provided, however, that the Underwriter’s discount shall not exceed 0.5% of the principal amount of the Series 2018A Bonds, the net present value savings resulting from the issuance of the Series 2018A Bonds shall be no less than 3% of the principal amount of the Series 2006 Bonds being refunded, and the final maturity of the Series 2018A Bonds shall be not later than November 1, 2036. Each Authorized Officer, acting singly, is authorized and directed to execute the final form of the Bond Purchase Agreement for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of the Bond Purchase Agreement.

5. Official Statement. The City Council hereby approves the form of preliminary official statement of the City relating to the Series 2018A Bonds (the “Preliminary Official Statement”) in substantially the form on file with the City Clerk. Each Authorized Officer, acting singly, is authorized to certify that the Preliminary

Official Statement, with such changes therein as the Authorized Officer so certifying shall approve after consultation with Bond Counsel, is as of its date “deemed final” for purposes of Rule 15c2-12 of the Securities and Exchange Commission. Each Authorized Officer, acting singly, is authorized and directed to execute for and on behalf of the City a final official statement, in substantially the form of the Preliminary Official Statement, with such changes therein (and additions thereto to reflect the terms of the sale of the Series 2018A Bonds) as such Authorized Officer, acting singly, shall approve after consultation with Bond Counsel, such approval to be evidenced by the execution and delivery thereof. The Underwriter is authorized to distribute copies of the Preliminary Official Statement to persons who may be interested in the purchase of the Series 2018A Bonds, and the Underwriter is directed to deliver copies of any final official statement to all actual purchasers of the Series 2018A Bonds.

6. Continuing Disclosure Agreement. The City Council hereby approves the form of the Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) by and between the City and Digital Assurance Certification, L.L.C. in substantially the form on file with the City Clerk together with any additions thereto or changes therein deemed necessary or advisable by Bond Counsel, or by the Authorized Officer executing the same, whose execution thereof shall be conclusive evidence of such Authorized Officer’s approval of any such additions and changes. Each Authorized Officer, acting singly, is authorized and directed to execute the final form of the Continuing Disclosure Agreement for and in the name and on behalf of the City. The City hereby authorizes the delivery and performance of the Continuing Disclosure Agreement.

7. Other Actions. All actions heretofore taken by the officers and agents of the City with respect to the issuance of the Series 2018A Bonds are hereby approved, confirmed and ratified. Each Authorized Officer and any and all other officers of the City are hereby authorized and directed, for and in the name and on behalf of the City, to do any and all things and take any and all actions, necessary to effectuate the purposes of this Resolution, including the negotiating and obtaining of a municipal bond insurance policy, debt service reserve surety bond or investment agreement for any funds and accounts held under the Indenture if an Authorized Officer, upon the advice of PFM Financial Advisors LLC, Municipal Advisor, determines that such policy, bond or agreement will result in debt service savings or will otherwise be financially advantageous to the City, and the execution and delivery of any and all assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance, sale and delivery of the Series 2018A Bonds.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote.

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

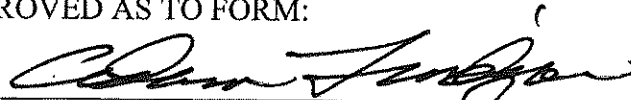
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-103**

**RESOLUTION APPROVING THE FIRST AMENDMENT TO THE
MANAGEMENT AGREEMENT FOR KING-KENNEDY MEMORIAL CENTER
WITH WEST MODESTO KING KENNEDY COLLABORATIVE , TO EXTEND
THE TERM OF THE AGREEMENT UNTIL THE END OF FISCAL YEAR 17-18,
AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE,
TO EXECUTE THE AMENDMENT TO THE AGREEMENT**

WHEREAS, the Parks, Recreation and Neighborhoods Department desires to increase the community offerings in the west side of Modesto, and

WHEREAS, the City of Modesto and the West Modesto King-Kennedy Collaborative (WMKKC) entered into an operating agreement to provide services at the King-Kennedy Memorial Center, and

WHEREAS, the WMKKC continues to provide quality programming and direct community support, and

WHEREAS, the City and WMKKC desire to extend the contract to coincide with the end of Fiscal Year 17/18 on June 30, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the First Amendment to the Management Agreement for the King-Kennedy Memorial Center with West Modesto King Kennedy Collaborative, to extend the term of the agreement until the end of Fiscal Year 17-18.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

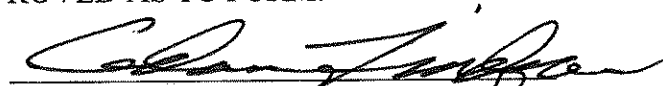
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-104**

RESOLUTION IN SUPPORT OF SENATE BILL 5, CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION AND OUTDOOR ACCESS FOR ALL ACT OF 2018, BE LISTED AS A MEMBER OF THE CALIFORNIANS FOR CLEAN WATER AND SAFE PARKS COALITION, AND DIRECTING STAFF TO EMAIL A COPY OF THE ADOPTED RESOLUTION TO THE LEAGUE OF CALIFORNIA CITIES

WHEREAS, the Legislature adopted and governor signed SB 5, a \$4 Billion General Obligation Bond to be placed on the June 2018 ballot entitled the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018; and

WHEREAS, SB 5 represents the first legislatively authorized debt instrument for parks, resources and environmental improvements since 2002; and

WHEREAS, investments in California's urban, suburban and rural park and resources-related landscapes promote the notion of community and provide health, environmental and aesthetic benefits; and

WHEREAS, California Outdoor economy is a \$92 Billion economic driver, partly responsible for the continued health and growth of many of California's local economies; and

WHEREAS, SB 5 contains \$215 Million in Per Capita funding to assist all of California's communities in underwriting priority park-related improvements; and

WHEREAS, an additional \$40 Million shall be available in block grant awards for communities that self-tax for park related improvements; and

WHEREAS, SB 5 invests no less than \$1 Billion in California's most economically challenged communities, eradicating blight and promoting greater access to the outdoors and health-related pursuits; and

WHEREAS, SB 5 expends \$200 Million on California's State Park system, addressing a greater than \$1 Billion backlog in deferred maintenance which will translate into greater tourism and visitorship opportunities in adjacent communities; and

WHEREAS, SB 5 invests \$30 Million in trail network improvements promoting non-motorized recreational and commuter opportunities throughout the state; and

WHEREAS, SB 5 recognizes the importance of California's rural spaces and invests \$25 Million through a competitive grant program to prop-up and enhance rural park infrastructure; and

WHEREAS, SB 5 expends hundreds of millions on other important investments in resource-related infrastructure including California's rivers, coast, and other waterways, the state's mountainous settings such as the Sierra and wildlife and fish-dependent habitats; and

WHEREAS, SB 5 invests heavily in combatting global warming through investments in urban greening projects, promoting healthy forests and carbon farming applications; and

WHEREAS, SB 5 underwrites investments in improving local water systems, promoting access to safe drinking water in some of California's most economically challenged communities; and

WHEREAS, SB 5 commits to a robust investment in groundwater improvements and sustainability to diversify water sources and recharge groundwater tables; and

WHEREAS, SB 5 underwrites improvements in the state flood management systems, armoring against calamities that beset the state including Oroville and elsewhere.

NOW THEREFORE BE IT RESOLVED, that the City of Modesto hereby supports Senate Bill No. 5, The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018.

THEREFORE BE IT FURTHER RESOLVED that the City of Modesto supports and can be listed as a member of the Californians for Clean Water and Safe Park coalition and directs staff to email a copy of this adopted resolution to the League of California Cities at cityletters@cacities.org.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

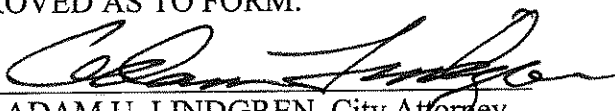
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-105**

RESOLUTION APPROVING AN EASEMENT AGREEMENT WITH THE CITY OF TURLOCK FOR A 3.79-ACRE PORTION OF REAL PROPERTY, LOCATED AT JENNINGS RANCH IN MODESTO (APN: 022-001-005), FOR THE NORTH VALLEY REGIONAL RECYCLED WATER PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE LICENSE AGREEMENT

WHEREAS, the City of Modesto is lead agency for the North Valley Regional Recycled Water Project (the Project), and

WHEREAS, the Project will convey treated wastewater via pipeline from the City's Jennings Treatment Facilities to the Delta-Mendota Canal via a new pump station and underground pipelines, to serve irrigation customers of the Del Puerto Water District (DPWD), and

WHEREAS, the City of Turlock is a participant in the project and will deliver treated wastewater from Turlock to the Jennings Treatment Facilities pump station via pipeline, located at Jennings Ranch in Modesto (APN: 022-001-005), and

WHEREAS, Turlock's treated wastewater will be added to Modesto's treated wastewater and delivered to the Del Puerto Water District's Delta-Mendota Canal, and

WHEREAS, the City of Modesto, the owner of the Subject Property, has agreed to grant the City of Turlock an Easement Agreement to allow the City of Turlock to install and maintain a pipeline through the City of Modesto's Jennings Ranch, and

WHEREAS, City staff recommends that the City Council approve the Grant of an Easement Agreement to the City of Turlock.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Grant of Easement Agreement to the City of Turlock for a

treated water pipeline, over a 3.79-acre area, of the Subject Property located at Jennings Ranch, in Modesto (APN: 022-001-005), for the North Valley Regional Recycled Water Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Grant of Easement Agreement, and all related documents, in a form approved by the City Attorney.

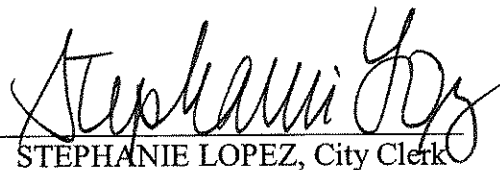
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-106**

RESOLUTION APPROVING THE PREQUALIFIED LIST OF CONSULTANTS CONSISTING OF DF ENGINEERING INC., MODESTO CA, KIER & WRIGHT CIVIL ENGINEERING AND SURVEYORS, INC., LIVERMORE, CA, NORTH STAR ENGINEERING, MODESTO, CA, O'DELL ENGINEERING GROUP, MODESTO, CA, AND WILLDAN ENGINEERING, ELK GROVE, CA FOR ENGINEERING PLAN CHECK, MAP CHECK, AND LAND SURVEYING SERVICES FOR A PERIOD OF THREE YEARS, WITH TWO ADDITIONAL ONE-YEAR EXTENSION OPTIONS; APPROVING STANDARD CONSULTANT AGREEMENTS FOR THE ABOVE LIST, FOR A COMBINED ANNUAL COST OF \$90,000, AND A TOTAL NOT TO EXCEED AMOUNT OF \$450,000 OVER FIVE YEARS AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE CONSULTANT AGREEMENTS

WHEREAS, the existing pre-qualified list of consultants and agreements for consultant plan and map checking service were approved by City Council on April 23, 2013 and will expire in April 23, 2018, and

WHEREAS, the Community and Economic Development Department has developed a prequalified list for map & plan check services and surveying services to assist the City with review and approval of various development related projects, and

WHEREAS, the cost for the plan checking and surveying services will be reimbursed by the developer, and

WHEREAS, the consultant list will be active for three (3) years with options to extend the list for two (2) additional years, and

WHEREAS, with current City staffing and work load the City needs additional assistance to meet the requested map & plan check time frames, and

WHEREAS, seventeen engineering and surveying firms throughout Stanislaus County were contacted by the City to submit proposals to be on the consultant list, and

WHEREAS, a qualified committee of three (3) city employees reviewed the proposals and selected the top five (5) consultant firms, and

WHEREAS, City staff recommends approving the prequalified consultant list, and

WHEREAS, the city will assign projects to firms from the consultant list as projects are submitted and as determined by the City to be the firm best suited to work on the submitted project,

WHEREAS, the City will enter into Standard Consultant Agreements with five (5) consultant firms for a combined annual total of \$90,000 per year, with a total not to exceed amount of \$450,000 over five years.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the prequalified list of consultants consisting of DF Engineering Inc., Modesto CA, Kier & Wright Civil Engineering and Surveyors, Inc., Livermore, CA, North Star Engineering, Modesto, CA, O'Dell Engineering Group, Modesto, CA, and Willdan Engineering, Elk Grove, CA for Engineering Plan Check, Map Check, and Land Surveying Services for a period of three years, with two additional one-year extension options and approving Standard Consultant Agreements for the above list for a combined annual cost of \$90,000, and a total not to exceed amount of \$450,000 over five years.

BE IT FURTHER RESOLVED that the Interim City Manager or his designee his hereby authorized to execute the consultant agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-107**

**RESOLUTION ACCEPTING AN INFORMATIONAL REPORT ON THE
DESTINATION MODESTO TASK FORCE AND RESTORATION OF THE
CONVENTION AND VISITOR'S BUREAU AS AN INDEPENDENT AGENCY**

WHEREAS, in June 2003, the City of Modesto (City) entered into an Agreement with the Modesto Convention and Visitor's Bureau, Inc. (CVB) to promote and market Modesto for meetings, conventions, tour groups, and visitor activities, and

WHEREAS, in August 2005, the City entered into a new agreement, and

WHEREAS, in July 2010, the City Council adopted Resolution No. 2010-285 extending the contract to June 30, 2015, and

WHEREAS, the contract expired on June 30, 2015, and

WHEREAS, in June 2015, the City Council adopted Resolution No. 2015-224 assigning the duties and functions of the CVB to the Community and Economic Development Department, and

WHEREAS, in September 2015, the Destination Modesto Task Force was formed to review and make recommendations on how to structure the entity responsible for marketing Modesto and its many venues and attractions, including John Thurman Field, three (3) City-owned golf courses, McHenry Mansion, McHenry Museum, Modesto Centre Plaza, and the CVB, and

WHEREAS, the Task Force agreed that marketing Modesto should include: 1) results oriented management, 2) comprehensive and coordinated marketing, 3) regional collaboration and partnership, 4) performance measured by economic growth potential, and 5) entrepreneurial spirit, and

WHEREAS, members of the 100 Day Budget Review Committee were also included in this effort and participated in the assessment and operations of these City-owned assets, and

WHEREAS, recommendations have been made, exercised, or are on-going pertaining to John Thurman Field, Modesto Centre Plaza, the three (3) City-owned golf courses, and the McHenry Mansion and McHenry Museum, and

WHEREAS, the next step in moving forward is to have a fully functioning CVB, and restoring it as an independent agency,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the informal report on the Destination Modesto Task Force and restoration of the Convention and Visitor's Bureau as an independent agency.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-108**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT PROJECT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvoid

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

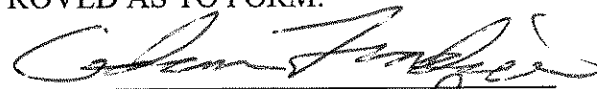
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

EXHIBIT A

FISCAL YEAR 2017-18

FINANCE

As a result of the dissolution of the copier fund, a budget adjustment is necessary to zero out the revenue and expense budget within Fund 5100 – Central Services Fund and increase the ISF – Copier Charges - Inside expense account in various funds and cost centers. The increase in budget will account for maintenance, repair and paper costs associated with the 13 copiers currently in the copier fund for the fiscal year. Additionally, the reserves in Fund 5100 will be transferred to all departments that utilize a copier in the fund. The total transfer for all departments and copiers is \$20,096. Below is a breakdown of the expense budget change for each fund.

Fund	Expense Budget Increase/(Decrease)
0100	\$ 28,627
1700	\$ 1,922
4000	\$ 485
4100	\$ 2,173
4310	\$ 2,220
4891	\$ 1,545
5100	\$ (43,017)
5400	\$ 4,216
Grand Total	\$ (1,829)

UTILITIES

A budget adjustment in the amount of \$790,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Water CIP Fund, 4180, for sub-surface improvements to Replacement Well #226 (CIP# 101068). Scope of project includes engineering design, subsurface investigation and consultant hydrogeologist work. This project will allow the well to be drilled in May or June prior to groundwater levels being decreased as summertime conditions approach in late June/early July.

A budget adjustment in the amount of \$2,020,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Water CIP Fund, 4180, for Empire Strengthening & Replacement of Waters Mains Phase 1 (CIP# 101069). During existing maximum day plus fire flow conditions there are several locations throughout the service area that do not meet fire flow. The CIP is being requested so that the improvements can be installed by City Water Systems Operations staff prior to maximum day plus fire flow conditions are higher as summer approaches.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-109**

**RESOLUTION SUPPORTING PROPOSITION 69 AND OPPOSING THE
REPEAL OF SENATE BILL NO. 1 – THE ROAD REPAIR AND
ACCOUNTABILITY ACT, BE LISTED AS A MEMBER OF THE COALITION
TO PROTECT LOCAL TRANSPORTATION IMPROVEMENTS AND
DIRECTING STAFF TO EMAIL A COPY OF THE ADOPTED RESOLUTION
TO THE COALITION TO PROTECT LOCAL TRANSPORTATION
IMPROVEMENTS**

WHEREAS, California’s cities, counties and transportation agencies face a statewide backlog of over \$130 billion in needed funds to make transportation infrastructure improvements; and

WHEREAS, “The Road Repair and Accountability Act” (SB 1 – Beall) passed by the Legislature and signed by the Governor last year will raise \$5 billion annually in long-term, dedicated transportation funding to make road safety improvements, fill potholes and repair local streets, highways, bridges and overpasses, with the revenues split equally between state and local government projects; and

WHEREAS, Senate Bill No. 1 provides critically-needed funding in the City of Modesto that will be used for: slurry seal, crack seal, asphalt repairs, traffic signal and street lighting maintenance and traffic sign and striping maintenance to various streets and roads throughout the City; and

WHEREAS, Senate Bill No. 1 contains strong accountability provisions to streamline projects by cutting bureaucratic redundancies and red tape to ensure transportation funds are spent efficiently and effectively, while also establishing the independent office of Transportation Inspector General to perform audits, improve efficiency and increase transparency; and

WHEREAS, Proposition 69 on the June 2018 ballot would add additional accountability for taxpayers by preventing the State Legislature from diverting or raiding any new transportation revenues for non-transportation improvement purposes; and

WHEREAS, there is also a proposed ballot measure aimed for the November 2018 ballot (Attorney General #17-0033) that would repeal the new transportation revenues provided by SB 1 and make it more difficult to increase funding for state and local transportation improvements in the future; and

WHEREAS, this proposed November proposition would raid \$3,571,629 annually dedicated to City of Modesto, and halt critical investments in future transportation improvement projects in our community.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby supports Proposition 69, the June 2018 constitutional amendment to prevent new transportation funds from being diverted for non-transportation purposes and opposes the proposed November ballot proposition (Attorney General #17-0033) that would repeal the new transportation funds and make it more difficult to raise state and local transportation funds in the future.

BE IT FURTHER RESOLVED that the City of Modesto supports and can be listed as a member of the Coalition to Protect Local Transportation Improvements and direct staff to email a copy of this adopted resolution to Kyle Griffith of the Coalition to Protect Local Transportation Improvements campaign at kgriffith@bcfpublicaffairs.com

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-110**

RESOLUTION APPROVING THE SUBMISSION OF A FIRE PREVENTION AND SAFETY GRANT APPLICATION TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR APPROXIMATELY \$91,500 TO ACQUIRE A COMBINATION SPRINKLER AND FIRE SAFETY HOUSE DEMONSTRATION TRAILER WITH A REQUIRED ONE-TIME COST MATCH OF 5%, OR AN ESTIMATED \$4,575 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL GRANT APPLICATIONS AND RELATED DOCUMENTS

WHEREAS, the grant would be for approximately \$91,500 to fund the purchase of a Combination Sprinkler and Fire Safety House Demonstration Trailer, and

WHEREAS, the grant would include a one-time cost sharing or matching funds allocation of five (5) percent of the award amount, which is estimated to be approximately \$4,575 and could be made under the department's existing budget authority, and

WHEREAS, the grant would allow hands-on demonstrations and practice to our citizens in the areas of fire and life safety improving the delivery of our public education and community outreach efforts, and

WHEREAS, the grant would allow for demonstrations showing the benefits of residential fire sprinklers and general fire safety, and

WHEREAS, if authorized to submit the grant application, staff will seek approval from the Interim City Manager to authorize the Purchasing Division to issue a formal Request for Bid (RFB) for the trailer, and

WHEREAS, if the grant is awarded to the City, staff will seek approval from Council for acceptance of the award and approval of the purchase of the trailer.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the submission of a Fire Prevention and Safety Grant application to the Federal Emergency Management Agency for approximately \$91,500 to acquire a Combination Sprinkler and Fire Safety House Demonstration Trailer with a required a one-time cost match of 5%, or an estimated \$4,575.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is authorized to execute all necessary grant applications and related documents, as approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None


ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-111**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE
J.M. PIKE & GARRISON PARK IMPROVEMENTS PROJECT, ACCEPTING
THE BID AND AWARDING THE CONSTRUCTION CONTRACT TO
BARHAM, INC. DBA BZ CONSTRUCTION OF CERES, CA IN THE AMOUNT
OF \$650,115 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE THE CONTRACT**

WHEREAS, both J.M. Pike & Garrison Neighborhood Parks were constructed more than 50 years ago and are in need of renovations, and

WHEREAS, on February 28, 2017, by Resolution No. 2017-80, Council accepted the Housing-Related Parks Program grant funds of \$782,150 and created CIP projects for both parks, and

WHEREAS, staff obtained and incorporated public comment into the design concepts for the improvement projects at each park, and

WHEREAS, due to the grant funding timeline time is of the essence to complete the construction project by June 30, 2018, and

WHEREAS, the project was advertised for bids on January 31, 2018, bids were publicly opened on February 20, 2018 pursuant to Modesto Municipal Code 8-3.403 and Charter Section 1307, five bids were received, the apparent low bidder, Barham, Inc. dba BZ Construction is 28.57% above the engineer's estimate but bidder competition was evident, and

WHEREAS, the proposed award of bid to Barham, Inc. dba BZ Construction of Ceres, CA conforms to the Modesto Municipal Code 8-3.403 and Charter Section 1307 and Barham, Inc. dba BZ Construction is the lowest responsive and responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications, accepts the bid, and awards the construction contract to Barham, Inc. dba BZ Construction of Ceres, CA in the amount of \$650,115 for the J.M. Pike & Garrison Park Improvements Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

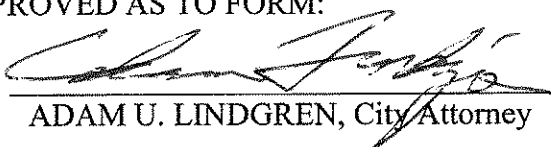
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-112**

RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO AMEND THE FISCAL YEAR 2017-2018 CAPITAL IMPROVEMENT PROGRAM BUDGET FOR PROJECT ACCOUNTS #100989 & #100995 TO FULLY FUND THE J.M. PIKE & GARRISON PARK IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$822,150 IN REVENUE AND TO BUDGET EXPENDITURES AS OUTLINED IN ATTACHMENT A

WHEREAS, the City is ready to construct improvements at J.M. Pike & Garrison Neighborhood Parks, and

WHEREAS, certain budgetary transactions are necessary as outlined in **Attachment A** in order to fund construction, contingency, construction administration and engineering/design support during construction for the J.M. Pike and Garrison Park Improvements Project, and

WHEREAS, The City Council shall consider amending the 2017-2018 Capital Improvement Program Budget to fully fund the Project in a an amount not to exceed \$822,150 as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Interim City Manager, or his designee, to amend the Fiscal Year 2017-2018 Capital Improvement Program Budget for project accounts #100989 & #100995 to fully fund the J.M. Pike & Garrison Park Improvements Project in an amount not to exceed \$822,150 in revenue as outlined in **Attachment A**.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to budget expenditures as outlined in **Attachment A** to fully fund the development and construction of the J.M. Pike & Garrison Park Improvements Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

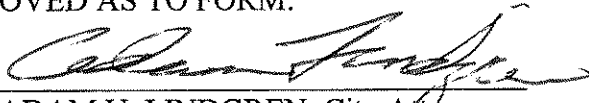
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A

Budget Adjustment for Capital Project 100989 (Garrison Park Renovation)

Fund 3150 – Capital Grants – Parks CIP Projects:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>	<u>Revised Budget Total</u>
To:		
3150-39999-100989 – Construction Admin	(\$15,479)	\$2,521
3150-39999-100989 – Construction	(\$181,988)	\$21,012
3150-39999-100989 – Contingency - CIP	(\$10,063)	\$5,937

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
3150-39999-42145-100989	(\$211,530)	Intergov - State - Housing and Community Development - Housing Policy Development
3150-39999-63130-100989	\$4,000	Parks Fund Reserve

Budget Adjustment for Capital Project 100995 (Pike Park Renovation)

Fund 3150 – Capital Grants – Parks CIP Projects:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>	<u>Revised Budget Total</u>
To:		
3150-39999-100995 – Construction Admin	\$18,619	\$56,619
3150-39999-100995 – Construction	\$211,954	\$629,104
3150-39999-100995 – Contingency - CIP	\$16,957	\$50,957

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
3150-39999-42145-100995	\$211,530	Intergov - State - Housing and Community Development - Housing Policy Development
3150-39999-63130-100989	\$36,000	Parks Fund Reserve

Budget Adjustment Transfer Out from Fund 3130 – Parks Fund

<u>Expense:</u>	<u>Increase/ (Decrease)</u>	<u>Revised Budget Total</u>
From:		
3130-73130-73150	\$40,000	\$40,000

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-113**

**RESOLUTION ADOPTING THE INITIAL STUDY AND MITIGATED
NEGATIVE DECLARATION FOR THE CARPENTER ROAD LANDFILL
CLEAN CLOSURE PROJECT**

WHEREAS, the City of Modesto owned and operated the Carpenter Road Landfill from 1956 to 1968, and the landfill includes fill sites on both the east and west sides of Carpenter Road, along the Tuolumne River, and

WHEREAS, the City is required by State law to perform post closure landfill maintenance, monitoring, and reporting for the landfill site, and

WHEREAS, in December 2005, it appeared that methane gas levels at the landfill's Northern boundary exceeded the maximum limits, and the California Integrated Waste Management Board (CIWMB) required the City to determine the cause and develop a Mitigation and Monitoring Plan, and

WHEREAS, in January 2007, the Central Valley Regional Water Quality Control Board (CVRWQCB) required the City to conduct an assessment of the potential for landfill gas and groundwater impacts, and

WHEREAS, in June 2007 by Resolution No. 2007-341, the Council authorized a Professional Services Agreement with SCS Engineers, Inc. in an amount not to exceed \$299,500 to assess the landfill and recommend corrective action, and

WHEREAS, after the initial site assessment, Resolution No. 2007-728 authorized a no-cost Letter Amendment to shift the focus of the work to installation of gas probes, design and installation of groundwater monitoring wells, and ongoing monitoring and reporting of methane gas and groundwater, and

WHEREAS, the assessment determined that migration of methane gas past the boundaries of the landfill was not a problem, but that a groundwater monitoring event determined that the landfill had experienced a “release” that could potentially have affected groundwater, and

WHEREAS, an engineering feasibility study had to be completed and the CVRWQCB required the City to submit a Corrective Action Plan (CAP), and

WHEREAS, in May 2009 by Resolution 2009-199, the Council approved a Second Amendment to the Agreement with SCS Engineers, Inc. to further evaluate the site, develop the CAP, and provide ongoing monitoring and reporting services in an amount not to exceed \$242,000, and

WHEREAS, in November 2010, after conducting 12 hydro punch borings to sample groundwater and analyzing them for Volatile Organic Compounds (VOC’s), SCS submitted the CAP to the CVRWQCB proposing to use an injection of a hydrogen releasing compound to remediate any groundwater impacts, and

WHEREAS, subsequently, the VOC concentrations began to consistently decline, and City staff and SCS Engineers, Inc. determined that the proposed CAP needed to be re-evaluated, and

WHEREAS, in August 2013 by Resolution No. 2013-277, Council approved a Third Amendment to the Agreement with SCS Engineers, Inc. for ongoing monitoring, lab analysis, compliance reports, corrective action monitoring and maintenance, and re-evaluating and implementing the CAP in a cost not to exceed \$290,500, and

WHEREAS, in October 2014, a revised CAP and post closure maintenance plan was submitted to the CVRWQCB and in March 2015, the CVRWQCB issued the City a

Cleanup and Abatement Order (CAO R5-2015-0700) requiring the City to clean close the Eastern Fill, move all the waste to the Western Fill, install a final cover atop the Western Fill, and construct a storm water retention basin, and

WHEREAS, in April 2015, SCS Engineers, Inc. submitted the plans and drawings to address the CAO and it was conditionally approved by the CVRWQCB in July 2016, with mitigation to be completed by October 2017, and

WHEREAS, in the Fall of 2016, a review of the Clean Closure Work Plan was completed by Douglas Environmental, under the scope and services of the SCS Engineers Agreement, and it was determined that the Work Plan met the definition of a project as specified in Section 15378 of the California Environmental Quality Act (CEQA), and

WHEREAS, it was deemed appropriate to conduct an Initial Study with a Mitigated Negative Declaration, and this was completed by Douglas Environmental in January 2017, and

WHEREAS, the analysis of the Initial Study concluded that the project had the potential to cause adverse environmental impacts, however, with the implementation of the mitigation measures stated in the Initial Study, the impacts would be less than significant, and

WHEREAS, based on this finding, the preparation of an Environmental Impact Report pursuant to CEQA was not required, and a Notice of Intent to Adopt a Mitigated Negative Declaration was filed with the State Clearinghouse (SCH No: 2017022031) and with the Stanislaus County Clerk Recorder, and

WHEREAS, the public comment period was opened February 6, 2107 and closed March 8, 2017 and all appropriate agencies were notified.

NOW THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby adopts the Initial Study and Mitigated Negative Declaration for the Carpenter Road Landfill Clean Closure Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-114**

RESOLUTION APPROVING A PURCHASING AGREEMENT WITH GILLIG CORPORATION, LIVERMORE, CA FOR THE SOLE SOURCE PROCUREMENT OF ORIGINAL EQUIPMENT MANUFACTURER TRANSIT BUS PARTS FOR AN ANNUAL COST NOT TO EXCEED \$250,000, AND A TOTAL COST NOT TO EXCEED \$1,250,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, The City of Modesto has a fleet of 53 Gillig transit buses that are funded by the Federal Transit Administration (FTA). These buses are owned and maintained by the City's Fleet Services Division, and

WHEREAS, Gillig buses are extremely unique and have components that are not found on any other types of vehicles. Many of the parts on a Gillig transit bus are manufactured by Gillig Corporation in Livermore, CA, and

WHEREAS, The Gillig Corporation transit buses have been chosen by the City because of their reliability, ease of use and proven track record. Gillig buses purchased by the FTA must remain in revenue generating service for a minimum of 12 years or 500,000 total vehicle miles, and

WHEREAS, an annual agreement with Gillig Corporation ensures dependable service and parts warranty compliance for these transit buses. Gillig is a major US manufacturer of purpose-built buses located in Livermore, CA. Gillig transit buses are specifically designed, tested and manufactured to suit the severe duty cycles of transit operations. All of the parts used in these buses must meet specific and demanding standards of design, material, tolerance and processing in addition to normal vehicle standards such as Federal Motor Vehicle Safety Standards (FMVSS), and

WHEREAS, utilizing parts that were not designed for the Gillig transit bus will

greatly reduce the reliability and safety of the bus, in return reducing our rating with the FTA. In most cases, other suppliers will not be able to provide parts for areas such as interior components, body parts, molded and extruded components as well as many other safety sensitive systems in the Gillig transit bus, and

WHEREAS, Repair parts to maintain a fleet of Gillig transit buses for a minimum of 12 years or 500,000 miles typically run about \$250,000 per year, \$1,250,000 for a five year contract, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. However, there are exceptions to the rule set forth in the Modesto Municipal Code. One exception, MMC Section 8-3.204(b), is available where the Purchasing Agency's requirements can be met solely by a single article or process and section 8-3.204(d) is available where the Purchasing Manager, in his or her discretion, determines that a process other than the usual formal bid procedure set forth in MMC section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, in the last three years, the Fleet Services Division has spent nearly \$225,000 per year for replacement parts for the 53 Gillig buses in the fleet. Nearly half of the fleet is a 2014 model year or newer. As these buses age, the demand for replacement parts could increase. The request for \$250,000 annual contract is to cover all parts that will be required as these transit buses age.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchasing agreement for the sole source procurement for

original equipment manufacturer transit bus parts from Gillig Corporation, Livermore, CA for an annual cost not to exceed \$250,000 or a total cost not to exceed \$1,250,000 over five years.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-115**

RESOLUTION APPROVING THE CITY OF ELK GROVE PIGGYBACK CONTRACT FOR EMERGENCY VEHICLE OUTFITTERS, ELK GROVE, CA FOR AN ANNUAL COST NOT TO EXCEED \$144,000 AND A TOTAL COST NOT TO EXCEED \$720,000 OVER FIVE YEARS, AND AUTHORIZING THE ACTING FINANCE DIRECTOR, OR HER DESIGNEE, TO ADJUST AGREEMENT TOTALS BASED ON THE WORK CAPACITY FOR THE VENDOR, ENSURING THE OVERALL AGREEMENT TOTAL DOES NOT CHANGE, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, replacement units are essential in maintaining current operations, facilities, and/or services. These units will be assigned to the Police Department and will replace various police patrol vehicles and undercover investigation sedans that will reach their replacement criteria during a fiscal year, and will replace units that have been involved in a collision and are considered a total loss, and

WHEREAS, once a replacement police vehicle arrives at the City, the vehicle needs to be prepared for service and use with the various lights, seating, detainee partitions, etc. that make a police vehicle practical and safe to use in law enforcement situations, and

WHEREAS, the Purchasing Division suggested a “piggyback” on an existing competitively bid contract for the City of Elk Grove, contract number C-17-342, for new installation and repair of vehicle response equipment and lighting for City of Modesto owned vehicles, and

WHEREAS, accessing the terms of this contract with Emergency Vehicle Outfitters, Elk Grove, CA would create a cost savings of staff time with the Purchasing Division and the City Clerk’s office due to the limited number of competitors to respond to the City of Elk Grove’s RFB, and

WHEREAS, over the course of a five year annual agreement, 12 patrol cars will be replaced due to mileage, age and/or accident damage, and we can expect the same amount of investigation sedans to be built for replacements and accidents each year, and

WHEREAS, based on this information, the annual expense to build new patrol vehicles and investigation sedans is approximately \$144,000 with a total cost not to exceed \$720,000 over the course of five years, and

WHEREAS, sufficient funds have been encumbered in the Fleet Replacement Fund No: 5409-53246-57003 in Fiscal Year 17/18 for the immediate builds and outfitting of Modesto Police Department emergency response vehicles and any annual replacement builds.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of the piggyback contract with Emergency Vehicle Outfitters, Elk Grove, CA for an annual cost not to exceed \$144,000 and a total cost not to exceed \$720,000 over five years.

BE IT FURTHER RESOLVED that the Acting Finance Director, or her designee, to adjust agreement totals based on the work capacity for the vendor, ensuring the overall agreement total does not change.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-116**

RESOLUTION APPROVING THE PURCHASE AGREEMENTS FOR LOW LEAD BRASS, PVC, AND GALVANIZED SERVICE FITTINGS AND VALVES FROM FERGUSON WATERWORKS, MODESTO, CA; PACE SUPPLY CORPORATION, STOCKTON, CA; AND R&B COMPANY, MANTECA, CA, FOR A TWO-YEAR PURCHASING AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR A COMBINED ANNUAL COST NOT TO EXCEED \$914,552 AND A TOTAL COMBINED AMOUNT NOT TO EXCEED \$4,572,760 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE PURCHASING AGREEMENTS

WHEREAS, the Interim City Manager authorizes the Purchasing Division to issue formal Request for Bids (RFB) for the purchase of low lead brass, PVC, and galvanized service fittings and valves, and

WHEREAS, on August 18, 2017, the Purchasing Division issued RFB No. 1718-02 for the purchase of low lead brass, PVC, and galvanized service fittings and valves on the City's website, and six (6) companies chose to download the RFB document, and

WHEREAS, on September 19, 2017, bids were formally opened in the City Clerk's Office. Four (4) companies chose to respond and all provided responsive and responsible bids. Two local vendors were capable of providing this type of service, and

WHEREAS, based on providing lowest responsive and responsible bids, staff recommends the award of bid for the purchase of service fittings and valves to Ferguson Waterworks, Modesto, CA, for an estimated annual cost not to exceed \$494,800 and up to \$2,474,000 over five years; Pace Supply Corporation, Stockton, CA for an estimated annual cost not to exceed \$144,989 and up to \$724,945 over five years; and R&B Company, Manteca, CA, for an estimated annual cost not to exceed \$274,763 and up to \$1,373,815 over five years. All three vendors awarded equal an annual cost not to exceed \$914,552 and up to \$4,572,760 over five years, and

WHEREAS, as shown on **Attachment 2: Cost Abstract for All Bidders**, certain items were bid at a lower cost by the non-awarded bidders. However, based on the City's projected future usage of these items, staff believes any cost savings that could result from the award of bid to these bidders would be eliminated through increased staff and system costs to maintain agreements with multiple vendors. In addition, Ferguson Waterworks has agreed to match the low bid on 12 items which complies with Modesto Municipal Code 8-3.206 Support of Local Vendors. , and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. However, there are exceptions to the rule, set forth in the MMC Section 8-3.204(c) where the Purchasing Manager, in his or her discretion, determines that calling for bids on a competitive basis as set forth in Section 8-3.203 is undesirable due to exigent circumstances. Further, MMC Section 8-3.204(d) is available where the Purchasing Manager, in his or her discretion, determines that a process other than the usual formal bid procedure set forth in MMC Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality. The award of bids for the purchase of low lead brass, PVC, and galvanized service fittings and valves to Ferguson Waterworks, Modesto, CA; Pace Supply Corporation, Stockton, CA; and R&B Company, Manteca, CA, conforms to the Modesto Municipal Code based on providing the overall lowest cost, while providing greater efficiency in placing orders and in managing the agreement, and

WHEREAS, the cost for these services will be covered through existing budget in Water Fund accounts 4100-45020-53150, 4100-45040-53150, and various Water Fund CIP projects, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Purchase Agreements for low lead brass, PVC, and galvanized service fittings and valves to Ferguson Waterworks, Modesto, CA; Pace Supply Corporation, Stockton, CA; and R&B Company, Manteca, CA, for two-year purchasing agreements with three one-year extension options, for a combined annual cost not to exceed \$914,552 and a total combined amount not to exceed \$4,572,760 over five years.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Merced, CA	
					Ferugson Waterworks		Modesto Windustrial		Face Supply Corp		R&B Co	
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
1	110480	STOP, CORP 3/4" MPT FORD F500-3 / JONES J41 / AYM 3131-3/4	20	EA					\$20.88	\$417.60	\$23.50	\$470.00
2	110500	STOP, CORP 1" MPT FORD F500-4 / JONES J41 / AYM 3131-1	500	EA					\$0.00	\$15,700.00	\$35.48	\$17,740.00
3	110510	STOP, CORP 1" MPT X TAPERED FORD F400-4 / JONES J45 / AYM 3129-1	10	EA					\$31.66	\$315.60	\$31.34	\$313.40
4	110530	STOP, CORP BALL 2" MPT FORD F8500-7 / JONES J1943 / AYM 3139-7	100	EA					\$181.00	\$18,100.00	\$165.61	\$16,561.00
5	110620	STOP, CORP 1" MPT X IPS PJ FORD F1101-4 / JONES J8404 / AYM 4704-33-1	75	EA					\$49.54	\$3,723.00	\$67.48	\$3,938.00
6	111020	STOP, CURB BALL WING LOCK 3/4" FIPT FORD B11-333W / JONES J1900W / AYM 6101W-3/4	45	EA					\$38.80	\$1,746.00	\$40.00	\$1,800.00
7	111040	STOP, CURB BALL WING LOCK 1" FIPT FORD B11-444W / JONES J1900W / AYM 6101W-1	30	EA					\$59.54	\$1,785.20	\$61.28	\$1,838.40
8	111060	STOP, CURB BALL WING LOCK 1 1/2" FIPT FORD B11-666W / JONES J1900W / AYM 6101W-1 1/2	2	EA					\$120.52	\$241.04	\$124.88	\$249.76
9	111080	STOP, CURB BALL WING LOCK 2" FIPT FORD B11-777W / JONES J1900W / AYM 6101W-2	25	EA					\$175.55	\$4,388.75	\$161.83	\$4,545.75
10	111140	STOP, CURB BALL WING LOCK 1" FIPT X IPS PJ FORD B61-444W / JONES J1922W / AYM 6102W-33-1	1	EA					\$71.98	\$71.98	\$75.14	\$75.14
11	111320	VALVE, METER BALL WING LOCK IPS PJ X MC 3/4" X STRAIGHT	15	EA					\$84.15	\$812.25	\$64.29	\$864.35
12	111340	VALVE, METER BALL WING LOCK IPS PJ X MC 1" X STRAIGHT	400	EA					\$80.00	\$32,000.00	\$83.04	\$33,216.00
13	111620	VALVE, METER BALL WING LOCK CTS PJ X MC 3/4" X 90°	269	EA					\$54.57	\$14,461.05	\$56.68	\$15,014.90
14	111630	VALVE, METER BALL E1983 WING LOCK WITH FABY CTS, MC	59	EA					\$0.00	\$0.00	\$85.03	\$4,251.50
15	111640	VALVE, METER BALL CTS PJ X MC 1" X 90° DEL ESTE	145	EA					\$95.00	\$13,775.00	N/B	\$0.00
16	111680	VALVE, METER BALL WING LOCK FIPT X MC 3/4" X 90°	56	EA					\$50.17	\$2,759.55	\$48.11	\$2,701.05
17	111690	VALVE, METER BALL WING LOCK FIPT X MC 1" X 90°	240	EA					\$75.00	\$18,000.00	\$73.95	\$17,748.00
18	111700	VALVE, METER IPS PJ X MC 1" X 90° MOD SPECIAL	2500	EA	\$106.20	\$265,500.00	N/B		\$0.00	\$0.00		
19	111720	VALVE, METER BALL WING LOCK IPS PJ X MC 1" X 90°	1000	EA					\$88.63	\$88,630.00	\$92.62	\$92,620.00
20	111900	VALVE, METER BALL WING LOCK 90° 2" CTS PJ X 1 1/2" TO 2" MF	110	EA	\$239.40	\$26,334.00	N/B		\$0.00	\$242.00		
21	111950	LOCK CAP VALVE 5/8" X 3/4" X 1" FORD BVLG-1	25	EA					\$21.93	\$548.25	N/B	\$0.00
22	111960	PIN LOCK CAP FORD BVLG-PIN-1	55	EA					\$0.00	\$0.00	\$163.90	\$9,014.50
23	114060	COUPLING, CTS PJ X CTS PJ 3/4" X STRAIGHT FORD C44-33 / JONES J2609 / AYM 4750-22-3/4	80	EA					\$13.28	\$1,062.40	\$13.49	\$1,079.20
24	114090	COUPLING, CTS PJ X CTS PJ 3/4" X 90° FORD L44-33 / JONES J2611 / AYM 4761-22-3/4	80	EA					\$17.15	\$1,372.00	\$16.59	\$1,327.20
25	114100	COUPLING, CTS PJ X CTS PJ 1" X STRAIGHT FORD C44-44 / JONES J2609 / AYM 4758-22-1	50	EA					\$0.00	\$0.00	\$14.72	\$736.00
26	114110	COUPLING, CTS PJ X CTS PJ 1" X 90° FORD L44-44 / JONES J2611 / AYM 4760-22-1	65	EA					\$22.02	\$1,431.30	\$21.29	\$1,383.95
27	114160	COUPLING, CTS PJ X CTS PJ 2" X STRAIGHT FORD C44-77 / JONES J2609 / AYM 4758-22-2	20	EA					\$68.55	\$1,371.00	\$70.09	\$1,401.80
28	114170	COUPLING, CTS PJ X CTS PJ 2" X 90° FORD L44-77 / JONES J2611 / AYM 4761-22-2	85	EA					\$143.06	\$12,160.10	\$146.28	\$12,433.80
29	114175	COUPLING, FCT 3/4" CTS X 3/4" CTS FEN OUTLET COPPER THREAD STRAIGHT 3/4"	100	EA			\$0.00	N/B	\$0.00	\$0.00	N/B	\$0.00
30	114180	COUPLING, FCT X IPS PJ 1" X STRAIGHT FORD C86-44 / JONES J2824 / AYM 4759-33-1	10	EA					\$24.29	\$242.90	\$24.65	\$246.50
31	114200	COUPLING, FIPT X CTS PJ 1" X 3/4" X 45° FORD L414-43	10	EA					\$16.84	\$168.40	N/B	\$0.00
32	114230	COUPLING, FIPT X CTS PJ 3/4" X 90° FORD L14-33 / JONES J2821 / AYM 4779-22-3/4	40	EA					\$15.45	\$618.00	\$17.09	\$683.60
33	114235	COUPLING, FIPT X CTS PJ 3/4" X STRAIGHT	30	EA					\$11.45	\$343.50	\$11.85	\$355.50
34	114240	COUPLING, FIPT X CTS PJ 1" X STRAIGHT	75	EA					\$0.00	\$0.00	\$16.95	\$1,271.25
35	114241	COUPLING, FIPT X CTS PJ 1" X 90° FORD L14-44 / JONES J2821 / AYM 4779-22-1	150	EA					\$25.00	\$3,750.00	\$26.25	\$3,937.50
36	114245	COUPLING, FIPT X CTS PJ 2" X STRAIGHT FORD C14-77 / JONES J2607 / AYM 4754-22-2	85	EA					\$63.80	\$5,323.00	\$55.05	\$4,679.25
37	114247	COUPLING, FIPT X CTS PJ 2" X 90° FORD L14-77 / JONES J2621 / AYM 4779-2-2	60	EA	\$90.10	\$5,406.00	N/B		\$0.00	\$91.20	\$5,472.00	
38	114248	COUPLING, FIPT X IPS PJ 1" X STRAIGHT FORD C16-44 / JONES J2808 / AYM 4754-33-1	500	EA					\$0.00	\$0.00	\$18.00	\$9,000.00
39	114250	COUPLING, FIPT X IPS PJ 1" X 90° FORD L18-44 / JONES J2622	500	EA					\$28.01	\$14,005.00	\$28.95	\$14,475.00
40	114280	COUPLING, IPS PJ X IPS PJ 3/4" X STRAIGHT FORD C86-33 / JONES J2610 / AYM 4758-33-3/4	50	EA					\$16.56	\$828.00	\$18.47	\$923.50
41	114300	COUPLING, IPS PJ X IPS PJ 1" X STRAIGHT FORD C58-44 / JONES J2610 / AYM 4758-33-1	200	EA	\$52.69	\$10,538.00	N/B		\$0.00	\$33.09	\$6,618.00	
42	114310	COUPLING, IPS PJ X IPS PJ 1" X 90° FORD L66-44 / AYM 4781-33-1	300	EA					\$0.00	\$0.00	\$37.25	\$11,175.00
43	114360	COUPLING, MIPT X CTS PJ 3/4" X 1" X STRAIGHT	20	EA					\$0.00	\$0.00	\$12.06	\$240.60
44	114400	COUPLING, MIPT X CTS PJ 3/4" X STRAIGHT FORD C84-33 / JONES J2605 / AYM 4753-22-3/4	60	EA					\$10.99	\$659.40	\$11.05	\$663.00
45	114405	COUPLING, MIPT X CTS PJ 3/4" X 45° FORD L84-33 / JONES J2635	20	EA					\$0.00	\$0.00	\$13.26	\$265.20
46	114410	COUPLING, MIPT X CTS PJ 3/4" X 90° FORD L84-33 / JONES J2619 / AYM 4779M-22-3/4	155	EA					\$0.00	\$0.00	\$11.93	\$1,849.15
47	114450	COUPLING, MIPT X CTS PJ 1" X 3/4" X STRAIGHT	25	EA					\$0.00	\$0.00	\$11.89	\$297.25
48	114470	COUPLING, MIPT X CTS PJ 1" X STRIGHT FORD C84-44 / JONES J2605 / AYM 4753-22-1	135	EA					\$12.90	\$1,741.50	\$13.08	\$1,766.85
49	114490	COUPLING, MIPT X CTS PJ 2" X STRIGHT FORD C84-77 / JONES J2605 / AYM 4753-22-2	60	EA					\$0.00	\$0.00	\$52.62	\$3,157.20
50	114520	COUPLING, MIPT X IPS PJ 1" X 90° FORD L88-44 / AYM 4779M-33-1	25	EA					\$0.00	\$0.00	\$30.39	\$759.75
51	114550	COUPLING, MIPT X IPS PJ 1" X STRAIGHT FORD C86-44 / JONES J2806 / 4753-33-1	1000	EA					\$0.00	\$0.00	\$20.55	\$20,550.00
52	114560	COUPLING, MIPT X IPS PJ 1 1/4" X 1" X STRAIGHT FORD C86-54 NO SUB	5	EA					\$0.00	\$28.17	\$140.85	\$704.25

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA	
					Ferguson Waterworks		Modesto Industrial		Pace Supply Corp		R&B Co	
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
53	114800	NUT ASSEMBLY P.J. 3/4" CTS JONES J2825 NO SUB	5	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
54	114820	NUT ASSEMBLY P.J. 1" CTS JONES J2825 NO SUB	5	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
55	114830	NUT ASSEMBLY P.J. 1" IPS JONES J2824 NO SUB	5	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
56	141010	COUPLING, METER FIPT 3/4" X 1-3/4" FORD C31-23 / AYM 4637-3/4	40	EA	N/B	\$0.00	N/B	\$0.00	\$10.36	\$414.40	N/B	\$0.00
57	141030	COUPLING, METER FIPT 1" X 2-3/8" FORD C31-44 / AYM 4637-1	40	EA	N/B	\$0.00	N/B	\$0.00	\$14.94	\$971.10	N/B	\$0.00
58	141160	COUPLING, METER MIPT 3/4" X 1-1/2" FORD STYLE C C38-23-1.5 NO SUB	195	EA	N/B	\$0.00	N/B	\$0.00	\$8.36	\$1,628.25	N/B	\$0.00
59	141180	COUPLING, METER MIPT 3/4" X 2" FORD STYLE A C38-23-2 / JONES J130 / AYM 4620-3/4 X 2	265	EA	N/B	\$0.00	N/B	\$0.00	\$7.07	\$1,873.55	\$8.98	\$2,379.70
60	141200	COUPLING, METER MIPT 3/4" X 2-1/2" FORD STYLE A	45	EA	N/B	\$0.00	N/B	\$0.00	\$7.07	\$318.15	\$6.72	\$302.40
61	141230	COUPLING, METER MIPT 1" X 1.5" FORD STYLE C C38-44-1.5 NO SUB	1000	EA	N/B	\$0.00	N/B	\$0.00	\$11.05	\$11,050.00	N/B	\$0.00
62	141250	COUPLING, METER MIPT 1" X 2" FORD STYLE C C38-44-2 NO SUB	1000	EA	N/B	\$0.00	N/B	\$0.00	\$11.05	\$11,050.00	N/B	\$0.00
63	141270	COUPLING, METER MIPT 1" X 2-5/8" FORD STYLE A C38-44-2.625 / JONES J130	160	EA	\$10.95	\$1,752.00	N/B	\$0.00	\$10.89	\$1,742.40	N/B	\$0.00
64	142900	FLANGE, METER BRASS 1 1/2" FORD CF31-88 / JONES J128 / AYM 610F-1 1/2	45	EA	N/B	\$0.00	N/B	\$0.00	\$31.49	\$1,417.05	\$33.11	\$1,489.95
65	142020	FLANGE, METER BRASS 2" FORD CF31-77 / JONES J129 / AYM 610F-2	120	EA	N/B	\$0.00	N/B	\$0.00	\$41.00	\$4,920.00	\$48.30	\$5,796.00
66	New Item	ADAPTER, METER 1" X 3/4" FORD A34-NL	100	EA	N/B	\$0.00	N/B	\$0.00	\$13.85	\$1,385.00	N/B	\$0.00
67	142100	INSERT, STAINLESS STEEL 3/4" CTS MAX LENGTH 1 5/8" JONES 528704 AYM 4620H-3/4 X 1 5/8	815	EA	\$3.67	\$2,991.05	N/B	\$0.00	\$1.53	\$1,246.95	N/B	\$0.00
68	142110	INSERT, STAINLESS STEEL 1" CTS JONES 2805 / 61335-1	440	EA	N/B	\$0.00	N/B	\$0.00	\$1.55	\$726.00	\$1.56	\$682.00
69	142140	INSERT, STAINLESS STEEL 2" CTS JONES J2805 / AYM 6133T-2	475	EA	N/B	\$0.00	N/B	\$0.00	\$5.59	\$2,655.25	\$5.79	\$2,750.25
70	142160	INSERT, STAINLESS STEEL 1" IPS JONES J2808 / AYM 6138-1	825	EA	N/B	\$0.00	N/B	\$0.00	\$2.66	\$2,194.50	\$2.72	\$2,244.00
71	142230	GASKET, METER FIBER 1" DROP-IN TYPE 1/16" THICK JONES J137 THIN / AYM 18-C4	25	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
72	142420	GASKET, METER RUBBER 3/4" DROP-IN TYPE 1/16" THICK JONES J137	125	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
73	142430	GASKET, METER RUBBER 1" DROP-IN TYPE 1/16" THICK JONES J137	200	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
74	142520	GASKET, METER RUBBER 3/4" DROP-IN TYPE 1/8" THICK	4400	EA	N/B	\$0.00	N/B	\$0.00	\$0.25	\$1,100.00	N/B	\$0.00
75	142630	GASKET, METER RUBBER 1" DROP-IN TYPE 1/8" THICK	7200	EA	\$0.30	\$2,160.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
76	142540	GASKET, METER RUBBER 1 1/2" DROP-IN TYPE 1/8" THICK	415	EA	\$1.60	\$664.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
77	142850	GASKET, METER RUBBER 2" DROP-IN TYPE 1/8" THICK	825	EA	\$1.98	\$1,633.50	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
78	144000	COCK, TEST 1/4" FEBCO #781075	10	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	\$15.00	\$150.00
79	144020	COCK, SILL 3/4" BRASS OR CHROME W/LOOSE KEY ARRWHO A351	5	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
80	144120	VALVE, BENT NOSE GARDEN, BRASS, 3/4" FIPT X 3/4" MIGHT	50	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
81	144140	VALVE, BENT NOSE GARDEN, BRASS, 1" FIPT X 3/4" MIGHT	100	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
82	144160	VALVE, GARDEN HOSE 9/8" 3/4" MBPT X 3/4" MIGHT ARROWHEAD # 551	10	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
83	New Item	VALVE, GATE BRASS, 1/4" FIPT HAMMOND 606	1	EA	N/B	\$0.00	N/B	\$0.00	\$23.00	\$23.00	\$6.00	\$6.00
84	New Item	VALVE, GATE BRASS, 3/8" FIPT HAMMOND 606	1	EA	N/B	\$0.00	N/B	\$0.00	\$30.00	\$30.00	\$6.00	\$6.00
85	New Item	VALVE, GATE BRASS, 1/2" FIPT HAMMOND 606	1	EA	N/B	\$0.00	N/B	\$0.00	\$5.50	\$5.50	\$6.00	\$6.00
86	144380	VALVE, BLOW OFF, HYDRANT 2" #TF50 / SP-JR1298K	150	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	\$416.00	\$62,400.00
87	144220	VALVE, GATE BRASS, 3/4" FIPT HAMMOND 606	1	EA	\$7.80	\$7.80	N/B	\$0.00	\$6.93	\$6.93	\$12.00	\$12.00
88	144230	VALVE, GATE BRASS, 1" FIPT HAMMOND 606	10	EA	\$10.50	\$105.00	N/B	\$0.00	\$10.32	\$103.20	\$17.00	\$170.00
89	New Item	VALVE, GATE BRASS, 1 1/4" FIPT HAMMOND 606	1	EA	\$15.88	\$15.88	N/B	\$0.00	\$14.55	\$14.55	\$21.00	\$21.00
90	New Item	VALVE, GATE BRASS, 1 1/2" FIPT HAMMOND 606	1	EA	\$22.25	\$22.25	N/B	\$0.00	\$18.48	\$18.48	\$32.00	\$32.00
91	144250	VALVE, GATE BRASS, 2" FIPT HAMMOND 606	5	EA	\$31.09	\$155.45	N/B	\$0.00	\$28.12	\$140.60	\$32.00	\$160.00
92	144380	VALVE, BLOW OFF HYDRANT 2" TRUFLO #TF580	30	EA	N/B	\$0.00	N/B	\$0.00	\$467.81	\$14,034.30	\$416.00	\$12,480.00
93	144400	VALVE, BALL BRASS WOG 600, FULL PORT, 1/4", APOLLO 64 SERIES	15	EA	N/B	\$0.00	N/B	\$0.00	\$7.02	\$105.30	\$4.00	\$60.00
94	144410	VALVE, BALL BRASS WOG 600, FULL PORT, 3/8", APOLLO 64 SERIES	40	EA	N/B	\$0.00	N/B	\$0.00	\$7.02	\$280.80	\$4.00	\$160.00
95	144420	VALVE, BALL BRASS WOG 600, FULL PORT, 1/2", APOLLO 64 SERIES	40	EA	N/B	\$0.00	N/B	\$0.00	\$7.02	\$280.80	\$4.00	\$160.00
96	144440	VALVE, BALL BRASS WOG 600, FULL PORT, 3/4", APOLLO 64 SERIES	30	EA	N/B	\$0.00	N/B	\$0.00	\$10.27	\$308.10	\$6.00	\$180.00
97	144460	VALVE, BALL BRASS WOG 600, FULL PORT, 1", APOLLO 64 SERIES	25	EA	N/B	\$0.00	N/B	\$0.00	\$13.74	\$343.50	\$6.00	\$180.00
98	New Item	VALVE, BALL BRASS WOG 600, FULL PORT, 1 1/4", APOLLO 64 SERIES	5	EA	N/B	\$0.00	N/B	\$0.00	\$19.98	\$99.90	\$30.00	\$150.00
99	New Item	VALVE, BALL BRASS WOG 600, FULL PORT, 1 1/2", APOLLO 64 SERIES	1	EA	N/B	\$0.00	N/B	\$0.00	\$27.66	\$27.66	\$30.00	\$30.00
100	144480	VALVE, BALL BRASS WOG 600, FULL PORT, 2", APOLLO 64 SERIES	5	EA	N/B	\$0.00	N/B	\$0.00	\$53.20	\$266.00	\$40.00	\$200.00
101	New Item	VALVE, CHECK SWING BRASS 1/4" FIPT	1	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00
102	New Item	VALVE, CHECK SWING BRASS 3/8" FIPT	1	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	\$5.25	\$5.25
103	144620	VALVE, CHECK SWING BRASS 1/2" FIPT	1	EA	\$6.30	\$6.30	N/B	\$0.00	\$7.90	\$7.90	\$5.25	\$5.25
104	144640	VALVE, CHECK SWING BRASS 3/4" FIPT	1	EA	\$7.84	\$7.84	N/B	\$0.00	\$9.81	\$9.81	\$10.00	\$10.00
105	New Item	VALVE, CHECK SWING BRASS 1" FIPT	1	EA	\$10.74	\$10.74	N/B	\$0.00	\$13.95	\$13.95	\$10.00	\$10.00

CITY OF MODESTO

RF# NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Merced, CA	
					Ferguson Waterworks	Modesto Industrial	Pace Supply Corp	R&B Co				
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
106	New Item	VALVE, CHECK SWING BRASS 1 1/4" FIPT	1	EA	\$17.63	\$17.63			\$24.69	\$24.69	\$16.00	\$16.00
107	New Item	VALVE, CHECK SWING BRASS 1 1/2" FIPT	1	EA	\$23.71	\$23.71			\$33.59	\$33.59	\$20.00	\$20.00
108	New Item	VALVE, CHECK SWING BRASS 2" FIPT	1	EA	\$37.30	\$37.30			\$44.86	\$44.86	\$31.00	\$31.00
109	148310	SNUBBER, PRESSURE, BRASS, 1/4" NPT, POROSITY F WATER & OIL 2 LB INCREMENTS	25	EA	N/B	\$0.00	N/B	\$0.00	N/B	N/B	\$1.50	\$0.00
110	180905	BUSHING, THREADED BRASS HEX 1 1/4" X 1 1/2"	1	EA	N/B	\$0.00	N/B	\$0.00	N/B	N/B	\$1.50	\$1.50
111	180930	BUSHING, THREADED BRASS HEX 1/2" X 3/8"	1	EA	N/B	\$0.00	N/B	\$0.00	N/B	N/B	\$1.64	\$1.64
112	180940	BUSHING, THREADED BRASS HEX 1/2" X 1/4"	35	EA	N/B	\$0.00	N/B	\$1.99	\$48.65	\$1.76	\$61.60	\$61.60
113	180960	BUSHING, THREADED BRASS HEX 3/4" X 1/2"	50	EA	N/B	\$0.00	N/B	\$1.02	\$96.00	\$2.17	\$108.50	\$108.50
114	180970	BUSHING, THREADED BRASS HEX 3/4" X 3/8"	1	EA	N/B	\$0.00	N/B	\$1.75	\$1.75	\$2.18	\$2.18	\$2.18
115	180980	BUSHING, THREADED BRASS HEX 3/4" X 1/4"	40	EA	N/B	\$0.00	N/B	\$2.12	\$84.80	\$2.63	\$105.20	\$105.20
116	180100	BUSHING, THREADED BRASS HEX, 1" X 3/4"	75	EA			\$2.68	\$193.50	\$2.85	\$198.75	\$3.29	\$246.75
117	180110	BUSHING, THREADED BRASS HEX, 1" X 1/2"	35	EA	\$4.05	\$141.75			\$2.65	\$92.75	\$3.29	\$116.15
118	180180	BUSHING, THREADED BRASS HEX, 1 1/4" X 1"	35	EA			\$4.40	\$154.00	\$4.52	\$158.20	\$5.61	\$198.35
119	New Item	BUSHING, THREADED BRASS HEX, 1 1/4" X 3/4"	1	EA			\$4.41	\$4.41	\$4.52	\$4.52	\$5.61	\$5.61
120	New Item	BUSHING, THREADED BRASS HEX, 1 1/2" X 1/2"	1	EA			\$6.87	\$6.87	\$7.07	\$7.07	\$8.77	\$8.77
121	New Item	BUSHING, THREADED BRASS HEX, 1 1/2" X 3/4"	1	EA			\$6.87	\$6.87	\$7.07	\$7.07	\$8.77	\$8.77
122	New Item	BUSHING, THREADED BRASS HEX, 1 1/2" X 1"	1	EA			\$5.61	\$5.61	\$5.78	\$5.78	\$7.17	\$7.17
123	180260	BUSHING, THREADED BRASS HEX, 2" X 1 1/2"	50	EA			\$8.33	\$416.50	\$8.66	\$428.00	\$9.80	\$495.00
124	New Item	BUSHING, THREADED BRASS HEX, 2" X 3/4"	1	EA			\$10.03	\$10.03	\$10.31	\$10.31	\$12.80	\$12.80
125	180260	BUSHING, THREADED BRASS HEX, 2" X 1"	100	EA			\$10.03	\$1,003.00	\$10.00	\$1,000.00	\$12.00	\$1,200.00
126	New Item	COUPLING, BRASS, FIPT 1/4"	1	EA			\$1.79	\$1.79	\$1.60	\$1.60	\$2.00	\$2.00
127	New Item	COUPLING, BRASS, FIPT 1/2"	1	EA	\$1.80	\$1.80			\$2.01	\$2.01	\$2.50	\$2.50
128	New Item	COUPLING, BRASS, FIPT 3/8"	1	EA	N/B	\$0.00	\$1.79	\$1.79	\$2.01	\$2.01	\$2.50	\$2.50
129	180820	COUPLING, BRASS, FIPT 3/4"	25	EA			\$3.28	\$82.00	\$2.79	\$69.75	\$3.10	\$77.50
130	180830	COUPLING, BRASS, FIPT 1"	25	EA			\$5.65	\$141.25	\$4.24	\$108.00	\$4.69	\$117.25
131	180840	COUPLING, BRASS, FIPT 1 1/4"	10	EA			\$8.83	\$88.30	\$6.62	\$66.20	\$7.33	\$73.30
132	180850	COUPLING, BRASS, FIPT 1 1/2"	1	EA			\$10.88	\$10.88	\$9.00	\$9.00	\$9.95	\$9.95
133	180860	COUPLING, BRASS, FIPT 2"	15	EA			\$17.42	\$261.30	\$14.82	\$222.30	\$16.39	\$245.85
134	New Item	CROSS, BRASS, FIPT 1/4"	1	EA	N/B	\$0.00	N/B	\$0.00		\$4.37	\$4.37	
135	New Item	CROSS, BRASS, FIPT 3/8"	1	EA	N/B	\$0.00	N/B	\$0.00		\$4.37	\$4.37	
136	New Item	CROSS, BRASS, FIPT 1/2"	1	EA	N/B	\$0.00	N/B	\$0.00		\$5.33	\$5.33	
137	180950	CROSS, BRASS, FIPT 3/4"	10	EA			N/B	\$0.00	\$6.67	\$68.70	\$8.10	\$81.00
138	New Item	CROSS, BRASS, FIPT 1"	1	EA			N/B	\$0.00	\$10.89	\$10.89	\$15.92	\$15.92
139	New Item	CROSS, BRASS, FIPT 1 1/4"	1	EA	N/B	\$0.00	N/B	\$0.00		\$19.00	\$19.00	
140	New Item	CROSS, BRASS, FIPT 1 1/2"	1	EA			N/B	\$0.00	\$21.79	\$21.79	\$24.10	\$24.10
141	New Item	CROSS, BRASS, FIPT 2"	1	EA			N/B	\$0.00	\$45.40	\$45.40	\$50.85	\$50.85
142	New Item	ELBOW, BRASS, 45 FIPT 1/4"	1	EA	N/B	\$0.00	N/B	\$1.84	\$1.84	\$1.84	\$2.18	\$2.18
143	New Item	ELBOW, BRASS, 45 FIPT 3/8"	1	EA	N/B	\$0.00	N/B	\$1.84	\$1.84	\$1.84	\$2.18	\$2.18
144	New Item	ELBOW, BRASS, 45 FIPT 1/2"	1	EA			\$2.16	\$2.16	\$2.34	\$2.34	\$2.77	\$2.77
145	180990	ELBOW, BRASS, 45 FIPT 3/4"	10	EA			\$3.19	\$31.90	\$3.45	\$34.50	\$4.07	\$40.70
146	181000	ELBOW, BRASS, 45 FIPT 1"	75	EA			\$5.36	\$403.50	\$5.82	\$436.50	\$6.28	\$471.00
147	181010	ELBOW, BRASS, 45 FIPT 1 1/4"	15	EA			\$9.52	\$142.80	\$9.31	\$139.65	\$10.80	\$162.00
148	New Item	ELBOW, BRASS, 45 FIPT 1 1/2"	1	EA			\$10.51	\$10.51	\$11.87	\$11.87	\$12.91	\$12.91
149	181030	ELBOW, BRASS, 45 FIPT 2"	40	EA			\$17.50	\$700.00	\$18.92	\$756.80	\$20.42	\$816.80
150	181040	ELBOW, BRASS, 90 FIPT 1/4"	35	EA	N/B	\$0.00	N/B	\$1.66	\$58.10	\$1.66	\$55.10	\$55.10
151	181050	ELBOW, BRASS, 90 FIPT 3/8"	1	EA	N/B	\$0.00	N/B	\$1.68	\$1.68	\$1.68	\$2.07	\$2.07
152	181060	ELBOW, BRASS, 90 FIPT 1/2"	40	EA			\$2.37	\$94.80	\$2.59	\$103.60	\$2.76	\$110.40
153	181070	ELBOW, BRASS, 90 FIPT 3/4"	40	EA			\$3.18	\$127.20	\$3.45	\$138.00	\$3.72	\$148.80
154	181080	ELBOW, BRASS, 90 FIPT 1"	35	EA			\$4.92	\$172.20	\$5.32	\$186.20	\$5.74	\$200.90
155	181090	ELBOW, BRASS, 90 FIPT 1 1/4"	1	EA			\$7.82	\$7.82	\$9.48	\$9.48	\$9.35	\$9.35
156	New Item	ELBOW, BRASS, 90 FIPT 1 1/2"	1	EA			\$13.61	\$13.61	\$14.70	\$14.70	\$16.39	\$16.39
157	181110	ELBOW, BRASS, 90 FIPT 2"	25	EA			\$15.91	\$397.75	\$16.76	\$419.00	\$18.55	\$463.75
158	New Item	ELBOW, BRASS, 90 FIPT 3/4" X 3/8"	1	EA	N/B	\$0.00	N/B	\$0.00		N/B	\$0.00	\$0.00

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM#	STOCK #	ITEM DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Merced, CA	
					Ferguson Waterworks		Modesto Industrial		Pace Supply Corp		R&B Co	
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
159	New Item	ELBOW, BRASS, 90 FIPT 3/4" X 1/2"	1	EA			N/B	\$0.00	\$3.68	\$3.68	\$4.22	\$4.22
160	New Item	ELBOW, BRASS, 90 FIPT 1" X 1/2"	1	EA			N/B	\$0.00	\$6.46	\$6.46	\$7.41	\$7.41
181	181200	ELBOW, BRASS, 90 FIPT 1" X 3/4"	20	EA			N/B	\$0.00	\$5.46	\$128.20	\$7.41	\$148.20
162	New Item	ELBOW, BRASS, 90 FIPT 1 1/4" X 3/4"	1	EA			N/B	\$0.00	\$10.08	\$10.08	\$11.59	\$11.59
163	181230	ELBOW, BRASS, 90 FIPT 1 1/4" X 1"	25	EA			N/B	\$0.00	\$10.28	\$257.00	\$11.59	\$289.75
164	New Item	ELBOW, BRASS, 90 FIPT 1 1/2" X 3/4"	1	EA			N/B	\$0.00	\$12.74	\$12.74	N/B	\$0.00
165	New Item	ELBOW, BRASS, 90 FIPT 1 1/2" X 1"	1	EA			N/B	\$0.00	\$12.74	\$12.74	\$14.64	\$14.64
166	New Item	ELBOW, BRASS, 90 FIPT 2" X 3/4"	1	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
167	New Item	ELBOW, BRASS, 90 FIPT 2" X 1"	1	EA	N/B	\$0.00	N/B	\$0.00			\$27.00	\$27.00
168	New Item	ELBOW, BRASS, 90 FIPT 2" X 1 1/2"	1	EA	N/B	\$0.00	N/B	\$0.00			\$27.00	\$27.00
169	181750	NIPPLE, THREADED BRASS, 1/4" X CL	40	EA	N/B	\$0.00	N/B	\$0.00			\$1.23	\$49.20
170	181790	NIPPLE, THREADED BRASS, 1/4" X 2"	55	EA	N/B	\$0.00	N/B	\$0.00			\$1.61	\$88.55
171	181820	NIPPLE, THREADED BRASS, 1/4" X 4"	1	EA	N/B	\$0.00	N/B	\$0.00			\$1.93	\$1.93
172	New Item	NIPPLE, THREADED BRASS, 3/8" X CL	1	EA	N/B	\$0.00	N/B	\$0.00			\$1.28	\$1.28
173	181940	NIPPLE, THREADED BRASS, 3/8" X 2"	1	EA	N/B	\$0.00	N/B	\$0.00			\$1.34	\$1.34
174	181980	NIPPLE, THREADED BRASS, 3/8" X 4"	1	EA	N/B	\$0.00	N/B	\$0.00			\$2.28	\$2.28
175	182090	NIPPLE, THREADED BRASS, 1/2" X CLOSE	1	EA	N/B	\$0.00	N/B	\$0.00			\$1.70	\$1.70
176	182100	NIPPLE, THREADED BRASS, 1/2" X 2"	80	EA	N/B	\$0.00	N/B	\$0.00	\$1.52	\$121.60	\$2.17	\$173.60
177	182140	NIPPLE, THREADED BRASS, 1/2" X 4"	30	EA	N/B	\$0.00	N/B	\$0.00	\$2.76	\$83.40	\$3.86	\$118.80
178	New Item	NIPPLE, THREADED BRASS, 1/2" X 6"	1	EA	N/B	\$0.00	N/B	\$0.00	\$4.04	\$4.04	\$3.83	\$3.83
179	182280	NIPPLE, THREADED BRASS, 3/4" X CL	55	EA	N/B	\$0.00	N/B	\$0.00	\$1.61	\$88.55	\$2.30	\$126.50
180	182290	NIPPLE, THREADED BRASS, 3/4" X 1 1/2"	70	EA	N/B	\$0.00	N/B	\$0.00	\$1.72	\$120.40	\$2.46	\$171.50
181	182300	NIPPLE, THREADED BRASS, 3/4" X 2"	40	EA	\$2.64	\$115.20	N/B	\$0.00			\$2.69	\$115.60
182	182340	NIPPLE, THREADED BRASS, 3/4" X 4"	15	EA	\$4.22	\$63.30	N/B	\$0.00			\$5.05	\$75.75
183	182380	NIPPLE, THREADED BRASS, 3/4" X 6"	1	EA	\$5.56	\$5.56	N/B	\$0.00			\$7.07	\$7.07
184	New Item	NIPPLE, THREADED BRASS, 3/4" X 8"	1	EA	N/B	\$0.00	N/B	\$0.00			\$10.38	\$10.38
185	182400	NIPPLE, THREADED BRASS, 1" X CL	30	EA	N/B	\$0.00	N/B	\$0.00	\$2.38	\$71.40	\$3.38	\$101.40
186	182480	NIPPLE, THREADED BRASS, 1" X 2"	55	EA	N/B	\$0.00	N/B	\$0.00	\$2.93	\$161.15	\$4.18	\$224.90
187	192470	NIPPLE, THREADED BRASS, 1" X 3"	20	EA	N/B	\$0.00	N/B	\$0.00	\$3.69	\$73.80	\$5.62	\$112.40
188	New Item	NIPPLE, THREADED BRASS, 1" X 4"	1	EA	N/B	\$0.00	N/B	\$0.00	\$4.81	\$4.81	\$7.60	\$7.60
189	New Item	NIPPLE, THREADED BRASS, 1" X 6"	1	EA	N/B	\$0.00	N/B	\$0.00	\$7.08	\$7.08	\$11.48	\$11.48
190	New Item	NIPPLE, THREADED BRASS, 1" X 8"	1	EA	N/B	\$0.00	N/B	\$0.00	\$9.44	\$9.44	\$15.32	\$15.32
191	New Item	NIPPLE, THREADED BRASS, 1" X12"	1	EA	N/B	\$0.00	N/B	\$0.00	\$13.93	\$13.93	\$22.60	\$22.60
192	New Item	NIPPLE, THREADED BRASS, 1 1/4" X CL	1	EA	N/B	\$0.00	N/B	\$0.00	\$3.36	\$3.36	\$5.46	\$5.46
198	182690	NIPPLE, THREADED BRASS, 1 1/2" X CL	20	EA	N/B	\$0.00	N/B	\$0.00	\$4.37	\$87.40	\$6.65	\$133.00
199	New Item	NIPPLE, THREADED BRASS, 1 1/4" X CL	1	EA	\$4.09	\$4.09	N/B	\$0.00			\$5.45	\$5.45
200	New Item	NIPPLE, THREADED BRASS, 1 1/4" X 3"	1	EA	\$5.63	\$5.63	N/B	\$0.00			\$8.34	\$8.34
201	New Item	NIPPLE, THREADED BRASS, 1 1/4" X 4"	1	EA	\$7.39	\$7.39	N/B	\$0.00			\$10.98	\$10.98
202	New Item	NIPPLE, THREADED BRASS, 1 1/4" X 6"	1	EA	\$10.85	\$10.85	N/B	\$0.00			\$16.00	\$16.00
203	New Item	NIPPLE, THREADED BRASS, 1 1/4" X 8"	1	EA	\$14.39	\$14.39	N/B	\$0.00			\$15.71	\$15.71
204	New Item	NIPPLE, THREADED BRASS, 1 1/2" X 12"	1	EA	\$21.00	\$21.00	N/B	\$0.00			\$23.24	\$23.24
206	182700	NIPPLE, THREADED BRASS, 1 1/2" X 3"	15	EA	N/B	\$0.00	N/B	\$0.00	\$6.47	\$97.05	\$7.71	\$113.69
207	New Item	NIPPLE, THREADED BRASS, 1 1/2" X 4"	1	EA	N/B	\$0.00	N/B	\$0.00	\$8.43	\$8.43	\$16.00	\$16.00
208	New Item	NIPPLE, THREADED BRASS, 1 1/2" X 6"	1	EA	N/B	\$0.00	N/B	\$0.00	\$12.46	\$12.46	\$14.84	\$14.84
209	New Item	NIPPLE, THREADED BRASS, 1 1/2" X 8"	1	EA	N/B	\$0.00	N/B	\$0.00	\$16.54	\$16.54	\$19.70	\$19.70
210	New Item	NIPPLE, THREADED BRASS, 1 1/2" X 12"	1	EA	N/B	\$0.00	N/B	\$0.00	\$24.44	\$24.44	\$29.00	\$29.00
211	182830	NIPPLE, THREADED BRASS, 2" X CL	70	EA	N/B	\$0.00	N/B	\$0.00	\$6.65	\$465.50	\$6.94	\$485.80

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA		
					Fairguson Waterworks		Modesto Winidustrial		Face Supply Corp		R&B Co		
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	
212	182850	NIPPLE, THREADED BRASS, 2" X 3"	80	EA					\$8.29	\$497.40	\$9.21	\$552.80	
213	New Item	NIPPLE, THREADED BRASS, 2" X 4"	1	EA					\$10.85	\$10.85	\$12.93	\$12.93	
214	182860	NIPPLE, THREADED BRASS, 2" X 6"	1	EA					\$16.02	\$16.02	\$17.80	\$17.80	
215	New Item	NIPPLE, THREADED BRASS, 2" X 8"	1	EA					\$21.36	\$21.36	\$23.75	\$23.75	
216	New Item	NIPPLE, THREADED BRASS, 2" X 12"	1	EA					\$31.56	\$31.56	\$35.00	\$35.00	
217	184350	TEE, BRASS, FIPT 1/4"	10	EA	N/B	\$0.00					\$31.56	\$35.00	
218	184360	TEE, BRASS, FIPT 3/8"	1	EA	N/B	\$0.00			\$2.50	\$2.50	\$2.61	\$26.10	
219	184370	TEE, BRASS, FIPT 1/2"	20	EA	N/B	\$0.00			\$2.50	\$2.50	\$2.61	\$26.10	
220	184380	TEE, BRASS, FIPT 3/4"	35	EA		\$2.51	\$50.20		\$3.15	\$33.00	\$3.26	\$55.20	
221	184390	TEE, BRASS, FIPT 1"	35	EA				\$3.92	\$137.20	\$4.63	\$158.55	\$4.69	\$164.15
222	New Item	TEE, BRASS, FIPT 1 1/4"	1	EA	N/B			\$6.96	\$243.60	\$8.05	\$281.75	\$8.33	\$291.55
223	New Item	TEE, BRASS, FIPT 1 1/2"	1	EA	N/B				\$0.00	\$11.29	\$11.29	\$11.68	
224	184420	TEE, BRASS, FIPT 2"	5	EA	N/B		\$0.00		\$15.52	\$15.52	\$16.07	\$16.07	
225	New Item	UNION, BRASS, FIPT 1/4"	1	EA	N/B		\$0.00	\$22.03	\$110.15	\$25.44	\$127.20	\$26.34	\$131.70
226	New Item	UNION, BRASS, FIPT 3/8"	1	EA	N/B		\$0.00				\$6.68	\$6.68	
227	184490	UNION, BRASS, FIPT 1/2"	1	EA	N/B		\$0.00				\$6.61	\$6.61	
228	184500	UNION, BRASS, FIPT 3/4"	1	EA	N/B		\$0.00				\$7.18	\$7.18	
229	New Item	UNION, BRASS, FIPT 1"	1	EA	N/B				\$9.62	\$9.62	\$9.95	\$9.95	
230	New Item	UNION, BRASS, FIPT 1 1/4"	1	EA	N/B				\$12.74	\$12.74	\$13.19	\$13.19	
231	New Item	UNION, BRASS, FIPT 1 1/2"	1	EA	N/B				\$18.66	\$18.66	\$19.32	\$19.32	
232	New Item	UNION, BRASS, FIPT 2"	1	EA	N/B				\$22.02	\$22.02	\$22.80	\$22.80	
233	185550	ELBOW, 90 1/4" COMP X 3/8" MIPT 69-66 COPPER FITTINGS (NO LEAD IF POSSIBLE)	1	EA	N/B		\$0.00				N/B	\$0.00	
234	185620	ELBOW, 90 3/8" COMP X 1/4" MIPT 69-64 COPPER FITTINGS (NO LEAD IF POSSIBLE)	1	EA	N/B		\$0.00				N/B	\$0.00	
235	185630	ELBOW, 90 3/8" COMP X 1/2" MIPT 68-68 COPPER FITTINGS (NO LEAD IF POSSIBLE)	1	EA	N/B		\$0.00				N/B	\$0.00	
236	186680	ELBOW, 90 COMP X MIPT 1/2" 69-88 COPPER FITTINGS (NO LEAD IF POSSIBLE)	1	EA	N/B		\$0.00				N/B	\$0.00	
237	187920	NUT, COPPER TUBING SHORT 1/4" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
238	187940	NUT, COPPER TUBING SHORT 3/8" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
239	187960	NUT, COPPER TUBING SHORT 1/2" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
240	188090	TEE, COPPER TUBE COMP 1/2" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
241	185095	TEE, COPPER TUBE 64-6 3/8" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
242	188100	BUSHING, STAINLESS STEEL # 316 3/4" X 1/2"	30	EA	N/B		\$0.00		\$2.50	\$75.00	N/B	\$0.00	
243	188108	BUSHING, STAINLESS STEEL #316 1/2" X 3/8"	25	EA	N/B		\$0.00		\$1.65	\$41.25	N/B	\$0.00	
244	188110	BUSHING, STAINLESS STEEL #316 3/8" X 1/2"	20	EA	N/B		\$0.00		\$1.41	\$36.25	N/B	\$0.00	
245	188180	BUSHING, STAINLESS STEEL #316 1" X 1/2"	20	EA	N/B		\$0.00		\$3.51	\$70.20	N/B	\$0.00	
246	188820	SLEEVE COMP COPPER TUBE 1/2" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
247	188940	SLEEVE COMP COPPER TUBE 3/8" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
248	188960	SLEEVE COMP COPPER TUBE 1/4" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B		\$0.00				N/B	\$0.00	
249	188095	COUPLING, S/S #316 3/8" MIPT X 1/2" COMPRESSION	25	EA	N/B		\$0.00		\$14.75	\$369.75	N/B	\$0.00	
250	189100	COUPLING, S/S # 316 1/2" MIPT X 3/8" COMPRESSION	20	EA	N/B		\$0.00		\$13.50	\$270.00	N/B	\$0.00	
251	189105	COUPLING, S/S #316 1/4" MIPT X COMPRESSION	25	EA	N/B		\$0.00		\$16.47	\$411.75	N/B	\$0.00	
252	189110	COUPLING, S/S #316 3/8" COMPRESSION	25	EA	N/B		\$0.00		\$15.91	\$397.75	N/B	\$0.00	
253	189115	COUPLING, S/S #316 1/2" COMPRESSION	25	EA	N/B		\$0.00		\$23.66	\$591.50	N/B	\$0.00	
254	189120	COUPLING, S/S #316 3/8" FIPT	25	EA	N/B		\$0.00		\$2.13	\$53.25	N/B	\$0.00	

CITY OF MODESTO

RF# NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA	
					Ferguson Waterworks	EXTENSION	Modesto Windustrial	EXTENSION	Pace Supply Corp	EXTENSION	R&B Co	EXTENSION
					UN PRC		UN PRC		UN PRC		UN PRC	
255	189125	COUPLING, S/S #316 1/2" FIPT	25	EA	N/B	\$0.00			\$3.11	\$77.75	N/B	\$0.00
256	189190	ELBOW, 90 S/S #316 3/8" MIPT X COMPRESSION	25	EA	N/B	\$0.00			\$20.45	\$511.25	N/B	\$0.00
257	189195	ELBOW, 90 S/S #316 1/2" MIPT X COMPRESSION	25	EA	N/B	\$0.00			\$30.04	\$751.00	N/B	\$0.00
258	189200	ELBOW, 90 S/S #316 1/2" MIPT X 2" COMPRESSION	10	EA	N/B	\$0.00			\$25.32	\$253.20	N/B	\$0.00
259	189205	ELBOW, 90 S/S #316 3/8" COMPRESSION	25	EA	N/B	\$0.00			\$18.79	\$484.75	N/B	\$0.00
260	189210	ELBOW, 90 S/S #316 1/2" COMPRESSION	25	EA	N/B	\$0.00			\$32.54	\$813.50	N/B	\$0.00
261	189215	ELBOW, 90 S/S #316 1/2" FIPT	25	EA	N/B	\$0.00			\$3.23	\$80.75	N/B	\$0.00
262	189290	NIPPLE, S/S #316 1/8" MIPT X CL	25	EA	N/B	\$0.00			\$1.18	\$29.50	N/B	\$0.00
263	189295	NIPPLE, S/S #316 3/8" MIPT X 1"	25	EA	N/B	\$0.00			\$1.84	\$41.00	N/B	\$0.00
264	189300	NIPPLE, STAINLESS STEEL #316 1/2" X 2"	40	EA	N/B	\$0.00			\$3.28	\$131.20	N/B	\$0.00
265	189395	TEE, STAINLESS STEEL #316 3/8" COMPRESSION	25	EA	N/B	\$0.00			\$29.73	\$743.25	N/B	\$0.00
266	189400	TEE, STAINLESS STEEL #316 1/2" COMPRESSION	25	EA	N/B	\$0.00			\$45.24	\$1,131.00	N/B	\$0.00
267	189720	UNION COMP COPPER TUBE 1/2" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
268	189740	UNION COMP COPPER TUBE 3/4" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
269	189760	UNION COMP COPPER TUBE 1/2" COPPER FITTINGS (NO LEAD IF POSSIBLE)	25	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
270	190220	TUBING, COPPER REFRIGERANT .030 WALL 1/4" X 50'	5	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
271	190240	TUBING, COPPER REFRIGERANT .032 WALL 3/8" X 50'	1	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
272	190250	TUBING, COPPER REFRIGERANT .035 WALL 1/2" X 50'	1	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
273	190300	TUBING, S/S # 316 .035 WALL 3/8" WELDED X 10' LENGTH	1	EA	N/B	\$0.00	N/B	\$0.00	N/B	\$0.00	\$0.00	\$0.00
274	190305	TUBING, S/S #316 .035 WALL 1/2" WELDED X 10' LENGTH	25	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
275	136930	ADAPTER, BRASS, FIRE HYDNT CAP 2 1/2" FNST X 3/4" MGHT DIXON HA2576	10	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
276	190110	END HOSE BRASS FGHT 3/4" DIXON BCF-76	5	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
277	190120	END HOSE BRASS MGHT 3/4" DIXON BCM-76	5	EA	N/B	\$0.00	N/B	\$0.00	\$8.00	\$30.00	N/B	\$0.00
278	190130	ADAPTER, HOSE BRASS 3/4" FGHT X 1/2" MIPT PASCO 2144	1	EA	N/B	\$0.00	N/B	\$0.00	\$2.75	\$2.75	N/B	\$0.00
279	190140	ADAPTER, HOSE BRASS FGHT X MIPT 3/4" PASCO 2150	20	EA	N/B	\$0.00	N/B	\$0.00	\$2.81	\$56.20	N/B	\$0.00
280	190150	CPLG, HOSE BRASS SWIVEL FGHT X FGHT 3/4" PASCO 2153	25	EA	N/B	\$0.00	N/B	\$0.00	\$4.66	\$117.00	N/B	\$0.00
281	190155	CPLG, HOSE BRASS MGHT X MGHT 3/4" PASCO 2151	15	EA	N/B	\$0.00	N/B	\$0.00	\$2.36	\$35.40	N/B	\$0.00
282	New Item	BACKFLOW, RP 3/4" FEBCO 6257 / WILKINS 975XL	1	EA	N/B	\$0.00	N/B	\$0.00			\$303.00	\$303.00
283	140030	BACKFLOW, RP 1" FEBCO 8257 / WILKINS 975XL	10	EA	N/B	\$0.00	N/B	\$0.00	\$9.99	\$330.00	\$330.00	\$3,200.00
284	New Item	BACKFLOW, RP 1 1/2" FEBCO 825Y / WILKINS 975XL	1	EA	N/B	\$0.00	N/B	\$0.00			\$562.00	\$562.00
285	140050	BACKFLOW, RP 2" FEBCO 825Y / WILKINS 975XL	5	EA	N/B	\$0.00	N/B	\$0.00			\$624.00	\$3,120.00
286	144320	VALVE, AIR RELEASE 3/4" 175PSI CRISPEN ARB	1	EA	N/B	\$0.00	N/B	\$0.00			\$72.00	\$72.00
287	144330	VALVE, AIR RELEASE 1" 175PSI CRISPEN AR10	5	EA	N/B	\$0.00	N/B	\$0.00			\$82.00	\$410.00
288	144350	VALVE, AIR RELEASE 2" CRISPEN DL-20 ONLY NO SUB	5	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
289	144500	VALVE, BALL, FIPT, # 316 STAINLESS STEEL, 1000 WOG, FULL PORT, 1/2"	40	EA	N/B	\$0.00			\$21.85	\$874.00	N/B	\$0.00
290	144505	VALVE, BALL, # 316 STAINLESS STEEL, 3/8"	25	EA	N/B	\$0.00			\$20.43	\$510.75	N/B	\$0.00
291	144510	VALVE, BALL, # 316 STAINLESS STEEL, 1/4"	25	EA	N/B	\$0.00			\$15.04	\$376.00	N/B	\$0.00
292	144550	VALVE, BALL, LEVER, TYPE 2, WORCESTER #4416TSE NO SUB	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
293	144560	VALVE, BALL, MOTORIZED, WITH EXTERNAL TIMER, 2" LAKOS COMPLETE UNIT	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
294	144560A	VALVE, BALL, MOTORIZED, WITHOUT EXTERNAL TIMER, 2" LAKOS #106122 ONLY NO SUB	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
295	144570	VALVE, BALL POLYPROPYLENE 3/4", FIPT VITON SEALS /S.S BOLTS, 100% PTFE SEATS,	5	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
296	144585	VALVE, BALL POLYPROPYLENE 2" FIPT VITON SEALS /S.S BOLTS /100% PTFE SEATS,	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
297	148115	GAUGE, 0-15 PSI, GLYCERINE FILL 2.5" MIPT, STAINLESS STEEL CASE, CASE OIL FILLED 1/4"	5	EA	N/B	\$0.00			\$22.00	\$110.00	N/B	\$0.00
298	148130	GAUGE, 0-30 PSI, GLYCERINE FILL 2.5" MIPT, STAINLESS STEEL CASE, CASE OIL FILLED 1/4"	1	EA	N/B	\$0.00	\$13.71	\$13.71			N/B	\$0.00
299	148160	GAUGE, 0-80 PSI, GLYCERINE FILL 2.5" MIPT, STAINLESS STEEL CASE, CASE OIL FILLED 1/4"	1	EA	N/B	\$0.00	\$13.71	\$13.71			N/B	\$0.00
300	148200	GAUGE, 0-160 PSI, MIPT, 2 1/2" STAINLESS STEEL CASE, 1/4" NPT MAXIMUM 2 LB INCREMENTS	30	EA	N/B	\$0.00	\$13.71	\$411.30			N/B	\$0.00
301	148250	GAUGE, 0-100 PSI / 1680 GPM LIQUID FILL, 4" MIPT, STAINLESS STEEL CASE, 1/4" NPT	1	EA	N/B	\$0.00	\$13.71	\$13.71			N/B	\$0.00
302	148280	REGULATOR, 1/2" 7 PSI WATTS 25A STAINLESS STEEL, NO STRAINER BRASS BODY	5	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
303	148270	REGULATOR, 1/2" 10-35 PSI WATTS 25A STAINLESS STEEL, STRAINER BRASS BODY	1	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
304	148280	REGULATOR, 1/2" 35-70 PSI WATTS 25A STAINLESS STEEL, STRAINER BRASS BODY	15	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00
305	148290	SWITCH, LEVEL SENSOR HORIZONTAL KOBOLD NKP8401	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
306	148300	TRANSDUCER, PRESSURE 100 PSI, SWYER 638-47 BARKSDALE, 429H3-04/WKA 4281251	1	EA	N/B	\$0.00	N/B	\$0.00			\$0.00	\$0.00
307	148320	VALVE, FOOT, 1" FLO-MATIC 4181E 1"-60S ONLY NO SUB	5	EA	N/B	\$0.00	N/B	\$0.00			N/B	\$0.00

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Merced, CA		
					Ferguson Waterworks		Modesto Industrial		Pace Supply Corp		R&B Co		
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	
308	160020	ADAPTER PVC SCH40 S X FIPT 1/2"	5	EA	\$0.20	\$1.00	\$0.25	\$1.25	\$0.21	\$1.05			
309	160030	ADAPTER PVC SCH 40 S X FIPT 3/4"	5	EA	\$0.30	\$1.50	\$0.32	\$1.60	\$0.27	\$1.35			
310	160050	ADAPTER PVC SCH 40 S X FIPT 1"	1	EA	\$0.40	\$0.40	\$0.37	\$0.37	\$0.31	\$0.31			
311	160220	ADAPTER PVC SCH 40 1/2"	25	EA	N/B	\$0.00	\$0.00	\$0.00	\$0.00	\$0.17	\$4.25		
312	160230	ADAPTER PVC SCH 40 S X MPT 3/4"	20	EA	\$0.20	\$4.00	\$0.22	\$4.40	\$0.19	\$3.80			
313	160240	ADAPTER PVC SCH40 S X MPT 1"	1	EA	N/B	\$0.00	\$0.00	\$0.38	\$1.90	\$0.32	\$1.60		
314	160730	ADAPTER PVC SCH40 REDUCING 1" SLIP X 3/4" MPT	1	EA	N/B	\$0.00	\$0.00	\$0.00	\$0.00	\$1.50	\$1.50		
315	161220	BUSHING PVC SCH40 SLIP 3/4" X 1/2"	70	EA	N/B	\$0.00	\$0.00	\$0.00	\$0.00	\$0.20	\$14.00		
316	161240	BUSHING PVC SCH40 SLIP 1" X 3/4"	330	EA	\$0.30	\$99.00	\$0.40	\$132.00	\$0.36	\$118.80			
317	161300	BUSHING PVC SCH40 SLIP 1-1/2" X 1"	25	EA	\$0.40	\$10.00	\$0.58	\$14.50	\$0.52	\$13.00			
318	161360	BUSHING PVC SCH40 SLIP 2" X 1-1/2"	10	EA	\$0.65	\$6.50	\$0.95	\$9.50	\$0.85	\$8.50			
319	161530	BUSHING PVC SCH40 S X F 3/4" X 1/2"	10	EA			\$0.25	\$2.50	\$0.35	\$3.50			
320	161640	BUSHING PVC SCH40 S X F 1" X 3/4"	95	EA	\$0.39	\$37.05	\$0.57	\$54.15	\$0.51	\$48.45			
321	161700	BUSHING PVC SCH40 S X F 1-1/2" X 1"	1	EA	N/B	\$0.00	\$0.00	\$1.01	\$1.01	\$0.91	\$0.91		
322	161750	BUSHING PVC SCH40 S X F 2" X 1-1/2"	10	EA	\$0.84	\$8.40	\$1.36	\$13.60	\$1.21	\$12.10			
323	162500	BUSHING PVC SCH40 THREAD X THREAD 3/4" X 1/2"	15	EA	N/B	\$0.00	\$0.00	\$0.59	\$8.85	\$0.56	\$8.40		
324	162520	BUSHING PVC SCH40 THREAD X THREAD 1" X 1/2"	55	EA	N/B	\$0.00	\$0.00	\$0.88	\$48.40	\$0.79	\$43.45		
325	New Item	CAP PVC SCH40 SLIP 1/2"	1	EA		\$0.14	\$0.14	\$0.19	\$0.19	\$0.17	\$0.17		
326	162740	CAP PVC SCH40 SLIP 3/4"	45	EA	\$0.16	\$7.20	\$0.22	\$9.90	\$0.20	\$9.00			
327	162760	CAP PVC SCH40 SLIP 1"	10	EA	\$0.24	\$2.40	\$0.35	\$3.50	\$0.32	\$3.20			
328	162820	CAP PVC SCH40 SLIP 2"	5	EA	\$0.60	\$3.00	\$0.86	\$4.30	\$0.59	\$2.95			
329	162880	CAP PVC SCH40 THREADED 1/2"	1	EA	N/B	\$0.00	\$0.00	\$0.40	\$0.40	\$0.36	\$0.36		
330	162980	CAP PVC SCH40 THREADED 3/4"	50	EA	N/B	\$0.00	\$0.00	\$0.47	\$23.50	\$0.42	\$21.00		
331	162910	CAP PVC SCH40 THREADED 1"	35	EA	N/B	\$0.00	\$0.00	\$0.71	\$24.85	\$0.63	\$22.05		
332	162940	CAP PVC SCH40 THREADED 2"	1	EA	N/B	\$0.00	\$0.00	\$1.55	\$1.55	\$1.39	\$1.39		
333	New Item	COUPLING PVC SCH40 S X S 1/2"	1	EA	\$0.10	\$0.10	\$0.14	\$0.14	\$0.12	\$0.12			
334	163030	COUPLING PVC SCH40 S X S 3/4"	5	EA	\$0.14	\$0.70	\$0.19	\$0.95	\$0.17	\$0.85			
335	163050	COUPLING PVC SCH40 S X S 1"	1	EA	\$0.24	\$0.24	\$0.34	\$0.34	\$0.30	\$0.30			
336	163130	COUPLING PVC SCH40 S X S 2"	1	EA	\$0.53	\$0.53	\$0.76	\$0.76	\$0.69	\$0.69			
337	163405	CPLG EXPANSION PVC SCH40 S X S 1/2" FLO CONTROL INC. # 118-07	20	EA	N/B	\$0.00	\$0.00	\$3.10	\$62.00	\$3.25	\$65.00		
338	163410	COUPLING EXPANSION PVC SCH40 S X S 3/4" FLO CONTROL INC. # 118-07	85	EA	N/B	\$0.00	\$0.00	\$3.50	\$297.50	\$3.70	\$314.50		
339	163420	COUPLING EXPANSION PVC SCH40 S X S 1" FLO CONTROL INC. # 118-10	30	EA	N/B	\$0.30	\$9.00	\$4.03	\$120.90	\$4.25	\$127.50		
340	163430	COUPLING EXPANSION PVC SCH40 S X S 1-1/2" FLO CONTROL INC. # 117-15	10	EA	N/B	\$0.00	\$0.00	\$8.30	\$83.00	\$8.60	\$86.00		
341	165160	PLUG PVC SCH40 THREADED 1"	15	EA	\$0.70	\$10.50	\$1.01	\$15.15	\$0.91	\$13.65			
342	165180	PLUG PVC SCH40 THREADED 1-1/4"	15	EA	\$0.73	\$10.95	\$1.06	\$15.90	\$0.95	\$14.25			
343	New Item	TEE PVC SCH40 S X S X S 1/2"	1	EA	N/B	\$0.00	\$0.00	\$0.26	\$0.26	\$0.23	\$0.23		
344	New Item	TEE PVC SCH40 S X S X S 1"	1	EA	N/B	\$0.00	\$0.00	\$0.35	\$0.35	\$0.32	\$0.32		
345	165520	TEE PVC SCH40 S X S X S 3/4"	15	EA	\$0.21	\$3.15	\$0.31	\$4.65	\$0.27	\$4.05			
346	165530	TEE PVC SCH40 S X S X S 1"	15	EA	\$0.39	\$5.85	\$0.57	\$8.55	\$0.51	\$7.65			
347	165560	TEE PVC SCH40 S X S X S 2"	5	EA	\$1.08	\$6.40	\$1.59	\$7.90	\$1.41	\$7.05			
348	New Item	TEE PVC SCH40 SLIP 1/2"	1	EA		\$1.08	\$0.26	\$0.26	\$0.23	\$0.23			
349	170130	ADAPTER PVC SCH 80 S X FIPT 3/4"	305	EA	\$1.80	\$549.00	\$1.95	\$594.75	\$2.25	\$686.25			
350	170140	ADAPTER PVC SCH 80 S X FIPT 1"	1380	EA	\$2.55	\$3,519.00	\$2.87	\$3,958.60	\$3.30	\$4,554.00			
351	170160	ADAPTER PVC SCH 80 S X FIPT 1-1/2"	5	EA	\$5.06	\$25.30	\$6.10	\$30.50	\$6.63	\$33.15			
352	170170	ADAPTER PVC SCH 80 S X MPT 2"	40	EA	\$8.86	\$355.20	\$9.94	\$397.60	\$11.00	\$440.00			
353	170310	ADAPTER PVC SCH 80 S X MPT 3/4"	200	EA	\$1.82	\$364.00	\$1.81	\$362.00	\$2.10	\$420.00			
354	170320	ADAPTER PVC SCH 80 S X MPT 1"	180	EA	\$2.76	\$496.80	\$3.12	\$561.60	\$3.63	\$653.40			
355	170340	ADAPTER PVC SCH 80 S X MPT 1-1/2"	20	EA	\$4.66	\$93.20	\$5.24	\$104.80	\$6.10	\$122.00			
356	170350	ADAPTER PVC SCH 80 S X MPT 2"	138	EA	\$6.78	\$915.30	\$7.59	\$1,037.62	\$8.82	\$1,197.00			
357	171000	BUSHING PVC SCH80 1 X T 3/4 X 3/4"	1	EA	N/B	\$0.00	\$0.00	\$0.00	\$0.00	\$3.50	\$3.50		
358	171010	BUSHING PVC SCH80 1 X T 3/4 X 3/8"	1	EA	N/B	\$0.00	\$0.00	\$0.00	\$0.00	\$5.80	\$5.80		
359	New Item	CAP PVC SCH80 SLIP 3/4"	1	EA	N/B	\$0.00	\$0.00	\$1.37	\$1.37	\$1.59	\$1.59		
360	172030	CAP PVC SCH80 SLIP 3/4"	15	EA	\$1.29	\$19.35	\$1.44	\$21.60	\$1.68	\$25.20			

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM # STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA	
				Ferguson Waterworks		Modesto Windustrial		Pace Supply Corp		R&B Co	
				UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
361	172040 CAP, PVC SCH 80 SLIP 1"	156	EA	\$2.29	\$354.95			\$2.57	\$398.35	\$3.00	\$465.00
362	New Item CAP, PVC SCH80 SLIP 1-1/2"	1	EA	\$2.78	\$2.78			\$3.09	\$3.09	\$3.60	\$3.60
363	New Item CAP, PVC SCH80 SLIP 1-1/2"	1	EA	\$2.76	\$2.76			\$3.09	\$3.09	\$3.60	\$3.60
364	New Item CAP, PVC SCH80 SLIP 2"	1	EA	\$5.43	\$5.43			\$6.11	\$6.11	\$7.10	\$7.10
365	172330 COUPLING, PVC SCH 80 S X S 3/4"	1015	EA	\$1.70	\$1,725.50			\$1.89	\$1,918.35	\$2.15	\$2,182.25
366	172340 COUPLING, PVC SCH 80 S X S 1"	590	EA	\$1.74	\$1,026.60			\$1.95	\$1,159.50	\$2.27	\$1,339.30
367	172360 COUPLING, PVC SCH 80 S X S 1-1/2"	25	EA	\$2.64	\$66.00			\$3.20	\$80.00	\$3.70	\$92.50
368	172370 COUPLING, PVC SCH 80 S X S 2"	130	EA	\$2.85	\$370.50			\$3.43	\$445.90	\$4.00	\$520.00
369	172520 COUPLING, PVC SCH 80 HIPT 1/2" T X T	20	EA	N/B	\$0.00			\$1.56	\$31.20	\$1.82	\$36.40
370	173270 ELBOW, PVC SCH 80 45, S X S 2"	35	EA	\$5.80	\$203.00			\$6.51	\$227.85	\$7.50	\$262.50
371	173530 ELBOW, PVC SCH 80 90, S X S 3/4"	1010	EA	\$0.90	\$909.00			\$0.99	\$999.90	\$1.10	\$1,110.00
372	173540 ELBOW, PVC SCH 80 90, S X S 1"	2295	EA	\$1.43	\$3,281.65			\$1.59	\$3,649.05	\$1.78	\$3,901.50
373	173590 ELBOW, PVC SCH 80 90, S X S 1-1/2"	40	EA	\$2.05	\$82.00			\$2.28	\$91.20	\$2.68	\$108.00
374	173570 ELBOW, PVC SCH 80 90, S X S 1-1/2"	105	EA	\$2.47	\$259.35			\$2.76	\$289.80	\$3.20	\$336.00
375	173620 ELBOW, PVC SCH 80 90, S X FIPT 3/4"	730	EA	\$3.19	\$2,328.70			\$3.58	\$2,613.40	\$4.16	\$3,036.60
376	173630 ELBOW, PVC SCH 80 90, S X FIPT 1"	3845	EA	\$3.44	\$13,226.60			\$3.87	\$14,880.16	\$4.40	\$16,918.00
377	173650 ELBOW, PVC SCH 80 90, S X FIPT 1-1/2"	35	EA	\$4.73	\$165.55			\$5.32	\$186.20	\$6.20	\$217.00
378	173660 ELBOW, PVC SCH 80 90, S X FIPT 2"	5	EA	\$6.13	\$30.65			\$6.90	\$34.50	\$8.00	\$40.00
379	173230 ELBOW, PVC SCH80 45 S X S 3/4"	5	EA	\$1.88	\$9.90			\$2.23	\$11.15	\$2.59	\$12.95
380	173240 ELBOW, PVC SCH80 45 S X S 1"	365	EA	\$2.97	\$1,084.05			\$3.33	\$1,215.45	\$3.75	\$1,368.75
381	New Item ELBOW, PVC SCH80 45 S X S 1-1/2"	1	EA	\$3.78	\$3.78			\$4.25	\$4.25	\$4.94	\$4.94
382	New Item ELBOW, PVC SCH80 45 S X S 1-1/2"	1	EA	\$4.46	\$4.46			\$5.02	\$5.02	\$5.84	\$5.84
383	New Item ELBOW, PVC SCH80 60 S X S 1/2"	1	EA	\$0.70	\$0.70			\$0.83	\$0.83	\$0.90	\$0.90
384	New Item ELBOW, PVC SCH80 90 S X FIPT 1-1/2"	1	EA	\$0.00	\$0.00			\$4.78	\$4.78	\$5.20	\$5.20
385	174470 NIPPLE, PVC SCH 80 THREADED 1/2" X 2"	20	EA			\$0.49	\$9.80	\$0.20	\$4.00	N/B	\$0.00
386	174850 NIPPLE, PVC SCH80 THREADED 3/4" X CLOSE	1	EA			\$0.49	\$0.49	\$0.20	\$0.20	N/B	\$0.00
387	174870 NIPPLE, PVC SCH 80, THREADED, 3/4" X 2"	10	EA			\$0.49	\$0.00	\$0.20	\$2.00	N/B	\$0.00
388	174870 NIPPLE, PVC SCH80, 1" X 8" IDLER	290	EA	\$2.60	\$650.00	N/B		\$0.00		\$4.50	\$1,215.00
389	174875 NIPPLE, PVC SCH80, 1 1/4" X 16 3/4" IDLER	270	EA	\$3.50	\$945.00	N/B		\$0.00		\$9.00	\$2,430.00
390	174880 NIPPLE, PVC SCH80, THREADED, 1 1/2" X 10"	5	EA	\$2.24	\$11.20	N/B		\$0.00		N/B	\$0.00
391	New Item NIPPLE, PVC SCH 80, THREADED, 1" X 2"	1	EA	\$0.50	\$0.50		\$0.71	\$0.71		N/B	\$0.00
392	New Item NIPPLE, PVC SCH 80, THREADED, 2" X 6"	1	EA	\$2.00	\$2.00		\$2.92	\$2.92		N/B	\$0.00
393	New Item NIPPLE, PVC SCH 80, THREADED, 2" X 8"	1	EA	\$2.50	\$2.50		\$3.23	\$3.23		N/B	\$0.00
394	174880 NIPPLE, PVC SCH80, THREADED, 2" X 10"	15	EA	\$2.80	\$42.00	N/B		\$0.00		N/B	\$0.00
395	175190 NIPPLE, PVC SCH 80 THREADED 1 1/2" X 10"	1	EA	\$2.24	\$2.24	N/B		\$0.00		N/B	\$0.00
396	175340 NIPPLE, PVC SCH 80 THREADED 2" X 10"	1	EA	\$2.04	\$2.04	N/B		\$0.00		N/B	\$0.00
397	176030 TEE, PVC SCH80, SLIP 3/4"	10	EA	\$2.94	\$29.40			\$2.45	\$24.50	\$2.65	\$26.50
398	176040 TEE, PVC SCH 80 S X S X S 1"	1	EA	\$8.72	\$8.72			\$3.06	\$3.06	\$3.32	\$3.32
399	176070 TEE, PVC SCH 80 S X S X S 2"	5	EA	\$11.13	\$55.65			\$10.52	\$52.60	\$11.40	\$57.00
400	177050 UNION, PVC SCH 80 S X S 2"	1	EA	\$11.13	\$11.13			\$13.99	\$13.99	\$14.50	\$14.50
401	177950 UNION, PVC SCH80, SLIP 3/4"	1	EA	\$3.20	\$3.20			\$3.91	\$3.91	\$4.18	\$4.18
402	177960 UNION, PVC SCH80, SLIP 1"	5	EA			\$3.21	\$16.05	\$4.46	\$22.30	\$4.84	\$24.20
403	New Item UNION, PVC SCH80, SLIP 1-1/2"	1	EA			\$6.38	\$6.38	\$8.85	\$8.85	\$9.82	\$9.82
404	177980 UNION, PVC SCH80, SLIP 1-1/2"	15	EA			\$7.22	\$108.30	\$10.03	\$150.45	\$10.75	\$161.25
405	177980 UNION, PVC SCH80, SLIP 2"	1	EA			\$9.79	\$9.79	\$13.59	\$13.59	\$14.58	\$14.58
406	New Item COUPLING, PVC SCH80 S X S 1/2"	1	EA	\$1.24	\$1.24			\$1.50	\$1.50	\$1.63	\$1.63
407	New Item COUPLINGS, PVC SCH80 S X S 1 1/4"	1	EA	\$2.64	\$2.64			\$3.18	\$3.18	\$3.45	\$3.45
408	New Item ADAPTER, PVC SCH80 S X FIPT 1/2"	1	EA	\$1.16	\$1.16			\$1.40	\$1.40	\$1.52	\$1.52
409	New Item ADAPTER, PVC SCH80 S X FIPT 1 1/2"	1	EA	\$4.13	\$4.13			\$4.98	\$4.98	\$5.40	\$5.40
410	New Item ADAPTER, PVC SCH80 S X MIPT 1 1/2"	1	EA	\$18.98	\$18.98			\$3.91	\$3.91	\$4.25	\$4.25
411	192030 PIPE, PVC SCH40 FOR WATER 1/2" X 20' LENGTHS	5	EA			\$4.26	\$21.30	\$4.40	\$22.00	\$4.80	\$24.00

CITY OF MODESTO

RFB NO. 1718-02 LC/W LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manicua, CA		
					Ferguson Waterworks		Modesto Windustrial		Pace Supply Corp		R&B Co		
					UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	
412	192040	PIPE, PVC SCH40 FOR WATER 3/4" X 20' LENGTHS	120	EA			\$5.43	\$651.80	\$5.10	\$612.00	\$6.40	\$768.00	
413	192050	PIPE, PVC SCH40 FOR WATER 1" X 20' LENGTHS	860	EA			\$7.44	\$6,021.80	\$7.80	\$6,764.00	\$9.60	\$8,644.00	
414	192060	PIPE, PVC SCH40 FOR WATER 1 1/4" X 20' LENGTHS	1	EA	N/B	\$0.00		\$12.00	\$12.00	\$14.40	\$14.40		
415	192070	PIPE, PVC SCH40 FOR WATER 1 1/2" X 20' LENGTHS	150	EA		\$15.00	\$2,250.00	\$12.36	\$1,854.00		\$17.20	\$2,580.00	
416	192080	PIPE, PVC SCH40 FOR WATER 2" X 20' LENGTHS	20	EA		\$20.00	\$400.00			\$18.50	\$330.00	\$20.80	\$416.00
417	104000	PUMP, HAND, 32" W/6" FLEX HOSE, BECKSON 136PF-6 ONLY NO SUB	70	EA	N/B		\$0.00/N/B		\$0.00		\$35.00	\$2,450.00	
418	136950	WRENCH, FIRE HYDRANT, DESCO 161/JONES J583	30	EA	N/B		\$0.00/N/B		\$0.00		\$24.00	\$720.00	
419	148900	COMPOUND, ANTI-SEIZE FOOD GRADE, LOCTITE 51168/JET LUBE WHITE KNIGHT 16402, PINT	1	EA	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
420	159900	TAPE, TEFLON 1/2" X 520'	520	ROLL	N/B		\$0.00		\$0.70	\$364.00	\$1.25	\$650.00	
421	159905	TAPE, TEFLON 3/4" X 520'	1	ROLL	N/B		\$0.00		\$0.70	\$0.70	\$1.25	\$1.25	
422	159910	SEALANT, TEFLON THREAD PERMATEX 30561 14D 16OZ PINT ONLY NO SUB	105	EA	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
423	159920	SEALANT, THREAD RECTOR SEAL #9 PINT ONLY NO SUB	5	EA	N/B		\$0.00	\$13.01	\$65.05		\$21.00	\$105.00	
424	159970	PRIMER, PVC CEMENT, PURPLE PINT P-70 WELD-ON BRAND NO SUB	325	EA	N/B		\$0.00		\$0.32	\$3,029.00	\$10.85	\$3,558.75	
425	158880	CEMENT, PVC CHRISTY'S PINT RED HOT ONLY NO SUB	275	EA	N/B		\$0.00	\$12.93	\$3,555.75		\$21.00	\$5,775.00	
426	159960	CEMENT, PVC HEAVY BODY MEDIUM SET GRAY 2711 PINT	105	EA	N/B		\$0.00		\$10.10	\$1,060.50	\$21.00	\$2,205.00	
427	190050	HOSE, GARDEN 5/8" X 25'	30	EA	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
428	190060	HOSE, GARDEN 3/4" X 25' WP 150 LB CONTRACTOR TYPE GOODYEAR SURELINE	10	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
429	190070	HOSE, GARDEN 3/4" X 50' WP 150 LB CONTRACTOR TYPE GOODYEAR SURELINE	65	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
430	190145	COUPLING, PVC SCH40, SWIVEL FGHT X FIPT 3/4"	15	EA	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
431	190160	WASHER, GARDEN HOSE 3/4" RUBBER	65	EA	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
432	190180	NOZZLE, SPRAYER, 3/4" GARDEN HOSE PISTOL GRIP GILMOUR 573GT	55	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
433	190200	NOZZLE, FIREMAN'S TWIST 3/4" GOODYEAR GY25101/ ORBIT 27541/ GILMOUR FN2GF	80	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
434	209020	TAPE, PIPE WRAP, 20 MIL, 2" X 100'	40	ROLL	N/B		\$0.00		\$10.15	\$400.00	\$15.00	\$600.00	
435	209040	TAPE, DUCT 2" X 60'YD POLYKEX #223 / NASHUA #388	320	ROLL	N/B		\$0.00/N/B		\$0.00		N/B	\$0.00	
436	209400	COUPLING, THOR MALE 3/4" DIXON FM12	5	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
437	209420	COUPLING, THOR FEMALE 3/4" DIXON PFL12	25	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
438	209425	WASHER FOR THOR HOSE CPLG 3/4" DIXON 855206	1	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
439	209450	CPGL, SHORT SHANK, SUCTION 2" DIXON FAB200	1	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
440	209580	CLAMP, WORM GEAR S.S. 9/16" X 1-1/16" DIXON HS10	1	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
441	209600	CLAMP, WORM GEAR S.S. 7/8" X 2 3/4" 2" W DIXON H5536	1	EA	N/B		\$0.00/N/B		\$0.00/N/B		\$0.00/N/B	\$0.00	
442	150010	BUSHING, HEX CI GALVANIZED 3/8" X 1/4"	10	EA		\$2.07	\$20.70		\$1.27	\$12.70	\$1.74	\$17.40	
443	150030	BUSHING, HEX CI GALVANIZED 1/2" X 3/8"	20	EA		\$2.07	\$41.40		\$1.27	\$25.40	\$1.74	\$34.80	
444	150040	BUSHING, HEX CI GALVANIZED 1/2" X 1/4"	10	EA		\$1.93	\$19.30		\$1.27	\$12.70	\$1.83	\$18.30	
445	150060	BUSHING, HEX CI GALVANIZED 3/4" X 1/2"	25	EA		\$2.14	\$53.50		\$1.18	\$29.50	\$1.70	\$42.50	
446	150080	BUSHING, HEX CI GALVANIZED 3/4" X 1/4"	10	EA		\$2.18	\$21.80		\$1.31	\$13.10	\$1.89	\$18.90	
447	150100	BUSHING, HEX CI GALVANIZED 1" X 3/4"	100	EA		\$2.30	\$230.00		\$1.33	\$133.00	\$1.92	\$192.00	
448	150110	BUSHING, HEX CI GALVANIZED 1" X 1/2"	10	EA	N/B		\$0.00		\$1.41	\$14.10	\$2.03	\$20.30	
449	150150	BUSHING, HEX CI GALVANIZED 1 1/4" X 1"	10	EA		\$2.94	\$29.40		\$1.79	\$17.90	\$2.60	\$26.00	
450	150160	BUSHING, HEX CI GALVANIZED 1 1/4" X 3/4"	10	EA		\$2.94	\$29.40		\$1.79	\$17.90	\$2.60	\$26.00	
451	150200	BUSHING, HEX CI GALVANIZED 1 1/2" X 1 1/4"	10	EA		\$3.54	\$35.40		\$2.16	\$21.60	\$3.13	\$31.30	
452	150210	BUSHING, HEX CI GALVANIZED 1 1/2" X 1"	10	EA		\$3.83	\$38.30	\$2.47	\$24.70		\$3.39	\$33.90	
453	150220	BUSHING, HEX CI GALVANIZED 1 1/2" X 3/4"	10	EA		\$4.25	\$42.50		\$2.60	\$26.00	\$3.77	\$37.70	
454	150260	BUSHING, HEX CI GALVANIZED 2" X 1 1/2"	10	EA		\$4.10	\$41.00	\$2.66	\$26.60		\$3.63	\$36.30	
455	150280	BUSHING, HEX CI GALVANIZED 2" X 1"	5	EA		\$4.68	\$23.40		\$2.80	\$14.00	\$4.14	\$20.70	
456	150290	BUSHING, HEX CI GALVANIZED 2" X 3/4"	5	EA		\$4.95	\$24.75		\$3.02	\$15.10	\$4.38	\$21.90	
457	151000	CAP, MI GALVANIZED FIPT 1/8"	10	EA	N/B		\$0.00		\$0.83	\$8.30	\$1.14	\$11.40	
458	151020	CAP, MI GALVANIZED FIPT 3/8"	10	EA	N/B		\$0.00		\$0.81	\$8.10	\$1.17	\$11.70	
459	151030	CAP, MI GALVANIZED FIPT 1/2"	10	EA	N/B		\$0.00	\$0.91	\$9.10		\$0.90	\$9.00	
460	151040	CAP, MI GALVANIZED FIPT 3/4"	55	EA		\$1.47	\$80.85	\$1.07	\$58.85		\$1.30	\$71.50	
461	151060	CAP, MI GALVANIZED FIPT 1"	30	EA		\$1.47	\$44.10	\$1.10	\$33.00		\$1.42	\$42.60	
462	New Item	CAP, MI GALVANIZED FIPT 1 1/4"	5	EA	N/B		\$0.00			\$1.43	\$7.15	\$10.35	
463	151070	CAP, MI GALVANIZED FIPT 1 1/2"	10	EA	N/B		\$0.00			\$1.83	\$18.30	\$2.65	\$26.50
464	151080	CAP, MI GALVANIZED FIPT 2"	25	EA	N/B		\$0.00	\$2.68	\$67.00		\$3.35	\$83.75	

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM # STOCK #	ITEM DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA	
				Ferguson Waterworks		Modesto Industrial		Pace Supply Corp		R&B Co	
				UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
465	151210 COUPLING, MI GALVANIZED FIPT 1/4"	5	EA	N/B	\$0.00			\$1.05	\$5.25	\$1.33	\$6.65
466	151220 COUPLING, MI GALVANIZED FIPT 3/8"	5	EA	N/B	\$0.00			\$1.05	\$5.25	\$1.27	\$5.35
467	151230 COUPLING, MI GALVANIZED FIPT 1/2"	20	EA	N/B	\$0.00	\$1.10	\$22.00			\$1.22	\$24.40
468	151240 COUPLING, MI GALVANIZED FIPT 3/4"	69	EA	N/B	\$0.00	\$1.21	\$72.60			\$1.40	\$94.00
469	151250 COUPLING, MI GALVANIZED FIPT 1"	59	EA	N/B	\$0.00	\$1.61	\$95.50			\$2.32	\$118.00
470	New Item COUPLING, MI GALVANIZED FIPT 1 1/4"	5	EA	N/B	\$0.00			\$2.20	\$11.00	\$3.18	\$15.95
471	151270 COUPLING, MI GALVANIZED FIPT 1 1/2"	10	EA		\$4.11	\$41.10		\$2.51	\$25.10	\$3.64	\$36.40
472	151280 COUPLING, MI GALVANIZED FIPT 2"	35	EA		\$5.99	\$208.65		\$3.06	\$108.10	\$5.30	\$185.50
473	151630 ELBOW, MI GALVANIZED 45 FIPT 1/2"	5	EA		\$1.52	\$7.60	\$1.05	\$5.25		\$1.34	\$6.70
474	151640 ELBOW, MI GALVANIZED 45 FIPT 3/4"	5	EA		\$2.12	\$10.60	\$1.46	\$7.40		\$1.66	\$9.40
475	New Item ELBOW, MI GALVANIZED 45 FIPT 1"	5	EA		\$2.44	\$12.20	\$1.89	\$9.45		\$2.18	\$10.80
476	151810 ELBOW, MI GALVANIZED 90 FIPT 1/4"	19	EA		\$1.48	\$14.80	\$1.02	\$10.20		\$1.30	\$13.00
477	151820 ELBOW, MI GALVANIZED 90 FIPT 3/8"	19	EA	N/B	\$0.00			\$1.02	\$10.20	\$1.30	\$13.00
478	151830 ELBOW, MI GALVANIZED 90 FIPT 1/2"	20	EA		\$1.00	\$20.00	\$0.85	\$13.50		\$0.96	\$17.20
479	151840 ELBOW, MI GALVANIZED 90 FIPT 3/4"	15	EA		\$1.18	\$17.70	\$0.82	\$12.30		\$1.04	\$15.60
480	151850 ELBOW, MI GALVANIZED 90 FIPT 1"	25	EA		\$2.20	\$55.00	\$1.52	\$38.00		\$1.95	\$48.75
481	New Item ELBOW, MI GALVANIZED 90 FIPT 1 1/4"	5	EA		\$3.39	\$16.95	\$2.26	\$11.75		\$3.00	\$15.00
482	151870 ELBOW, MI GALVANIZED 90 FIPT 1 1/2"	10	EA		\$4.46	\$44.60	\$3.09	\$30.90		\$3.95	\$39.50
483	151880 ELBOW, MI GALVANIZED 90 FIPT 2"	35	EA		\$7.44	\$260.40	\$5.15	\$180.25		\$6.55	\$230.30
484	152080 ELBOW, MI GALVANIZED 90 FIPT 1" X 3/4"	10	EA		\$2.54	\$25.40	\$1.76	\$17.60		\$2.25	\$22.50
485	New Item ELBOW, MI GALVANIZED 45 STREET 1/2"	5	EA		\$2.20	\$11.00	\$1.52	\$7.60		\$2.25	\$11.25
486	152340 ELBOW, MI GALVANIZED 45 STREET 3/4"	10	EA		\$3.55	\$35.50	\$2.46	\$24.60		\$3.14	\$31.40
487	New Item ELBOW, MI GALVANIZED 45 STREET 1"	5	EA		\$4.38	\$21.90	\$3.03	\$15.15		\$3.68	\$18.40
488	152410 ELBOW, MI GALVANIZED 90 STREET 1/4"	10	EA		\$2.03	\$20.30	\$1.41	\$14.10		\$1.80	\$18.00
489	New Item ELBOW, MI GALVANIZED 90 STREET 3/8"	5	EA	N/B	\$0.00			\$1.41	\$7.05	\$1.80	\$9.00
490	152430 ELBOW, MI GALVANIZED 90 STREET 1/2"	15	EA		\$2.10	\$31.50	\$1.45	\$21.75		\$1.85	\$27.75
491	152440 ELBOW, MI GALVANIZED 90 STREET 3/4"	15	EA		\$2.18	\$31.50	\$1.41	\$21.15		\$1.80	\$27.00
492	152450 ELBOW, MI GALVANIZED 90 STREET 1"	40	EA		\$2.77	\$110.80	\$1.81	\$76.40		\$2.44	\$97.60
493	152480 ELBOW, MI GALVANIZED 90 STREET 2"	50	EA		\$9.90	\$495.00	\$6.95	\$347.50		\$7.00	\$350.00
494	152770 NIPPLE, GALVANIZED 1/4" X OL	5	EA	N/B	\$0.00			\$0.50	\$2.50	\$1.50	\$7.50
495	152780 NIPPLE, GALVANIZED 1/4" X 1 1/2"	5	EA	N/B	\$0.00			\$0.52	\$2.60	\$1.50	\$7.50
496	152790 NIPPLE, GALVANIZED 1/4" X 2"	10	EA		\$0.75	\$7.50		\$0.53	\$5.30	\$1.12	\$11.20
497	152820 NIPPLE, GALVANIZED 1/4" X 6"	10	EA		\$1.81	\$18.10	\$1.42	\$14.20		\$2.80	\$28.00
498	152940 NIPPLE, GALVANIZED 3/8" X OL	5	EA		\$0.71	\$3.55		\$0.53	\$2.65	\$1.11	\$5.55
499	152970 NIPPLE, GALVANIZED 3/8" X 3"	10	EA		\$1.08	\$10.80		\$0.74	\$7.40	\$1.55	\$15.50
500	153110 NIPPLE, GALVANIZED 1/2" X OL	5	EA		\$0.57	\$2.85	\$0.38	\$1.90		\$0.80	\$3.00
501	153120 NIPPLE, GALVANIZED 1/2" X 1 1/2"	5	EA		\$0.61	\$3.05	\$0.40	\$2.00		\$2.00	\$10.00
502	153130 NIPPLE, GALVANIZED 1/2" X 2"	10	EA		\$0.61	\$6.10	\$0.43	\$4.30		\$0.71	\$7.10
503	153140 NIPPLE, GALVANIZED 1/2" X 2 1/2"	10	EA	N/B	\$0.00			\$0.45	\$4.50	\$0.74	\$7.40
504	153160 NIPPLE, GALVANIZED 1/2" X 3"	10	EA		\$0.71	\$7.10	\$0.47	\$4.70		\$0.76	\$7.60
505	153170 NIPPLE, GALVANIZED 1/2" X 4"	10	EA		\$0.88	\$8.80	\$0.59	\$5.90		\$0.97	\$9.70
506	153190 NIPPLE, GALVANIZED 1/2" X 5"	10	EA		\$1.05	\$10.50	\$0.76	\$7.60		\$1.18	\$11.80
507	153210 NIPPLE, GALVANIZED 1/2" X 6"	5	EA		\$1.20	\$6.00	\$1.04	\$5.20		\$1.39	\$6.95
508	153230 NIPPLE, GALVANIZED 1/2" X 8"	5	EA		\$2.10	\$10.50			\$1.49	\$7.45	\$3.00
509	153270 NIPPLE, GALVANIZED 1/2" X 12"	5	EA		\$3.33	\$16.65	\$2.02	\$10.10		\$3.25	\$16.25
510	New Item NIPPLE, GALVANIZED 1/2" X 18"	5	EA		\$5.43	\$27.15	\$4.76	\$23.75		\$2.36	\$11.80
511	153280 NIPPLE, GALVANIZED 3/4" X OL	20	EA		\$0.70	\$14.00		\$0.49	\$9.80	\$0.74	\$14.80
512	153290 NIPPLE, GALVANIZED 3/4" X 1 1/2"	5	EA		\$0.75	\$3.75	\$0.53	\$2.65		\$0.78	\$3.90
513	153300 NIPPLE, GALVANIZED 3/4" X 2"	10	EA		\$0.75	\$7.50	\$0.58	\$5.80		\$0.85	\$8.60
514	153310 NIPPLE, GALVANIZED 3/4" X 2 1/2"	5	EA		\$0.83	\$4.15	\$0.63	\$3.15		\$0.95	\$4.75
515	153320 NIPPLE, GALVANIZED 3/4" X 3"	10	EA		\$0.83	\$8.30			\$0.68	\$6.80	\$1.05
516	153330 NIPPLE, GALVANIZED 3/4" X 3 1/2"	5	EA		\$1.08	\$5.40	\$0.76	\$3.80		\$1.12	\$5.60
517	153340 NIPPLE, GALVANIZED 3/4" X 4"	10	EA		\$1.29	\$12.90	\$0.84	\$8.40		\$1.27	\$12.70

CITY OF MODESTO

RFB NO. 1718-02 LOW LEAD BRASS, PVC, GALVANIZED SERVICE FITTINGS AND VALVES

ITEM #	STOCK #	ITEM/DESCRIPTION	QTY	UNIT OF ISSUE	Modesto, CA		Modesto, CA		Stockton, CA		Manteca, CA		
					Ferguson Waterworks UN PRC	EXTENSION	Modesto Windustrial UN PRC	EXTENSION	Pace Supply Corp UN PRC	EXTENSION	R&B Co UN PRC	EXTENSION	
518	153390	NIPPLE, GALVANIZED 3/4" X 4 1/2"	5	EA	\$1.29	\$6.45	\$0.96	\$4.80			\$1.39	\$6.95	
519	153390	NIPPLE, GALVANIZED 3/4" X 5"	5	EA	\$1.55	\$7.75	\$1.08	\$5.40			\$1.95	\$7.75	
520	153390	NIPPLE, GALVANIZED 3/4" X 6"	5	EA	\$2.09	\$10.45	\$1.28	\$6.30			\$1.88	\$8.40	
521	153400	NIPPLE, GALVANIZED 3/4" X 8"	10	EA	\$2.89	\$28.90	\$1.96	\$19.60			\$2.30	\$23.00	
522	153440	NIPPLE, GALVANIZED 3/4" X 12"	20	EA	N/B	\$0.00	\$2.61	\$52.20			\$3.85	\$77.00	
523	New Item	NIPPLE, GALVANIZED 3/4" X 18"	5	EA	N/B	\$0.00	\$4.75	\$23.90			\$5.84	\$29.20	
524	153450	NIPPLE, GALVANIZED 1" X CL	20	EA	\$0.95	\$19.20	\$0.83	\$13.60			\$1.09	\$21.80	
525	153470	NIPPLE, GALVANIZED 1" X 2"	30	EA	\$1.13	\$33.90	\$0.87	\$26.10			\$1.20	\$36.00	
526	153480	NIPPLE, GALVANIZED 1" X 2 1/2"	20	EA	\$1.21	\$24.20	\$0.87	\$17.40			\$1.32	\$26.40	
527	153480	NIPPLE, GALVANIZED 1" X 3"	20	EA	\$1.21	\$24.20	\$0.87	\$17.40			\$1.47	\$29.40	
528	153500	NIPPLE, GALVANIZED 1" X 3 1/2"	10	EA	\$1.46	\$14.60	\$1.05	\$10.50			\$1.80	\$18.00	
529	153510	NIPPLE, GALVANIZED 1" X 4"	10	EA	\$1.46	\$14.60	\$1.05	\$10.50			\$1.74	\$17.40	
530	153530	NIPPLE, GALVANIZED 1" X 5"	15	EA	\$1.79	\$26.85			\$1.14	\$17.10	\$2.08	\$31.20	
531	153550	NIPPLE, GALVANIZED 1" X 6"	50	EA	\$2.05	\$102.50	\$1.46	\$73.00			\$2.32	\$116.00	
532	153570	NIPPLE, GALVANIZED 1" X 8"	30	EA	\$3.40	\$102.00			\$2.47	\$74.10	\$3.00	\$90.00	
533	153610	NIPPLE, GALVANIZED 1" X 12"	40	EA	\$5.95	\$238.20			\$3.25	\$130.00	\$6.30	\$252.00	
534	New Item	NIPPLE, GALVANIZED 1" X 18"	5	EA	\$1.50	\$7.50	\$5.42	\$27.10			\$7.94	\$39.70	
535	New Item	NIPPLE, GALVANIZED 1 1/4" X 2 1/2"	5	EA	\$1.78	\$8.95	\$1.12	\$5.60			\$1.68	\$8.40	
536	New Item	NIPPLE, GALVANIZED 1 1/4" X 4"	5	EA	\$2.57	\$12.85	\$1.55	\$7.75			\$2.30	\$11.50	
537	New Item	NIPPLE, GALVANIZED 1 1/4" X 6"	5	EA	N/B	\$0.00	\$2.35	\$11.75			\$3.37	\$16.85	
538	New Item	NIPPLE, GALVANIZED 1 1/4" X 12"	5	EA	N/B	\$0.00	\$6.00	\$30.00			\$6.76	\$33.80	
539	153820	NIPPLE, GALVANIZED 1 1/2" X 2 1/2"	10	EA	N/B	\$0.00	\$1.83	\$16.30			\$2.10	\$21.00	
540	153850	NIPPLE, GALVANIZED 1 1/2" X 4"	10	EA	N/B	\$0.00	\$2.96	\$26.80			\$3.82	\$38.20	
541	153990	NIPPLE, GALVANIZED 1 1/2" X 6"	10	EA	N/B	\$0.00	\$2.80	\$28.00			\$4.08	\$40.80	
542	153980	NIPPLE, GALVANIZED 2" X CL	10	EA	\$2.11	\$21.10	\$1.47	\$14.70			\$2.19	\$21.90	
543	154000	NIPPLE, GALVANIZED 2" X 3"	10	EA	\$2.38	\$23.80	\$2.16	\$21.60			\$2.92	\$29.20	
544	154020	NIPPLE, GALVANIZED 2" X 4"	15	EA	\$4.28	\$64.20	\$2.62	\$39.30			\$3.70	\$55.50	
545	154060	NIPPLE, GALVANIZED 2" X 6"	15	EA	\$4.88	\$73.20	\$3.38	\$50.70			\$5.25	\$78.75	
546	154080	NIPPLE, GALVANIZED 2" X 8"	20	EA	\$5.97	\$119.40	\$7.00	\$140.00			\$8.16	\$163.20	
547	154120	NIPPLE, GALVANIZED 2" X 12"	50	EA	N/B	\$0.00	\$7.59	\$379.50			\$11.20	\$560.00	
548	154660	PLUG, GALVANIZED (SOLID) 1/8"	5	EA	N/B	\$0.00			\$0.74	\$3.70	\$1.00	\$5.00	
549	154610	PLUG, GALVANIZED (SOLID) 1/4"	5	EA	N/B	\$0.00			\$0.74	\$3.70	\$1.00	\$5.00	
550	154620	PLUG, GALVANIZED (SOLID) 3/8"	5	EA	N/B	\$0.00			\$0.74	\$3.70	\$1.00	\$5.00	
551	154630	PLUG, GALVANIZED (SOLID) 1/2"	5	EA	N/B	\$0.00			\$0.92	\$4.60	\$1.26	\$6.30	
552	154640	PLUG, GALVANIZED (SOLID) 3/4"	40	EA	N/B	\$0.00	\$1.15	\$46.00			\$1.26	\$50.40	
553	154650	PLUG, CI GALVANIZED (CORED) 1"	40	EA	N/B	\$0.00				\$1.50	\$60.00	\$1.37	\$54.80
554	New Item	PLUG, CI GALVANIZED (CORED) 1 1/4"	5	EA	N/B	\$0.00				\$2.34	\$11.70	\$2.11	\$10.55
555	154870	PLUG, CI GALVANIZED (CORED) 1 1/2"	5	EA	N/B	\$0.00				\$3.16	\$15.80	\$2.65	\$13.25
556	154880	PLUG, CI GALVANIZED (CORED) 2"	5	EA	N/B	\$0.00			\$4.01	\$20.05	\$3.62	\$18.10	
557	154840	REDUCER, MI GALVANIZED 1/2" X 1/4"	30	EA	N/B	\$0.58	\$1.16	\$11.60			\$1.30	\$13.00	
558	154860	REDUCER, MI GALVANIZED 3/4" X 1/2"	10	EA	N/B	\$0.00	\$1.43	\$14.30			\$1.42	\$14.20	
559	154900	REDUCER, MI GALVANIZED 1" X 3/4"	10	EA	N/B	\$0.00	\$1.95	\$19.50			\$2.20	\$22.00	
560	154910	REDUCER, MI GALVANIZED 1" X 1/2"	10	EA	N/B	\$0.00	\$2.10	\$21.00			\$2.38	\$23.80	
561	155410	TEE, MI GALVANIZED FIPT 1/4"	10	EA	\$1.93	\$19.30	\$1.42	\$14.20			\$1.70	\$17.00	
562	New Item	TEE, MI GALVANIZED FIPT 3/8"	5	EA	\$1.93	\$9.65	\$1.42	\$7.10			\$1.70	\$8.50	
563	155430	TEE, MI GALVANIZED FIPT 1/2"	5	EA	\$1.19	\$5.95	\$0.93	\$4.65			\$1.05	\$5.25	
564	155440	TEE, MI GALVANIZED FIPT 3/4"	5	EA	\$1.98	\$9.95	\$1.50	\$7.50			\$1.76	\$8.80	
565	155450	TEE, MI GALVANIZED FIPT 1"	5	EA	\$2.25	\$11.25				\$2.12	\$10.60	\$2.88	\$14.40
566	New Item	TEE, MI GALVANIZED FIPT 1 1/4"	5	EA	\$5.14	\$25.70				\$3.35	\$16.75	\$4.55	\$22.75
567	155470	TEE, MI GALVANIZED FIPT 1 1/2"	5	EA	\$6.41	\$32.05				\$4.19	\$20.95	\$5.68	\$28.40
568	155480	TEE, MI GALVANIZED FIPT 2"	5	EA	\$16.70	\$83.50				\$8.88	\$44.40	\$9.48	\$47.40
569	155810	UNION, MI GALVANIZED FIPT 1/4"	25	EA	\$6.63	\$165.75				\$4.33	\$108.25	\$5.88	\$147.00
570	155830	UNION, MI GALVANIZED FIPT 1/2"	10	EA	\$4.41	\$44.10	\$2.93	\$29.30			\$3.95	\$39.50	
571	155820	UNION, MI GALVANIZED FIPT 3/8"	54	EA	\$4.46	\$240.84				\$2.88	\$155.52	\$2.80	\$151.20
572	155840	UNION, MI GALVANIZED FIPT 3/4"	5	EA	\$5.28	\$26.40				\$3.45	\$17.25	\$4.68	\$23.40
573	155860	UNION, MI GALVANIZED FIPT 1"	20	EA	\$6.58	\$131.60				\$4.20	\$84.00	\$5.63	\$112.60
574	New Item	UNION, MI GALVANIZED FIPT 1 1/4"	5	EA	\$8.95	\$44.75	\$6.01	\$30.05			\$7.95	\$39.75	
575	New Item	UNION, MI GALVANIZED FIPT 1 1/2"	5	EA	\$11.46	\$57.30				\$7.48	\$37.40	\$10.15	\$50.75
576	155890	UNION, MI GALVANIZED FIPT 2"	30	EA	\$459.00	\$1377.00				\$299.70	\$899.10	\$406.80	\$1220.40
SUB-TOTAL 1:						\$368,311.21		\$37,079.80		\$82,276.71		\$273,557.33	
SUB-TOTAL 2:						\$7,368.39		\$8,164.73		\$15,008.45		\$0.00	
GRAND SUB-TOTAL:						\$373,679.60		\$43,244.53		\$97,285.16		\$273,557.33	
SALES TAX 7.875%:						\$29,427.29		\$3,405.61		\$5,298.71		\$21,642.64	
TOTAL:						\$403,107.20		\$46,650.14		\$102,583.87		\$295,089.97	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-117**

RESOLUTION APPROVING THE PROCUREMENT OF AN ENTERPRISE LICENSE AND THE IMPLEMENTATION OF TWO COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEMS WITH LUCITY, INC., OVERLAND PARK, KS, FOR AN INITIAL COST OF \$276,075, AND A TOTAL COST NOT TO EXCEED \$439,100 OVER FIVE YEARS; AND APPROVING THE PROCUREMENT OF A DEPARTMENT ENTERPRISE LICENSE FOR ESRI GIS FROM ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC., REDLANDS, CA, FOR AN INITIAL COST OF \$60,000, AND A TOTAL COST NOT TO EXCEED \$310,000 OVER FIVE YEARS AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO EXECUTE A PURCHASE AGREEMENT

WHEREAS, in April 2014, the City Auditor, Moss-Adams, issued a Water and Wastewater Efficiency Study Final Report, and

WHEREAS, finding #14 recommended the existing Computerized Maintenance Management System (CMMS) be replaced in Wastewater Collections and Finding #15 recommended the City pursue mobile technologies that allow for data entry, work order receipting, and field communication. And

WHEREAS, on January 12, 2016, by Resolution No. 2016-08, Council approved an agreement with Lucity Inc., Overland Park, KS (Lucity), for the purchase and implementation of a CMMS for Wastewater Collections, to improve critical business processes using the most effective and efficient system to support utility operations, and

WHEREAS, in March 2017, the implementation of the Lucity CMMS was completed within Wastewater Collections and included the use of Lucity Mobile which provides crews within Wastewater Collections the ability to receive, create, and complete work orders in real time at the work location, and

WHEREAS, the Lucity CMMS is fully integrated with the City's Graphical Information System (GIS), which enables crews to display work orders on a GIS map of

the city and thus greatly increase work efficiencies. By using the Lucity CMMS, staff can now effectively manage assets, respond to customer requests, conduct preventive maintenance, and manage work orders related to the sanitary sewer and storm drainage systems, and

WHEREAS, Lucity includes modules for Environmental, Sewer, Storm, Transportation, Water, Electric, Gas, Trees/Parks, Fleet, Plant/Equipment, Facility, and Refuse/Recycling, and

WHEREAS, a City-Wide CMMS, such as Lucity, which is fully integrated with GIS, plays a vital role in effectively generating timely and accurate reports for internal and external customers, improves efficiency, data analysis and reporting, and allows management to make informed and timely decisions, and

WHEREAS, since the implementation, the Water Division has requested the implementation of the Lucity CMMS to replace CASSWORKS within their division after evaluating multiple CMMS solutions, and

WHEREAS, Lucity was previously implemented within the City and linked to the City's Geographical Information System (GIS), enabling additional users to be added at a reduced cost, and

WHEREAS, Stormwater Compliance uses Excel spreadsheets for their Stormwater Program and after the implementation of Lucity CMMS within Wastewater Collections, Stormwater Compliance selected Lucity to replace the use of spreadsheets, and

WHEREAS, these additional users can also be added at a reduced cost, and

WHEREAS, Lucity is available with two licensing models: individual named user or enterprise licenses, and

WHEREAS, the individual named user license cost is \$750 per user per year and the enterprise license has a one-time cost of \$180,125 plus an annual support and maintenance cost of \$40,000 with a 2.5% annual inflator after the third year, and

WHEREAS, in addition to the initial cost of \$180,125, there will be an implementation cost of \$95,950, bringing the total initial cost to \$276,075, and

WHEREAS, the cost comparison for the individual named user license and the enterprise license indicates that the enterprise license will cost less over a five year period for the anticipated 140 users in Water, Wastewater and Stormwater, and

WHEREAS, additional work groups may utilize the Lucity system without additional licensing costs, however, additional work groups may incur implementation costs, and

WHEREAS, Lucity CMMS is tightly integrated with the ESRI GIS system, and

WHEREAS, ESRI GIS is the software behind the Modesto GIS and is used by several departments including Police and Fire, and

WHEREAS, the City currently has a departmental license in the Police Department and named user licenses for the rest of the City, and

WHEREAS, the GIS component within the current version of Lucity does not require ESRI licensing for users; however, due to changes in the agreement between Lucity and ESRI GIS, future versions will require Lucity users to also have an ERSI user license, and

WHEREAS, this change dramatically increases the number of user licenses needed and requires the Utilities Department to purchase a departmental enterprise license, and

WHEREAS, ESRI GIS is available with two licensing models: individual named user or department enterprise licenses, and

WHEREAS, the City currently has a departmental enterprise license in the Police Department and named user licenses for the rest of the City, and

WHEREAS, the individual named user license cost is \$500 per user per year and the department license is \$60,000 per year for the first three years and \$65,000 for years four and five, and

WHEREAS, this new requirement will change dramatically with the increase in the number of user licenses needed and requires the Utilities Department to purchase a departmental enterprise license, and

WHEREAS, in addition to licensing costs, there will be a \$95,950 cost associated with implementing the Lucity system within the Water Division (\$67,100) and Stormwater Compliance (\$28,850), and

WHEREAS, the ESRI GIS is already fully implemented within the City, so no additional implementation costs are anticipated for this system, and

WHEREAS, MMC Section 8-3.204(d) is available where the Purchasing Manager, in her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, such alternatives may include, but are not limited to, a "two-step" procurement process or a procurement based solely on a technical evaluation, and

WHEREAS, acting within her discretion, the Purchasing Manager invoked this exception for the purchase and implementation of the Lucity program due to benefits of implementing a city-wide CMMS, and

WHEREAS, the purchase and implementation of a Lucity enterprise license from Lucity, Inc., Overland Park, KS, and ESRI GIS from Environmental Systems Research Institute, Inc., Redlands, CA, will conform to MMC Section 8-3.204(d), and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the procurement of an enterprise license and the implementation of two Computerized Maintenance Management Systems with Lucity, Inc., Overland Park, KS, for an initial cost of \$276,075, and a total cost not to exceed \$439,100 over five years; and approving the procurement of a department enterprise license for ESRI GIS from Environmental Systems Research Institute, Inc., Redlands, CA, for an initial cost of \$60,000, and a total cost not to exceed \$310,000 over five years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to execute a purchase agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

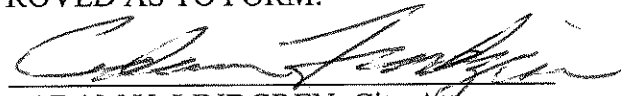
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-118**

RESOLUTION APPROVING THE SUBMITTAL OF APPLICATIONS TO THE DRINKING WATER STATE REVOLVING FUND, AND STATE WATER RESOURCES CONTROL BOARD FOR PLANNING/DESIGN AND IMPLEMENTATION FUNDING FOR GRAYSON WATER INFRASTRUCTURE AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL FUNDING RELATED DOCUMENTS

WHEREAS, in November 2014, Proposition 1 was passed by voters and provided \$900 million for a Groundwater Sustainability Program (Assembly Bill 1471, Chapter 10), and the State Water Resources Control Board will administer \$800 million to prevent and cleanup contamination of groundwater that serves (or has served) as a source of drinking water, and

WHEREAS, on September 13, 2016 by Resolution 2016-364, the City of Modesto authorized the submittal of applications to the State Water Resources Control Board (SWRCB) and other agencies for groundwater quality funding program grants and other Proposition 1 funding and authorized the City Manager or his designee to execute all grant-related documents and enter into agreements to receive grant funds, if awarded, and

WHEREAS, in July 2016, the City of Modesto Utilities Department submitted a Pre-application to the SWRCB Division of Drinking Water (DDW) for the Grayson Water Service Area Project for consideration of funding through the Groundwater Grant Program, and

WHEREAS, on October 25, 2016 the City of Modesto Utilities Department received an invitation from the SWRCB DDW to submit a funding application to the Drinking Water State Revolving Fund (DWSRF) program for the project, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the preparation and submittal of planning/design and implementation funding applications to the Drinking Water State Revolving Fund, and State Water Resources Control Board for the Grayson water infrastructure improvements.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute all funding-related documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

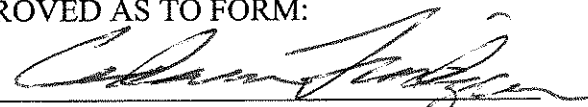
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-119**

RESOLUTION APPROVING AN AGREEMENT WITH WEST YOST ASSOCIATES, INC., DAVIS, CA FOR THE GRAYSON WATER INFRASTRUCTURE IMPROVEMENTS PROJECT IN AN AMOUNT NOT TO EXCEED \$83,700, PLUS \$8,400 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A MAXIMUM TOTAL AMOUNT OF \$92,100, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, in November 2014, Proposition 1 was passed by voters and provided \$900 million for a Groundwater Sustainability Program (Assembly Bill 1471, Chapter 10), and the State Water Resources Control Board will administer \$800 million to prevent and cleanup contamination of groundwater that serves (or has served) as a source of drinking water, and

WHEREAS, on September 13, 2016 by Resolution 2016-364, the City of Modesto authorized the submittal of applications to the State Water Resources Control Board (SWRCB) and other agencies for groundwater quality funding program grants and other Proposition 1 funding and authorized the City Manager or his designee to execute all grant-related documents and enter into agreements to receive grant funds, if awarded, and,

WHEREAS, in July 2016, the City of Modesto Utilities Department submitted a Pre-application to the SWRCB Division of Drinking Water (DDW) for the Grayson Water Service Area Project for consideration of funding through the Groundwater Grant Program, and

WHEREAS, on October 25, 2016 the City of Modesto Utilities Department received an invitation from the SWRCB DDW to submit a funding application to the Drinking Water State Revolving Fund (DWSRF) program for the project, and

WHEREAS, the Grayson water system infrastructure was identified for replacement in the 2010 Water System Engineer's Report (2010 WSER, adopted by City Council on September 14, 2010, by Resolution No. 2010-409), and

WHEREAS, on May 23, 2017, by Council Resolution No. 2017-205, the City Council approved an agreement with West Yost Associates, Inc., Davis, CA for On-call Grant Writing Services for various City projects, and

WHEREAS, staff has determined that the scope of work will exceed the \$45,000 per year of the on-call grant writing services agreement, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with West Yost Associates, Davis, CA for SRF Application Services for the Grayson Water Infrastructure Improvements Project, in an amount not to exceed \$83,700 for the identified scope of services, plus \$8,400 for additional services (if needed), for a maximum total amount of \$92,100.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

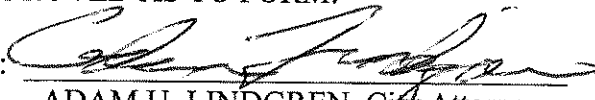
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-120**

RESOLUTION APPROVING AN AGREEMENT WITH NORTHSTAR ENGINEERING, INC., MODESTO, CA, FOR SURVEYING SERVICES FOR THE DOWNTOWN SEWER COLLECTION SYSTEM IMPROVEMENTS PROJECT IN THE AMOUNT OF \$136,660, PLUS \$13,666 FOR ADDITIONAL SERVICES IF NEEDED, FOR AN AGREEMENT TOTAL OF \$150,326 AND AUTHORIZING THE INTERMIN CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, Utilities Wastewater Design will be preparing the design of the Downtown Sewer Collection System Improvements Project, and

WHEREAS, Wastewater Collections has performed Closed Circuit Television inspections of the majority of the sewer infrastructure in the Downtown area and has identified several areas in need of replacement and rehabilitation, and

WHEREAS, to complete the design of the sewer improvements, survey topographical measurements must be performed, and

WHEREAS, on September 12, 2017, Utilities Engineering issued a Request for Proposals (RFP) on PlanetBids for surveying services for the Downtown Sewer Collection System Improvements Project and three proposals were received and reviewed by staff, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204(a) Exceptions to Formal Bidding Requirements, this agreement is for professional services and, therefore, exempt from the bid requirement, However, staff proceeded through a RFP process pursuant to Administrative Directive 3.1, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with NorthStar Engineering, Inc., Modesto, CA, for surveying services for the Downtown Sewer Collection System Improvements Project in the amount of \$136,660, plus \$13,666 for additional services if needed, for an agreement total of \$150,326.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-121**

**RESOLUTION APPROVING A PREQUALIFIED LIST OF SEVEN
CONSTRUCTION CONTRACTORS CONSISTING OF: BALFOUR BEATTY
INFRASTRUCTURE; FLATIRON WEST, INC.; JAMES W. FOWLER, CO.;
KIEWIT INFRASTRUCTURE WEST, CO.; OVERAA; STEVE P. RADOS; AND
WALSH CONSTRUCTION FOR THE RIVER TRUNK REALIGNMENT PUMP
STATION PROJECT**

WHEREAS, the River Trunk consists of a pipeline that ranges from 24-inches to 60-inches in diameter that conveys flow from the Beard Industrial Park to the Sutter Avenue Wastewater Treatment Plant, and

WHEREAS, the current location of the River Trunk, adjacent to the Tuolumne River, poses access limitations to operations staff and could be subject to catastrophic damage in the event of elevated river flows, and

WHEREAS, a Request for Qualifications (RFQ) was advertised for the River Trunk Realignment Pump Station Project and seven prospective Contractors submitted Statements of Qualification packages, and

WHEREAS, a review Committee consisting of Utilities Engineering and Operations staff reviewed the qualification packages and determined that all seven Contractors met the qualifying requirements, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the prequalified list of seven Construction Contractors consisting of: Balfour Beatty Infrastructure; Flatiron West, Inc.; James W. Fowler, Co.; Kiewit Infrastructure West, Co.; Overaa; Steve P. Rados; and Walsh Construction for the River Trunk Realignment Pump Station Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-122**

RESOLUTION APPROVING AN AGREEMENT WITH SUEZ WATER TECHNOLOGIES AND SOLUTIONS, INC., OF NORFOLK, VA, FOR A NITRATE TREATMENT SYSTEM FOR WELL 282 IN DEL RIO, IN THE AMOUNT OF \$750,000 OVER A THREE YEAR PERIOD, PLUS \$75,00 FOR ADDITIONAL SERVICES, IF NEEDED, FOR AN AGREEMENT TOTAL OF \$825,000; AND AUTHORIZING THE INTERIM CITY MANAGER, OR DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, Well 282 in the Del Rio Community is a critical water supply well that is owned and operated by the City of Modesto since the City purchased the Del Este Water Company in 1995, and

WHEREAS, the State of California has established a Maximum Contaminant Level (MCL) 10 ppm for Nitrates above which, a potable water supply cannot be distributed for human consumption, and

WHEREAS, Well 282 has experienced increased levels of Nitrates during the high demand summer months of 2017 and requires installation of a treatment system to assure the if Nitrates were to exceed the MCL, a treatment system would remove Nitrates to a safe level prior to distribution for consumption, and

WHEREAS, on October 6, 2017, the City of Modesto issued an RFP to three qualified vendors to propose for the installation and maintenance service of an ion-exchange nitrate treatment system for Well 282, and

WHEREAS, in December 2017, the City of Modesto selected SUEZ Water Technologies and Solutions, Inc. of Norfolk, Virginia as the vendor firm to install and maintain a nitrate treatment system at Well 282 for up to three years, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with SUEZ Water Technologies and Solutions, Inc.,

of Norfolk, VA for a nitrate treatment system for Well 282, in Del Rio, in the amount of \$750,000 with an additional services amount of \$75,000, if needed, for a not-to-exceed total of \$825,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

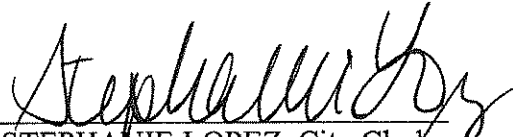
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

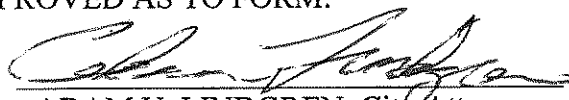
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-123**

**RESOLUTION SUPPORTING THE VISION OF AN IMMEDIATE ACTION
PLAN FOR A TEMPORARY LOW BARRIER EMERGENCY SHELTER/DAY
CENTER WITH MINIMAL SUPPORTIVE SERVICES (SHELTER) FOR THE
HOMELESS POPULATION**

WHEREAS, Focus on Prevention is a county-wide initiative that aims to improve the quality of life of all Stanislaus residents and families through coordinated, prevention efforts that work across multiple sectors, to promote health and wellbeing; and

WHEREAS, in 2014 approximately 1,400 Stanislaus County community members experienced homelessness and thousands more showed signs of risk for becoming homeless; and

WHEREAS, although there are over 30 programs and hundreds of concerned citizens who help people access housing, shelter, and other basic life necessities, much more needs to be done to prevent homelessness from actually occurring; and

WHEREAS, Focus on Prevention is focused on working to improve the existing homeless services system and more importantly, addressing the root causes and developing strategies to intervene early to prevent homelessness; and

WHEREAS, there is an immediate need for housing in order to serve the unsheltered population in the County; and

WHEREAS, through Focus on Prevention, a public and private partnership has been established to develop a three-part strategic approach, which includes a proposal for a Temporary Low Barrier Emergency Shelter/Day Center(Immediate Action Plan), along with a long-term plan to develop a permanent full service Access Center (Full Action Plan); and

WHEREAS, the Immediate Action Plan has been modified to focus on the successful delivery and opening of the shelter now; and

WHEREAS, the Mayor established a Sub-Committee at the March 6, 2018 Council meeting consisting of Councilmembers Grewal, Ah You, and Kenoyer; and

WHEREAS, the Sub-Committee met with the project team on March 8, 2018 to discuss the questions raised during the presentation at the February 27, 2018 Council meeting and the Sub-Committee decided that the Council should support the vision while the Council sub-committee will continue to work with the project team and Taskforce to resolve all the concerns of Council including those of our corporate entities.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby supports the vision of an Immediate Action Plan proposal for a Temporary Low Barrier Emergency Shelter/Day Center with minimal supportive services (Shelter) for the homeless population.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Grewal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-124**

RESOLUTION AMENDING THE APPROVED LIST OF PROJECTS TO BE FUNDED WITH MEASURE L TAX PROCEEDS IN FISCAL YEAR 2017-2018 IN THE AMOUNT OF \$4,472,452, INCLUDING ADDITIONAL PROJECTS IN THE FISCAL YEAR 2017-2018 CAPITAL IMPROVEMENT PROGRAM AND APPROVING THE BUDGET ADJUSTMENT FOR EACH PROJECT

WHEREAS, on May 24, 2016, by Resolution 2016-220 the City Council approved a list of proposed projects to be funded upon the successful passage of Measure L within the first 5 years, which is shown in **Exhibit A, attached** hereto, and

WHEREAS, on October 4, 2016, the City Council approved Ordinance No. 3656-C.S. adding Chapter 10 to Title 8 of the Modesto Municipal Code to establish a Citizens' Transportation Sales Tax Commission ("Commission"). The Commission consists of eleven members appointed by the City Council, and

WHEREAS, in November, 2016, Stanislaus County voters approved a county-wide, 25-year, half-cent sales tax increase for transportation and pavement rehabilitation projects known as Measure L, and

WHEREAS, the City of Modesto's estimated annual share of Measure L funds is approximately \$8.9 Million, and

WHEREAS, the local Measure L funds that the City will receive are divided into three categories, and

WHEREAS, the City anticipates receiving \$6.87 Million annually for the Local Streets and Roads category which is to be used exclusively for repair and maintenance of our City streets, and

WHEREAS, the City anticipates receiving \$1.37 Million annually for the Traffic Management category which is to be used to upgrade intersections, widen roads, signalize intersections, install traffic calming devices, etc., and

WHEREAS, the City anticipates receiving \$687,000 annually for the Bike and Pedestrian Improvement category which is to be used for local connectivity between communities, local schools, trails and recreation facilities, and

WHEREAS, on July 5, 2017, per Resolution No. 2017-269, the City Council approved a list of projects (**Exhibit C**) to be funded with measure L tax proceeds in fiscal year 2017-2018 and approved necessary budget adjustments in order to avoid delaying design and construction, since commission members had not been appointed yet, and

WHEREAS, In Fiscal Year 2017-2018, excess funds were collected due to the fact that the tax went into effect on April 1, 2017, prior to the start of Fiscal Year 2017-2018, providing an additional three months of revenue collected between April 1, 2017 and June 30, 2017 that were not included in the originally estimated, annual amounts, and this additional amount of funding totals \$2,672,694, and

WHEREAS, on February 1, 2018 staff recommended to the Citizens Transportation Sales Tax Commission the allocation of the additional \$2,672,694 fiscal year 2017-2018 funds and \$1,799,758 in unallocated tax proceeds to the to fund two new capital improvement projects and to expand the scope of two existing capital improvement projects as shown in **Exhibit D**, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be amended as shown in **Exhibit E**, **attached** hereto,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amended list of projects to be funded with Measure L tax proceeds in Fiscal Year 2017-2018 and includes the projects in the Fiscal Year 2017-2018 Capital Improvement Program shown in **Exhibit D**, **attached** hereto.

BE IT FURTHER RESOLVED that Council hereby approves the amendment of the Fiscal Year 2017-2018 Capital Improvement Program Budget as shown in **Exhibit E** in order to fund the various Capital Improvement Projects with Measure L proceeds.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

StanCOG Expenditure Plan Project List
Agency: City of Modesto

Type	Projects	Description	Budget	Start	Complete
Local Streets and Roads (50%)					
Pavement Rehabilitation	Carpenter Rd.	1.75 CL miles of Overlay, Mill/Fill or Reconstruction	\$2.9 M	July 2017	November 2018
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	100 lane miles of Slurry or 24 lane-miles of Rubber Cape Seal	\$3.9 M	July 2017	November 2018
Pavement Rehabilitation	Claus Rd., La Loma Ave., Tully Rd.	3.5 CL miles of Overlay, Mill/Fill or Reconstruction	\$3.4 M	July 2018	November 2019
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	87 lane miles of Slurry or 15 lane-miles of Mill/Fill	\$3.4 M	July 2018	November 2019
Pavement Rehabilitation	Oakdale Rd, Orangeburg Ave	3.25 CL miles of Overlay, Mill/Fill or Reconstruction	\$3.1M	July 2019	November 2020
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	90 lane miles of Slurry or 21 lane-miles of Rubber Cape Seal or 14 lane-miles of Mill/Fill	\$3.5M	July 2019	November 2020
Pavement Rehabilitation	Prescott Rd	1.7 CL miles of Overlay and Mill/Fill	\$2.1M	July 2020	November 2021
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	120 lane miles of Slurry or 29 lane-miles of Rubber Cape Seal or 19 lane-miles of Mill/Fill	\$4.7M	July 2020	November 2021
Pavement Maintenance and/or Rehabilitation	Various Residential, Collector and Arterial Streets	175 lane miles of Slurry or 42 lane-miles of Rubber Cape Seal or 27 lane-miles of Mill/Fill or 9 lane-miles of Reconstruction or some combination thereof	\$6.8M annually until 2041	Annually	Annually
Total			\$171,868,971		

StanCOG Expenditure Plan Project List
 Agency: City of Modesto

WFO	Project	Description	Budget	Start	Complete
Traffic Management (10%)					
Traffic Management - Safety	Improve traffic flow and safety around schools	Improve traffic flow and safety around schools (i.e. Modesto High School, Garrison Elementary, Johansen High, Orchard Elementary, Burbank Elementary, Orville Wright Elementary, etc)	July 2017	June 2044	
Traffic Management - Safety	Intersection Improvements for Traffic Safety and Traffic Flow	Intersection improvements for traffic safety and flow at various intersections (i.e. Orangeburg/Coffee, Standiford/Hahn, etc)	July 2017	June 2044	
Traffic Management - Congestion	Expansion of Existing Advanced Traffic Management System (ATMS)	Expansion of existing Advanced Traffic Management System (ATMS) to allow for communication from the Traffic Operations Center (TOC) to traffic signal locations.	July 2017	June 2044	
Traffic Management - Safety	Safety Improvements at High Collision Locations	Safety Improvements at locations where collision history shows a pattern or at high collision frequency locations	July 2017	June 2044	
Traffic Management - Safety	Installation and Upgrade to EVP - for Fire and Police	Installation and Upgrades to the Emergency Vehicle Pre-Emption equipment for the Fire Department and Police Department	July 2017	June 2044	
Traffic Management - Safety and Congestion	Installation and Maintenance of Intersection Control Devices	Installation and maintenance of traffic control devices at various locations (i.e. traffic signals, roundabouts, etc)	July 2017	June 2044	
Traffic Management - Safety and Congestion	Collision Database software program	Purchase and implementation of a Collision Database software program to provide trends and track collision patterns throughout the City of Modesto	July 2017	June 2044	
Traffic Management - Safety and Congestion	Traffic Adaptive	Upgrade to Traffic Adaptive communications	July 2025	June 2044	
TOTAL			\$34,373,800		

StanCOG Expenditure Plan Project List
Agency: City of Modesto

Type	Projects	Description	Budget	Start	Complete
Bike/Pedestrian (5%)					
Bike/Pedestrian	Bike/Pedestrian (Non-motorized) Master Plan	Bike/Pedestrian (Non-motorized) Master Plan		July 2017	June 2019
Bike/Pedestrian	MJC Class 1 Bike Path -Phase 3	Complete MJC East and West cycle track to Virginia Corridor		July 2018	June 2019
Bike/Pedestrian	Dry Creek Trail Maintenance	Ongoing trail maintenance		Ongoing	
Bike/Pedestrian	G St Bicycle Facility	Improve from Paradise to Burney		July 2019	June 2020
Bike/Pedestrian	H St Bicycle Facility	Improve from Paradise to 19th		July 2020	June 2021
Bike/Pedestrian	Virginia Corridor Trail Maintenance	Ongoing trail maintenance		Ongoing	
Bike/Pedestrian	Projects to be determined following approval of the Bike/Pedestrian Master Plan	TBD		TBD	
TOTAL:				\$17,186,897	

Exhibit B
Measure L funding request FY 17/18

CIP #	Project Name	Task	Amount	From Measure L Cost Center
101036	Carpenter Rd. Street Improvements	EDA	\$435,000	
		CA	\$246,500	
		CON	<u>\$2,218,500</u>	
		Total	<u>\$2,900,000</u>	14625(Local Streets & Roads)
101037	Lakewood Neighborhood Street Improvements	EDA	\$250,000	
		CA	\$162,500	
		CON	<u>\$1,462,500</u>	
		Total	<u>\$1,875,000</u>	14625(Local Streets & Roads)
101038	Wylie, Floyd and Carver Street Improvements	EDA	\$300,000	14625(Local Streets & Roads)
101039	Task Force to establish school safety needs	EDA	\$45,000	14626(Traffic Management)
101040	Improve Traffic Flow and Safety @ Orville Wright Elementary	EDA	\$70,000	
		CA	\$25,000	
		CON	<u>\$225,000</u>	
		Total	<u>\$320,000</u>	14626(Traffic Management)
101043	Replace 120 obsolete traffic controllers	CON	\$585,000	14626(Traffic Management)
100884	HSIP-5059(204)Emergency Vehicle Preemption	CON	\$61,500	14626(Traffic Management)
100719	CML-5059(190) New Traffic Signals Floyd/Millbrook, Prescott/Mt. Vernon, Roselle/Belharbour	CON	\$160,000	14626(Traffic Management)
100634	CML-5059(185) Upgrade Traffic Signals 9th/B, 7th/G, 7th/H, 7th/I	CON	\$175,000	14626(Traffic Management)
100990	System Safety Analysis Report Program	EDA	\$25,000	14626(Traffic Management)
100882	ATPL-5059(209) MJC Bike Path Phase II	CON	\$300,000	14627(Bike and Pedestrian)
101041	Non-motorized master plan (Active Transportation Plan)	EDA	\$300,000	14627(Bike and Pedestrian)
101042	Paradise Rd. - environmental documents for ATP Project	ENV	\$25,000	14627(Bike and Pedestrian)
				Subtotal of request
			\$5,075,000	14625(Local Streets & Roads)
			\$1,371,500	14626(Traffic Management)
			<u>\$625,000</u>	14627(Bike and Pedestrian)
			<u>\$7,071,500</u>	

**Exhibit C page 1 of 3
City of Modesto
Proposed Fiscal Year 2017/18 Measure L Projects**



Local Streets & Roads (Annual Budget - \$6,874,758/yr.)

Type of Work	Project	Design	Construction	Total Budget	Notes
Pvmt. Rehab.	Carpenter Rd. Street Improvements	\$435,000	\$2,465,000	\$2,900,000	
	Design - City Staff/Consultant	\$369,750			
	Topographic Survey & Monumentation Preservation - City Staff/Consultant	\$65,250			
Pvmt. Rehab.	Lakewood Neighborhood Street Improvements (Residential Streets)	\$250,000	\$1,625,000	\$1,875,000	
	Pavement Rehabilitation & ADA Curb Ramp Improvements				
	Design - City Staff/Consultant	\$212,500			
	Topographic Survey & Monumentation Preservation - City Staff/Consultant	\$37,500			
Pvmt. Rehab.	Portions of Wylie Dr., Floyd Ave., and Carver Ave. Street Impv. (Collector Streets)	\$300,000		\$300,000	
	Pavement Rehabilitation & ADA Curb Ramp Improvements				Construction in FY 18/19 with designated Measure L funds in the amount of \$1,700,000
	Design - City Staff/Consultant	\$255,000			
	Topographic Survey & Monumentation Preservation - City Staff/Consultant	\$45,000			
Pvmt. Rehab.	Annual Shovey Program with City Staff (Residential Streets)		\$1,345,000	\$1,345,000	
	Phase 1 - 75 lane miles of Type B Shovey on residential streets				On-going annual cost for PW to shovey 75 lane miles - \$865,000
	Phase 2 - 75 lane miles of Type C Shovey on residential streets				
	Material cost		\$600,000		
	Phase 3 - 75 lane miles of Type D Shovey on residential streets				
Phase 4 - 75 lane miles of Type E Shovey on residential streets					
Pvmt. Rehab.	Annual Shovey Program with City Staff		\$412,000	\$412,000	
	Phase 1 - 75 lane miles of Type B Shovey on residential streets				
	Phase 2 - 75 lane miles of Type C Shovey on residential streets				
	Phase 3 - 75 lane miles of Type D Shovey on residential streets				
	Phase 4 - 75 lane miles of Type E Shovey on residential streets				
TOTAL:				\$5,075,000	

To be discussed at a later date

**Exhibit C page 2 of 3
City of Modesto
Proposed Fiscal Year 2017/18 Measure L Projects**



Traffic Management (Annual Budget - \$1,374,952/yr.)

Type of Work	Project	Design	Construction	Total Budget	Notes
Traffic Mgt. - Safety	Task Force coordination to establish school safety needs. City Staff	\$45,000		\$45,000	
Traffic Mgt. - Safety	Improve Traffic Flow and Safety @ Orville Wright Elementary School	\$70,000	\$250,000	\$320,000	
	Design - City Staff/Consultant	\$50,000			Construction funds to be programmed in FY 18-19
	Topographic Survey & Monumentation Preservation - City Staff Consultant	\$20,000			
Traffic Mgt. - Safety	Replace 120 Obsolete Traffic Controllers		\$585,000	\$585,000	
	Replace 120 of 157 existing obsolete traffic controllers with modern model 2070 controllers to improve citywide traffic flow		\$585,000		
Traffic Mgt. - Safety	HSIP 5059 (204) - Emergency Vehicle Preemption		\$61,500	\$61,500	
	Needed Match money		\$61,500		Match Funds, Construction Ready
Traffic Mgt. - Safety	CML 5059 (190) - New Traffic Signal 2013 - (Floyd Ave./Millbrook Ave., Prescott Rd./Mt. Vernon and Roselle/Belharbour		\$160,000	\$160,000	
	Needed Match money		\$160,000		Match Funds, Construction Ready
Traffic Mgt. - Safety	CML 5059 (185) - Upgrade Traffic Signals 2013 - (9th/B St., 7th/G St., 7th/H St., & 7th/I St. Intersections)		\$175,000	\$175,000	
	Needed Match money		\$175,000		Match Funds
Traffic Mgt. - Safety	System Safety Analysis Report Program (SSARP)	\$25,000.00		\$25,000	
	Grant will allow the city to perform a "Systematic Safety Analysis". City will hire a consultant to evaluate our road network and to identify and recommend safety projects for future Highway Safety Improvement Program (HSIP) funding opportunities	\$25,000			City Match - \$25,000, SSARP Allocation \$225,000, Total - \$250,000
TOTAL:				\$1,371,500	

Exhibit C page 3 of 3
City of Modesto
 Proposed Fiscal Year 2017/18 Measure L Projects



Bike/Pedestrian (Annual Budget - \$685,000/yr.)

Type of Work	Project	Design	Construction	Total Budget	Notes
Bike /Ped.	ATPL-5059(209) MJC Phase II Bike Path		\$300,000	\$300,000	Match Funds Construction Ready
	Needed Match money		\$300,000		
Bike /Ped.	Non-motorized master plan - consultant	\$300,000		\$300,000	
	Hire consultant to prepare the non motorized master plan	\$300,000			
Bike /Ped.	ATP Cycle III - Paradise Road - Environmental (NEPA/CEQA)	\$25,000		\$25,000	
	Needed Match money	\$25,000			Match Funds Will need construction match in FY19/20
				TOTAL:	\$625,000

Exhibit D - Page 1 of 3
City of Modesto
 Amended Fiscal Year 2017/18 Measure L Projects
 March 6, 2018



Local Streets & Roads (Projected 2017/18 Budget - \$8,930,678)

Type of Work	Project	Design	Construction	Total Budget	Notes
Pvmt. Rehab.	Carpenter Rd. Street Improvements	\$435,000	\$2,465,000	\$2,900,000	
	Design - City Staff/Consultant	\$369,750			
	Topographic Survey & Monumentation Preservation - City Staff/Consultant	\$65,250			
Pvmt. Rehab.	Lakewood Neighborhood Street Improvements (Residential Streets)	\$300,000	\$2,224,758	\$2,524,758	
	Pavement Rehabilitation & ADA Curb Ramp Improvements				
	Design - City Staff/Consultant	\$262,500			March 6, 2018 - Amendment - Additional funds in the amount of \$649,758
	Topographic Survey & Monumentation Preservation - City Staff/Consultant	\$37,500			
Pvmt. Rehab.	Portions of Wylie Dr., Floyd Ave., and Carver Ave. Street Impv. (Collector Streets)	\$300,000		\$300,000	
	Pavement Rehabilitation & ADA Curb Ramp Improvements				Construction in FY 18/19 with designated Measure L funds in the amount of \$1,700,000.
	Design - City Staff/Consultant	\$255,000			
	Topographic Survey & Monumentation Preservation - City Staff Consultant	\$45,000			
Pvmt. Rehab.	Standiford Avenue (Dale Road to Sherwood Avenue)	\$225,000	\$2,980,920	\$3,205,920	
	Pavement Rehab on Standiford Avenue between Dale Road and Sherwood Avenue				
	Design - City Staff/Consultant	\$200,000			March 6, 2018 - Amendment - New Project in the amount of \$3,205,920
	Topographic Survey & Monument Preservation - City Staff/Consultant	\$25,000			
TOTAL:				\$8,930,678	

Exhibit D - Page 2 of 3
City of Modesto

Proposed Fiscal Year 2017/18 Amended Measure L Projects



Traffic Management (Projected 2017/18 Budget - \$1,786,135)

Type of Work	Project	Design	Construction	Total Budget	Notes
Traffic Mgt. - Safety	Task Force coordination to establish school safety needs.	\$45,000		\$45,000	
	City Staff	\$45,000			
Traffic Mgt. - Safety	Improve Traffic Flow and Safety @ Orville Wright Elementary School	\$70,000	\$250,000	\$320,000	
	Design - City Staff/Consultant	\$50,000			Construction funds to be programmed in FY 18-19
	Topographic Survey & Monumentation Preservation - City Staff Consultant	\$20,000			
Traffic Mgt. - Safety	Replace 120 Obsolete Traffic Controllers		\$585,000	\$585,000	
	Replace 120 of 157 existing obsolete traffic controllers with modern model 2070 controllers to improve citywide traffic flow		\$585,000		
Traffic Mgt. - Safety	HSIP 5059 (204) - Emergency Vehicle Preemption		\$61,500	\$61,500	
	Needed Match money		\$61,500		Match Funds, Construction Ready
Traffic Mgt. - Safety	CML 5059 (190) - New Traffic Signal 2013 - (Floyd Ave./Millbrook Ave., Prescott Rd./Mt. Vernon and Roselle/Belharbour		\$160,000	\$160,000	
	Needed Match money		\$160,000		Match Funds, Construction Ready
Traffic Mgt. - Safety	CML 5059 (185) - Upgrade Traffic Signals 2013 - (9th/B St., 7th/G St., 7th/H St., & 7th/I St. Intersections)		\$175,000	\$175,000	
	Needed Match money		\$175,000		Match Funds
Traffic Mgt. - Safety	System Safety Analysis Report Program (SSARP)	\$25,000		\$25,000	
	Grant will allow the city to perform a "Systematic Safety Analysis". City will hire a consultant to evaluate our road network and to identify and recommend safety projects for future Highway Safety Improvement Program (HSIP) funding opportunities.	\$25,000			City Match - \$25,000, SSARP Allocation - \$225,000, Total - \$250,000
Traffic Mgt. - Safety	Tully Road Safety Improvement Project	\$60,000	\$351,183	\$411,183	
	Intended to provide a safe method for pedestrians and bicyclists to cross Tully Road located approximately 1,520 feet south of the intersection of Pelandale Avenue.				March 6, 2018 - Amendment - New Project in the amount of \$411,183
	Design - City Staff/Consultant	\$60,000			
				TOTAL:	\$1,782,683

Exhibit D - Page 3 of 3
City of Modesto
Proposed Fiscal Year 2017/18 Amended Measure L Projects



Bike/Pedestrian (Projected 2017/18 Budget - \$893,067)

Type of Work	Project	Design	Construction	Total Budget	Notes
Bike /Ped.	ATPL-5059(209) MJC Phase II Bike Path		\$300,000	\$300,000	Match Funds, Construction Ready
	Needed Match money		\$300,000		
Bike /Ped.	Non-motorized master plan - consultant	\$300,000		\$300,000	
	Hire consultant to prepare the non-motorized master plan	\$300,000			
Bike /Ped.	ATP Cycle III - Paradise Road - Environmental (NEPA/CEQA)	\$25,000		\$25,000	
	Needed Match money	\$25,000			Match Funds Will need construction match in FY19/20
Bike /Ped.	Carver/Bangs - Pelandale /Snyder Bike Trail System	\$20,000	\$185,591	\$205,591	
	Expansion of Existing project - Class I Bike Trail between Carver Road and Tully Road along the MID canal.				March 6, 2018 - Amendment - Additional funds in the amount of \$205,591
	Design - City Staff/Consultant	\$20,000			
TOTAL:				\$830,591	

EXHIBIT E - Amending Fiscal Year 2017-2018 Capital Improvement Budget

Measure L Funding Requests

CIP#	Project Name	Task	Current Measure L		Revised Budget	From Measure L Cost Center
			Budget	Budget Increase		
101088	Standiford Avenue Pavement Rehab	EDA	\$0	\$225,000	\$225,000	
		CA	\$0	\$252,620	\$252,620	
		CON	\$0	\$2,728,300	\$2,728,300	
		TOTAL	\$0	\$3,205,920	\$3,205,920	14625 (Local Streets and Roads)
101037	Lakewood Neighborhood Street Improvement Project	EDA	\$250,000	\$50,000	\$300,000	
		CA	\$162,500	\$60,000	\$222,500	
		CON	\$1,462,500	\$539,758	\$2,002,258	
		TOTAL	\$0	\$649,758	\$2,524,758	14625 (Local Streets and Roads)
101089	Tully Road Safety Improvement Project	EDA	\$0	\$60,000	\$60,000	
		CA	\$0	\$34,543	\$34,543	
		CON	\$0	\$316,640	\$316,640	
		TOTAL	\$0	\$411,183	\$411,183	14626 (Traffic Management)
100092	Carver/Bangs-Pelandale/Snyder Bike Trail System	EDA	\$0	\$20,000	\$20,000	
		CA	\$0	\$14,847	\$14,847	
		CON	\$0	\$170,744	\$170,744	
		TOTAL	\$0	\$205,591	\$205,591	14627 (Bike and Pedestrian)
Subtotal of Request						
\$3,855,678 14625 (Local Streets and Roads)						
\$411,183 14626 (Traffic Management)						
\$205,591 14627 (Bike and Pedestrian)						
<u>\$4,472,452</u>						

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-125**

RESOLUTION ACCEPTING THE CALIFORNIA DIVISION OF BOATING AND WATERWAYS (DBW) NON-MOTORIZED BOATING FACILITY GRANT FUNDING PROGRAM AWARD IN AN AMOUNT OF \$780,000 TO FUND DESIGN AND CONSTRUCTION OF THE TUOLUMNE RIVER REGIONAL PARK (TRRP) NEECE DRIVE BOAT LAUNCH PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO ACCEPT AND UTILIZE THE GRANT AWARD

WHEREAS, the City is deficient in boating facilities for recreational and emergency river access and a grant was awarded from the California Division of Boating and Waterways (DBW) Non-Motorized Boating Facility Grant Funding Program in an amount of \$780,000 to fund the TRRP Neece Drive Boat Launch project, and

WHEREAS, the TRRP Neece Drive Boat Launch project is part of the TRRP system. The project is located along Neece Drive north of the Dryden Golf Course, and

WHEREAS, the Tuolumne River Trust, Operation 9-2-99 Leadership and the TRRP Commission have all recommended this project for approval, and

WHEREAS, the grant funding will be used to construct a non-motorized boat launch, which is an integral piece of infrastructure needed to facilitate recreational use of the river, and

WHEREAS, the grant funding requires a deed restriction that ensures that the park stay open to the public and is properly maintained for at least 20 years, and

WHEREAS, on February 28, 2017, the Council approved resolution 2017-79 authorizing the submittal of an application to the California DBW Non-Motorized Boating Facility Grant Funding Program. City Staff submitted an application for this grant program on February 1, 2017, and

WHEREAS, the City of Modesto has received notice of a grant award from the California DBW Non-Motorized Boating Facility Grant Funding Program in an amount of \$780,000 to fund development and construction of the TRRP Neece Drive Boat Launch project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it accepts the California DBW Non-Motorized Boating Facility Grant Funding Program in an amount of \$780,000 to fund development and construction of the TRRP Neece Drive Boat Launch project.

BE IT FURTHER RESOLVED that the Interim City Manager or his designee is hereby authorized to accept and utilize the grant award from the California DBW Non-Motorized Boating Facility Grant Funding Program for the development and construction of the TRRP Neece Drive Boat Launch project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-126**

**RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS
DESIGNEE, TO AMEND THE FISCAL YEAR 2017/2018 CAPITAL
IMPROVEMENT PROGRAM BUDGET TO ESTABLISH A NEW CAPITAL
PROJECT #101071 FOR THE TRRP NEECE DRIVE BOAT LAUNCH PROJECT
IN AN AMOUNT NOT TO EXCEED \$805,000 IN REVENUE AND TO BUDGET
EXPENDITURES AS OUTLINED IN ATTACHMENT A TO FULLY FUND THE
PROJECT**

WHEREAS, a grant was awarded from the California Division of Boating and Waterways (DBW) Non-Motorized Boating Facility Grant Funding Program in an amount of \$780,000 to fund the TRRP Neece Drive Boat Launch project, and

WHEREAS, the TRRP Neece Drive Boat Launch project is part of the TRRP system. The project is located along Neece Drive north of the Dryden Golf Course, and

WHEREAS, on February 28, 2017, the Council approved resolution 2017-79 authorizing the submittal of an application to the California DBW Non-Motorized Boating Facility Grant Funding Program. City Staff submitted an application for this grant program on February 1, 2017, and

WHEREAS, the City of Modesto has received notice of a grant award from the California DBW Non-Motorized Boating Facility Grant Funding Program in an amount of \$780,000 to fund development and construction of a portion of the TRRP Neece Drive Boat Launch project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Interim City Manager, or his designee, to amend the Fiscal Year 2017/2018 Capital Improvement Program Budget to establish a new capital project #101071 in an amount not to exceed \$805,000 in revenue.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to budget expenditures as outlined in **Attachment A** to fully fund the development and construction of the TRRP Neece Drive Boat Launch project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A

Budget Adjustment for Capital Project 101071 (TRRP Neece Drive Boat Launch)

Fund 6710 – TRRP CIP:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
6710-89999-101071 – Eng/Design/Admin	\$139,000
6710-89999-101071 – Construction	\$563,750
6710-89999-101071 – Construction Admin	\$50,750
6710-89999-101071 – Contingency -CIP	\$51,500

Total: \$805,000

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
6710-89999-42201-101071	\$ 780,000	Intergov - State – Natural Resources Agency

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-127**

RESOLUTION ACCEPTING THE CALIFORNIA URBAN RIVERS GRANT PROGRAM FUNDS IN AN AMOUNT OF \$368,183 TO PARTIALLY FUND REMOVAL OF THE REMNANT DENNETT DAM AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO ACCEPT AND UTILIZE THE GRANT AWARD

WHEREAS, the City of Modesto and Tuolumne River Preservation Trust (TRT) have received a grant award from the California Urban Rivers Grant Program of \$368,183 for removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016 the Council approved a Memorandum of Understanding (MOU) with TRT to remove the Remnant Dennett Dam, and

WHEREAS, removal of the Remnant Dennett Dam benefits the City of Modesto and TRT by restoring instream habitat and fish passage conditions, improving native riparian habitat and creating safe recreational boating opportunities, and

WHEREAS, On August 8, 2017, the Council approved resolution 2017-316 authorizing the submittal of an application to the California Urban Rivers Grant Program, and

WHEREAS, the TRT staff is continuing the pursuit of additional grant funding opportunities to obtain the necessary construction funding of approximately \$1.5 million and which is anticipated to begin Summer 2018, and

WHEREAS, the City will be the financial agent that houses the grant funding obtained by the TRT staff to remove the Remnant Dennett Dam.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it accepts the California Urban Rivers Grant Program funds in an amount of \$368,183 to partially fund removal of the Remnant Dennett Dam.

BE IT FURTHER RESOLVED that the Interim City Manager or his designee is hereby authorized to accept and utilize the grant award from the California Urban Rivers Grant Program for removal of the Remnant Dennett Dam.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-128**

RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO AMEND THE FISCAL YEAR 2017/2018 MULTI-YEAR OPERATING BUDGET TO ADJUST THE NON-CAPITAL PROJECT #100993 FOR THE REMOVAL OF THE REMNANT DENNETT DAM IN AN AMOUNT NOT TO EXCEED \$368,183 IN REVENUE AND TO BUDGET EXPENDITURES AS OUTLINED IN ATTACHMENT A TO PARTIALLY FUND THE PROJECT

WHEREAS, the City of Modesto and Tuolumne River Preservation Trust (TRT) have received a grant award from the California Urban Rivers Grant Program of \$368,183 for removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016 the Council approved a Memorandum of Understanding (MOU) with TRT to remove the Remnant Dennett Dam, and

WHEREAS, the TRT staff is continuing the pursuit of additional grant funding opportunities to obtain the necessary construction funding of approximately \$1.5 million and which is anticipated to begin Summer 2018, and

WHEREAS, the City will be the financial agent that houses the grant funding obtained by the TRT staff to remove the Remnant Dennett Dam, and

WHEREAS, the Council shall consider amending the 2017/2018 Multi-Year Operating Budget to adjust the non-capital project #100993 with the grant award to fund removal of the Remnant Dennett Dam in an amount not to exceed \$368,183 as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Interim City Manager, or his designee, to amend the Fiscal Year 2017/2018 Multi-Year Operating Budget to adjust the capital project #100993 in an amount not to exceed \$368,183 in revenue.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to budget expenditures as outlined in **Attachment A** to partially fund the removal of the Remnant Dennett Dam.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A – Budget Adjustment for Non-Capital Project 100993 (Removal of Remnant Dennett Dam)

Fund 1341 – Grants – Operation Grants Reimbursed:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
MY-100993-Appr. C NRA – Construction	\$368,183

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
MY-1341-39998-42201-100993	\$368,183	Intergov – State–Natural Resources Agency

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-129**

**RESOLUTION APPROVING THE ANNUAL SEWER RATE REVIEW AND
MAINTAINING THE PREVIOUSLY ADOPTED 6% SEWER RATE
INCREASES TO BE EFFECTIVE JULY 1, 2018, FOR FISCAL YEAR 2018-19**

WHEREAS, the City of Modesto provides wastewater (sewer) service to over 60,000 accounts consisting of residential, multi-family, commercial, and industrial customers located within the City of Modesto as well as the City of Ceres and the Empire Sanitary District and portions of unincorporated Stanislaus County; and

WHEREAS, the City's sewer utility is a self-supporting utility enterprise funded by customer revenues; and

WHEREAS, the California Constitution (Article XIID, "Proposition 218") establishes a process that public agencies must follow when imposing new or increasing "property related fees" (Cal. Const.); and

WHEREAS, sewer service fees are property-related fees and thus subject to Proposition 218's procedural and substantive requirements; and

WHEREAS, the City engaged Bartle Wells Associates ("BWA") in 2015 to conduct a comprehensive review of the City's sewer rates and charges in accordance with Proposition 218; and

WHEREAS, BWA prepared a report dated January 2016 entitled "City of Modesto Sewer Rate and Fee Study" ("Report"), containing analyses and recommendations for adjusting the City's sewer rates and charges; and

WHEREAS, the Report concluded that the revenues generated under previous sewer rates were insufficient to meet sewer utility's revenue requirements for fiscal year 2016-17 and subsequent years, given changes and new developments in the City's sewer

system, including new capital improvement projects identified in the soon to be completed Wastewater Master Plan Update; and

WHEREAS, the Report recommended increasing the City's previous sewer rates and charges, and made certain recommendations for the City's sewer services rates for the five-year period beginning fiscal year 2016-17; and

WHEREAS, the Report demonstrated that the recommended rates do not exceed the reasonable cost of providing such service or regulatory activity and, as such, the proposed rates are not levied for general revenue purposes; and

WHEREAS, the Report also demonstrated that the recommended rates result in charges to property owners or ratepayers that do not exceed the proportionate cost of providing sewer services attributable to the parcel or persons; and

WHEREAS, the City mailed a notice of the public hearing, and notice of oral and written protest procedures against the proposed rate increases to all affected property owners and ratepayers in compliance with California Constitution Article XIII D, Section 6; at least forty-five days in advance of the public hearing at which this Resolution was considered; and

WHEREAS, on April 26, 2016, the City Council duly held the public hearing , and at its conclusion the City Clerk tabulated the number of written and oral protests received, and reported that there was not a majority protest of the proposed rates by owners or authorized representatives of identified property owners or ratepayers receiving wastewater services; and

WHEREAS, the City Council subsequently approved a new sewer rate structure in accordance with Proposition 218 by Resolution No. 2016-181 and adopted a five-year

schedule of new maximum sewer service rates beginning in Fiscal Year 2016-17 and increasing those rates by up to 6% annually through Fiscal Year 2020-21; and

WHEREAS, City staff has recently conducted an annual review of the sewer rates as required by Resolution 2016-181 to ensure that the approved 6% increase for Fiscal Year 2018-19 meets the enterprise's revenue needs based on anticipated expenses and the City's policies; and

WHEREAS, upon review of the FY18-19 proposed Wastewater Fund proforma, the City's Budget Division agrees that maintaining a 6% increase in annual rate would allow the fund to maintain a minimum 1.5 debt service coverage ratio required by Council policy, and strive toward obtaining a 2.0 debt coverage ratio in future years as recommended in the recent Fitch Rating review; and

WHEREAS, the Budget Division also recommends maintaining a 6% increase in sewer rates for FY18-19 based upon the anticipated revenues and proposed operating and capital expenses for the upcoming fiscal years; and

WHEREAS, the analysis shows that the projected costs and revenues are tracking reasonably close to what was projected in the 2016 Report and 2017 Annual Sewer Rate Update; and

WHEREAS, pursuant to Resolution 2016-118, the approved increase in sewer rates for Fiscal Year FY18-19 will become effective 60 days after completion of the annual review, unless the City Council directs otherwise, and Staff recommends the FY18-19 rate increase become effective on July 1, 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto as follows:

1. **DEFINITIONS.** For the purposes of this Resolution the definitions set forth in Section 5-6.103 of Chapter 6 of Title 5 of the Modesto Municipal Code entitled “Definitions” shall apply, except as provided herein or as context requires a different meaning.

(A) Director: The City officers(s) or designee(s) in charge of utilities.

(B) Monthly Account Charge: A monthly fee charged to every sewer account to pay the actual fixed sewer system costs not allocable to sewer flow and strength components.

(C) Person: Any individual, partnership, corporation or other legal entity whatsoever apply for or receiving City sewer service.

(D) Cannery Segregation Line (CanSeg Line): The line used by City’s cannery customers during caning season. The CanSeg Line collects and conveys the canneries’ process flow directly to the Rancho for land application. The cannery process flow does not receive treatment during the cannery season.

(E) Apartment: One (1) dwelling unit located within in a building or portion thereof containing five (5) or more dwelling units; one (1) mobile home space in a mobile home park.

(F) Secondary Scalping: Secondary treatment to be provided to City’s cannery customers’ process water.

(G) Single Family Residential: One (1) dwelling unit or a suite of one (1) or more rooms which is occupied by or intended to be occupied by one (1) family; one (1) mobile home on any area or tract of land.

(H) Multiple Family: One (1) dwelling unit located within a building or portion thereof containing two (2) to four (4) dwelling units; one (1) additional dwelling unit or mobile home on any area or tract of land.

2. SEWER SERVICE CHARGE FOR RESIDENTIAL SEWER

SERVICE. Each person receiving residential sewer service shall pay a sewer service charge to the City . Resolution 2016-181 established the maximum monthly sewer service charges for dwelling units, mobile homes, and mobile home spaces in mobile home parks, including the monthly account charge, for Fiscal Year FY16-17 through the end of Fiscal Year 2020-21, as listed in the table below. The City Council hereby accepts the annual report regarding and maintains the approved residential rates for Fiscal Year FY18-19, to be effective July 1, 2018.

Residential Sewer Rates					
Category	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Monthly Account Charge (\$/Account)	\$4.40	\$4.42	\$4.46	\$4.50	\$4.54
Residential Rates (\$/Dwelling Unit)					
Single Family Residential, Mobile Home on a lot	\$29.36	\$31.36	\$33.39	\$35.67	\$37.91
Multiple Family (2-4 Dwelling Units), one additional Dwelling Unit or Mobile Home on a lot	\$22.59	\$24.03	\$25.57	\$27.50	\$30.85
Apartments (5 or more Dwelling Units), Mobile Home Space in a Mobile Home Park	\$20.33	\$21.50	\$22.73	\$24.36	\$26.45

3. SEWER SERVICE CHARGE FOR COMMERCIAL SERVICE.

Each person receiving commercial sewer service shall pay a maximum sewer service charge to the City. Resolution 2016-181 established the maximum monthly sewer service charges for commercial customers, including the monthly account charge, for Fiscal Year 2016-17 through the end of Fiscal Year 2020-21, as listed in the table below. The City

Council hereby accepts the annual report regarding and maintains the approved commercial rates for Fiscal Year 2018-19.

Commercial Sewer Rates					
Category	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Commercial Quantity Charge (\$/100 cubic feet)					
Group 1-BOD + TSS is 400 mg/l or less	\$2.76	\$3.01	\$3.29	\$3.55	\$3.88
Group 2-BOD + TSS is 401 mg/l to 900 mg/l	\$3.78	\$4.07	\$4.40	\$4.70	\$5.07
Group 2-BOD + TSS is 901 mg/l to 1,400 mg/l	\$4.80	\$5.13	\$5.50	\$5.85	\$6.27
Group 4-BOD + TSS is 1,401 mg/l or more	\$6.03	\$6.40	\$6.83	\$7.23	\$7.71

(A) Commercial users shall be grouped according to Biochemical Oxygen Demand (hereinafter referred to as BOD) and Total Suspended Solids (hereinafter referred to as TSS) strength characteristics and shall pay sewer service charges based on the quantity of water used, and the waste strength characteristics measured in milligrams per liter (hereinafter referred to as mg/l). The Director shall determine the waste strength characteristics of commercial users and assign them to one of the commercial users groups set forth in the table above.

(B) Commercial users shall have all water used on the premises metered in order to determine the users' sewer service charges.

(1) Commercial users on a public water system other than the City's shall obtain a metered water service from the water purveyor and shall pay the sewer service charge which would be made were such water from the City's water system.

(2) Commercial users receiving any water from a private source shall allow the City to furnish, install and maintain a water meter with the user paying for the cost of the meter and installation. The user shall pay the sewer service charge which would be made were such water from the City's water system.

Authorization shall be granted to City from user to install, read and maintain said meter by user executing an agreement on a form furnished by the Director.

(C) In the case of existing meters which are under the ownership of users, the City will assume responsibility for maintenance of such meters upon:

(1) Receipt of transfer of title from the owner in a form satisfactory to the Director, and

(2) Authorization being granted to City for reading and maintaining the meter as set forth in paragraph (b) above.

(D) Churches, assembly halls and similar facilities shall be considered Group 1.

(E) Schools Districts will have their wastewater flow computed by either of the following methods at their discretion:

(1) School Districts may elect to be billed on water consumption as a Group 1 Commercial discharger.

(i) A one-time inspection by the City's Water Division staff to confirm there is no indoor water use on the outdoor use meter will be done at no charge to the District.

(ii) An annual audit and site inspection will be conducted by the City and paid for by the District.

(a) Inspection fee will be based on time and materials.

(2) School Districts that have not separated all of their outdoor water systems may elect to continue to be billed based on estimates of the average volume per pupil/staff times the average daily attendance (ADA) of pupils plus staff.

(i) School District will be required to enter into an agreement with the City consenting to be billed on an ADA basis.

(ii) The Director is authorized to enter into these agreements with the School Districts on behalf of the City.

(iii) Should the School District fail or refuse to enter into the above noted agreement, District will be billed based on water consumption until an agreement is executed.

(3) For School Districts planning to separate their outdoor water systems in the future, the City will provide the option to be billed on water consumption on an annual basis.

4. SEWER SERVICE CHARGE FOR INDUSTRIAL SERVICE. Each person receiving industrial sewer service shall pay a maximum sewer service charge to the City. Resolution 2016-181 established the maximum monthly sewer service charges for industrial customers, including the monthly account charge, for Fiscal Year 2016-17 through the end of Fiscal Year 2020-21, as listed in the table below. The City Council hereby accepts the annual report regarding and maintains the approved industrial rates for Fiscal Year 2018-19, to be effective July 1, 2018.

Industrial Charges (these three components are additive)					
Category	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Flow Charge (\$/Million gallons)	\$2,604	\$2,888	\$3,212	\$3,516	\$3,901
BOD Charge (\$/1,000 lbs)	\$213	\$226	\$238	\$246	\$263
TSS Charge (\$/1,000 lbs)	\$441	\$454	\$471	\$491	\$504

(A) The charges for industrial wastewater services—flow, BOD, and TSS—are additive, such that the total monthly charge shall be based upon the amount of each component listed in the table above.

(B) The monthly sewer service charges for industrial users shall be based in part on the number of millions gallons of total flow at the rates set forth in the table above.

(1) If an industrial customer has an effluent meter for industrial flow measurement and a sanitary sewage meter, the total flow shall be the sum of the metered flows. If an industrial customer has an unmetered connection for disposal of sanitary sewage, the estimated volume may be established by the Director. The estimated volume shall be based on the number and type of plumbing fixture units contributing to the system along with any other flow information available which indicates the total volume of sanitary sewage.

(2) In the absence of an effluent meter, an influent meter shall be used, and total flow shall be based upon the influent meter reading.

(C) The BOD and TSS charges for industrial and sanitary discharges shall be based on the measured or estimated BOD and TSS for each type of flow.

5. **FLOW ESTIMATES.** The Director will estimate flow where he/she determines metered flow measurements are unreliable.

6. **SEPTAGE CHARGE FOR DUMPING SEPTIC WASTE AT THE SEWAGE TREATMENT PLANT.** The City accepts septic waste at its sewage treatment plant. Each person dumping septic waste at the sewage treatment plant shall pay a maximum sewer service charge to the City. Resolution 2016-181 established the maximum septage charge for Fiscal Year 2016-17 through the end of Fiscal Year 2020-21, as listed in the table below. The City Council hereby accepts the annual report regarding and maintains the approved septage charges for Fiscal Year 2018-19, to be effective July 1, 2018.

Septage Quantity Charge					
Category	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Flow charge per 1,000 gallons	\$61	\$63	\$66	\$69	\$71

7. **SEWER SERVICE CHARGE FOR CANSEG LINE SEWER SERVICE.** Each person using CanSeg Line sewer service shall pay a maximum sewer service charge to the City. Resolution 2016-181 established the maximum monthly sewer service charges for CanSeg customers, including the monthly account charge, for Fiscal Year 2016-17 through the end of Fiscal Year 2020-21, as listed in the table below. The City Council hereby accepts the annual report regarding and maintains the approved CanSeg Line rates for Fiscal Year 2018-19, to be effective July 1, 2018.

CanSeg Line Sewer Rates					
Category	FY2016/17	FY2017/18	FY2018/19	FY2019/20	FY2020/21
Monthly Account Charge (\$/Account)	\$4.40	\$4.42	\$4.46	\$4.50	\$4.54
CanSeg Line Charges (these three components are additive)					
Flow Charge (\$/Million gallons)	\$2,680	\$2,841	\$3,012	\$3,191	\$3,384
BOD Charge (\$/1,000 lbs)	\$1.39	\$1.48	\$1.57	\$1.66	\$1.76
TSS Charge (\$/1,000 lbs)	\$4.04	\$4.29	\$4.54	\$4.81	\$5.11

(A) The charges for CanSeg Line services—flow, BOD, and TSS—are additive, such that the total monthly charge shall be based upon the amount of each component listed in the table above.

(B) The monthly sewer service charges for CanSeg Line users shall be based in part on the number of millions gallons of total flow at the rates set forth in the table above.

(1) If a CanSeg Line user has an effluent meter for industrial flow measurement and a sanitary sewage meter, the total flow shall be the sum of the metered flows. If a CanSeg Line customer has an unmetered connection for disposal of sanitary sewage, the estimated volume may be established by the Director. The estimated volume shall be based on the number and type of plumbing fixture units contributing to the system along with any other flow information available which indicates the total volume of sanitary sewage.

(2) In the absence of an effluent meter, an influent meter shall be used, and total flow shall be based upon the influent meter reading.

(C) The BOD and TSS charges for CanSeg Line discharges shall be based on the measured or estimated BOD and TSS for each type of flow.

8. SEWER SERVICE CHARGE FOR SECONDARY SCALPING.

Secondary scalping service is anticipated to come online in Fiscal Year 2020/21. Each person receiving secondary scalping sewer service shall pay a maximum sewer service charge to the City. Resolution 2016-181 established the maximum monthly sewer service charges for secondary scalping customers, including the monthly account charges when that service becomes available, as listed in the table below. The City Council hereby accepts the annual report regarding and maintains the approved secondary scalping rates for that service when it becomes available.

Secondary Scalping Rates	
Category	Rate or Charge
Secondary Scalping Rates (these components are additive)	
Flow Charge (\$/Million gallons)	\$891.84
BOD Charge (\$/1,000 lbs)	\$98.25
TSS Charge (\$/1,000 lbs)	\$305.65
Annual Secondary Scalping Secondary Can Seg Capacity Charge (these components are additive)	
Flow (\$/Million gallons per day, maximum day capacity)	\$117,837.54
BOD (\$/lbs per day, maximum day capacity)	\$11.43
TSS (\$/lbs per, maximum day capacity)	\$27.29

(A) The usage-based charges for secondary scalping sewer services—flow, BOD, and TSS—are additive, such that the total monthly charge shall be based upon the amount of each component listed in the table above. In addition, customers who opt to have their wastewater processed through the secondary scalping system will be charged an annual fee labeled a “capacity fee” in the Study, in the amounts set forth in the table above.

(B) The monthly usage-based sewer service charges for secondary scalping sewer services shall be based in part on the number of millions gallons of total flow at the rates set forth in the table above.

(1) If a secondary scalping customer has an effluent meter for industrial flow measurement and a sanitary sewage meter, the total flow shall be the sum of the metered flows. If an secondary scalping customer has an unmetered connection for disposal of sanitary sewage, the estimated volume may be established by the Director. The estimated volume shall be based on the number and type of plumbing fixture units contributing to the system along with any other flow information available which indicates the total volume of sanitary sewage.

(2) In the absence of an effluent meter, an influent meter shall be used, and total flow shall be based upon the influent meter reading.

(C) The BOD and TSS charges for secondary scalping sewer services shall be based on the measured or estimated BOD and TSS for each type of flow.

9. SEWAGE TREATMENT FOR OUTSIDE PUBLIC AGENCIES.

Pursuant to agreements approved by the City Council, the City of Modesto will accept and treat sewage collected from sewer systems external to the City and the City's Sewer District No. 1. The City's charges for treatment of sewage collected from outside of the City and the City's Sewer District No. 1 are negotiated by the parties to and established in the agreements.

10. INFLATOR INDEX AND REASSESSMENT OF COST OF

SERVICE. The cost of service set forth above shall be re-examined not less than every four (4) years by professionals competent in the field. Such professionals shall provide a

report to the City updating both the fixed and volume based costs as appropriate and as recommended to the Council by the Director and Director of Finance. Beginning on July 1, 2017 and annually thereafter, the Director of Finance with the concurrence of the Director, shall have the authority to adjust the above rates by an amount not to exceed the not-seasonally-adjusted annual percentage increase in the April Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers for the San Francisco CMSA that is currently prepared by the Department of Finance.

11. EFFECTIVE DATE. This Resolution shall go into effect and be in full force and operation immediately. The previously approved schedule of rates for Fiscal Year 2018-19, as set forth above, shall go into effect on July 1, 2018.

12. ANNUAL REVIEW OF ADOPTED RATE INCREASES. As set forth in Resolution No. 2016-181, the City Council shall conduct an annual review of each adopted sewer rate increase prior to its implementation for fiscal years beginning after June 30, 2017. Said review shall be completed by the City Council at least sixty (60) days in advance of the new sewer rate becoming effective. The rates shown in Resolution 2016-181 shall be implemented on the dates shown unless City Council takes action otherwise.

13. SEVERABILITY. The rates, charges, and all portions of this Resolution are severable. Should any of the rates or any portion of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, the remaining rates, charges and/or portions of the resolution shall be and continue in full force and effect, except as to those rates, charges and/or portions of this Resolution that have been adjudged invalid. This City Council declares that it would have adopted this Resolution

irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of this Resolution be enforced.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of March, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-130**

**RESOLUTION ACCEPTING THE RESIGNATION OF JOSEPH SANCHEZ
FROM THE CITY OF MODESTO CULTURE COMMISSION**

WHEREAS, Joseph Sanchez was appointed to serve as a member of the Culture Commission on September 5, 2017, and

WHEREAS, Joseph Sanchez tendered his resignation from the Culture Commission on February 7, 2018.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Modesto hereby accepts the resignation of Joseph Sanchez from the Culture Commission, with regret.

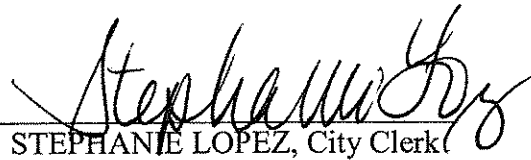
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-131**

**RESOLUTION ACCEPTING THE RESIGNATION OF JOSEPH SANCHEZ
FROM THE CITY OF MODESTO LANDMARK PRESERVATION
COMMISSION**

WHEREAS, Joseph Sanchez was appointed to serve as a member of the Landmark Preservation Commission (LPC) on December 5, 2017, by City Council Resolution 2017-479, and

WHEREAS, Joseph Sanchez tendered his resignation from the LPC on February 5, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the resignation of Joseph Sanchez from the LPC.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

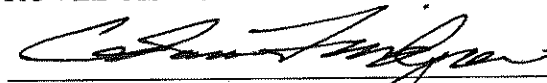
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-132**

**RESOLUTION ACCEPTING THE 2017 GENERAL PLAN ANNUAL REPORT,
AND DIRECTING STAFF TO SUBMIT IT TO THE STATE OF CALIFORNIA
GOVERNOR'S OFFICE OF PLANNING & RESEARCH AND THE
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT**

WHEREAS, California Government Code Section 65400(a)(2) requires that local governments prepare an annual progress report regarding General Plan implementation, including matters related to meeting the applicable share of regional housing needs (California Government Code Section 65584), and

WHEREAS, on March 5, 2018, the City of Modesto Planning Commission voted to recommend that the Council of the City of Modesto accept the 2017 General Plan Annual Report for submission to the Governor's Office of Planning and Research and to the California Department of Housing and Community Development.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the 2017 General Plan Annual Report.

BE IT FURTHER RESOLVED that the Clerk is hereby directed to submit the 2017 General Plan Annual Report to the Governor's Office of Planning and Research and to the California Department of Housing and Community Development.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-133**

RESOLUTION APPROVING AN AGREEMENT WITH RALPH ANDERSEN AND ASSOCIATES IN THE AMOUNT NOT TO EXCEED \$71,500 TO CONDUCT THE RECRUITMENT FOR DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT, CHIEF BUILDING OFFICIAL AND TRAFFIC ENGINEER AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AN AGREEMENT

WHEREAS, the Director of Community and Economic Development, Chief Building Official, and Traffic Engineer are critical staff needed to meet the City's strategic commitments, and

WHEREAS, the Director of Community and Economic Development, Chief Building Official and Traffic Engineer positions are currently vacant and are identified as critical positions and difficult to fill, and

WHEREAS, the Director of Human Resources has received four proposals from executive recruitment firms, and

WHEREAS, staff recommends the City retain the services of Ralph Andersen and Associates to conduct the recruitments because of their previous successful recruitments, and

WHEREAS, consultant's professional fee of \$25,000 for the Director recruitment plus a discounted amount of \$23,500 for the Chief Building Official and a further discounted fee of \$23,000 for the Traffic Engineer will total \$71,500 for these recruitments, and

WHEREAS, in addition to these professional fees, the City is responsible for all candidate expenses related to on-site interviews.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Modesto hereby approves an agreement with Ralph Andersen and Associates in the amount not to exceed \$71,500, to conduct the recruitment for Director of Community and Economic Development, Chief Building Official and Traffic Engineer.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute an agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-134**

**RESOLUTION APPOINTING MONICA HOUSTON AS CITY AUDITOR,
APPROVING A CITY AUDITOR EMPLOYMENT AGREEMENT, SETTING
TERMS OF EMPLOYMENT, SALARY AND BENEFITS AND AUTHORIZING
THE MAYOR, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, the City Auditor provides independent oversight of City operations through conduct of performance audits, and other audit work as directed by Council; and

WHEREAS, it was determined, as part of the Fiscal Year 2017-2018 budget process, that the City Auditor will be recruited for employment; and

WHEREAS, the City Auditor will be directly responsible to the City Council to improve City government and would manage the City's auditing duties; and

WHEREAS, the City Council now desires to appoint Monica Houston to serve as City Auditor, pursuant to the terms of her Employment Agreement that will be presented at the Council meeting.

NOW, THEREFORE, BE IT RESOLVED, the City Council of the City of Modesto hereby resolves that:

1. Monica Houston is hereby appointed as City Auditor, pursuant to the terms of the Employment Agreement.
2. While employed as City Auditor, Ms. Houston shall perform the functions, duties and exercise all the powers of the City Auditor specified in the City Auditor job description/classification of the City of Modesto Charter and Municipal Code.

BE IT FURTHER RESOLVED, that the Mayor, or his designee is authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-135**

**RESOLUTION AWARDING THE BID AND CONTRACT TO ONE
DIVERSIFIED LLC, OF PLEASANTON, CALIFORNIA FOR THE MASTER
CONTROL BROADCAST FACILITY UPGRADE PROJECT IN THE AMOUNT
OF \$132,077 AND \$6,604 IN PROJECT CONTINGENCY FOR A TOTAL
AMOUNT NOT TO EXCEED \$138,681 AND AUTHORIZING THE INTERIM
CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, the Master Control Broadcast Facility provides monitoring and control of content for the City's Government Channel; and

WHEREAS, the Master Control Broadcast Facility equipment requires replacement; and

WHEREAS, the City and County solicited bids to upgrade the Master Control Broadcast Facility equipment; and

WHEREAS, One Diversified LLC was the lowest and most responsive bidder at \$132,077; and

WHEREAS, a project contingency amount of \$6,604 will be utilized for unexpected project costs; and

WHEREAS, the expenditures for this project have been budgeted in the FY 2017-18 operating budget in the Information Technology Education & Government Cable Fund.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby awards the bid and contract to One Diversified LLC, of Pleasanton, California for the Master Control Broadcast Facility upgrade project in the amount of \$132,077, with \$6,604 in project contingency for a total amount not to exceed \$138,681.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

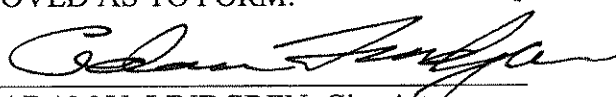
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-136**

**RESOLUTION AUTHORIZING THE PROJECT BUDGET ADJUSTMENT
101099 IT IN THE AMOUNT OF \$138,681 AND AUTHORIZING THE INTERIM
CITY MANAGER OR HIS DESIGNEE TO MAKE THE APPROPRIATE
ADJUSTMENTS**

WHEREAS, the Master Control Broadcast Facility provides monitoring and control of content for the City's Government Channel; and

WHEREAS, the Master Control Broadcast Facility requires replacement; and

WHEREAS, One Diversified LLC was the lowest and most responsive bidder at \$132,077; and

WHEREAS, a project contingency amount of \$6,604 will be utilized for unexpected project costs; and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget will be amended in the amount of \$138,681 as identified in **Exhibit A**; and

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it authorizes the project budget adjustment 101099 IT in the amount of \$138,681.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to make the appropriate adjustments.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

To Fully Fund CIP project 101099 – Master Control Facility upgrade Project the following budget adjustments are necessary:

Project Budget Adjustment: 101099 IT – Master Control Facility Upgrade Project

Consultant Charges	\$132,077
<u>Contingency CIP</u>	<u>\$6,604</u>
Total	\$138,681

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-137**

RESOLUTION APPROVING THE AWARD OF BID AND ISSUANCE OF A PURCHASE ORDER TO DOCON, INC., MODESTO, CA, IN THE AMOUNT OF \$25,894 FOR THE JOHN THURMAN FIELD SHADE NETTING PROJECT, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE ORDER

WHEREAS, Council approved an agreement with HWS Baseball, IV. LLC, operating as The Modesto Nuts (NUTS) for the use, operation and management of John Thurman Field by Resolution 2016-503, and

WHEREAS, Council also established a fund for capital improvements to be made to the stadium by Resolution 2016-504, and

WHEREAS, the list of 2018 capital improvements were reviewed by Council on October 24, 2017, and

WHEREAS, Council amended the fiscal budget by Resolution 2017-413 to fund CIP Project #101019, and

WHEREAS, installing shade netting fabric was determined to be one of the top priority projects to complete prior to the 2018 season, and

WHEREAS, the project was bid on February 1, 2018, and

WHEREAS, DOCON, Inc. of Modesto, CA was the only bidder to respond to the bid request, and

WHEREAS, the one bid was determined to be reasonable and fair, and

WHEREAS, DOCON, Inc. was also awarded a purchase order to install premium seating at John Thurman Field, and

WHEREAS, the two projects for DOCON, Inc. would constitute combined projects totaling more than \$50,000.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves award of the bid to DOCON, Inc. for shade netting fabric at John Thurman Field in the amount of \$25,894.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue a purchasing order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-138**

RESOLUTION APPROVING AN AGREEMENT WITH OFFICER GERALD BOHANAN FOR THE PURCHASE OF RETIRED CITY OF MODESTO POLICE CANINE RIKO; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Chief of Police for the City of Modesto, from time to time, officially retires police canines from departmental service, and

WHEREAS, Modesto Police K-9 Riko has reached an age where he is unable to perform at a satisfactory level with a new handler or partner, and

WHEREAS, City of Modesto police canine handler, Officer Gerald Bohanan, wishes to purchase and assume possession of his assigned canine, Riko, upon the dog's official retirement, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the agreement with Officer Gerald Bohanan for the purchase of retired police canine Riko.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-139**

**RESOLUTION APPROVING AN AGREEMENT BETWEEN THE CITY OF
MODESTO AND MODESTO POLICE CANINE ASSOCIATION FOR THE
DONATION AND TRANSFER OF CANINE HANK, TO THE CITY OF
MODESTO FOR USE AS A POLICE CANINE; AND AUTHORIZING THE
INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE
AGREEMENT**

WHEREAS, the Modesto Police Canine Association purchased Hank, a German Shepherd/Belgian Malinois mix from Gold Coast K-9, Moorpark, CA on June 13, 2017, for \$11,200, with the intent to donate him to the Modesto Police Department once he was certified, and

WHEREAS, Hank was certified on September 27, 2017, and the Modesto Police Canine Association would like to donate Hank to the City, for use as a police canine, and

WHEREAS, the City will assume all liability for risk and dangers relating to City's ownership of Hank, and

WHEREAS, there is no fiscal impact to the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the agreement between the City of Modesto and Modesto Police Canine Association for the donation and transfer of canine Hank for use as a police canine.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM: -

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-140**

**RESOLUTION APPROVING THE SOLE SOURCE PROCUREMENT FOR
PARKING GARAGE AUTOMATED SYSTEM EQUIPMENT AND FIELD
SERVICES FROM AMANO MCGANN, INC., ROSEVILLE, MN, FOR A FOUR
YEAR AGREEMENT WITH AN ANNUAL COST NOT TO EXCEED \$45,000,
AND A TOTAL COST NOT TO EXCEED \$180,000, AND AUTHORIZING THE
PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE
PURCHASING AGREEMENT**

WHEREAS, the Parking Services Division manages the automated parking revenue collection systems for the City's three parking garages, and

WHEREAS, on March 2, 2010, by Resolution 2010-076, Council approved the results and recommendation of staff for the purchase of an Automated Parking System for the City Garages, and

WHEREAS, on June 6, 2017, by Resolution 2017-209, Council approved an agreement with Amano McGann, Inc. for software and back office hardware for continued Payment Card Industry (PCI) compliance, and

WHEREAS, the PCI agreement did not include the other approximately 54 pieces of equipment, such as gates, dispensers, pay stations, readers, validators, intercoms, and signs that are in the parking system. This agreement would allow Parking Services to purchase necessary parts and occasional onsite service as necessary. Parking Services staff does 99% of field repairs with an occasional need for factory-trained personnel, and

WHEREAS, this sole source procurement agreement for parking garage automated system equipment and field services from Amano McGann, Inc., Roseville, MN, for a four year Agreement with an annual cost not to exceed \$45,000, and a total cost not to exceed \$180,000, and

WHEREAS, sufficient funds are budgeted annually in the following appropriation unit: 4000-53250-51350, and

WHEREAS, Modesto Municipal Code (MMC) Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment, or contractual services to be formally bid. However, Modesto Municipal Code (MMC) Section 8-3.204(b) states one exception to the formal bid process is “where the Purchasing Agency’s requirements can be met solely by a single article or process”, and

WHEREAS, the purchase of equipment and parts that are available only from the original equipment manufacturer conforms to the MMC 8.3-204(b) as the Purchasing Manager has determined that this purchase meets the sole source requirements. Another exception is under, Modesto Municipal Code Section 8-3.203(d) when the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality. Acting within her discretion, the Purchasing Manager invoked these exceptions for this agreement.

NOW, THEREFORE, BE IT RESOLVED the sole source procurement for parking garage automated system equipment and field services from Amano McGann, Inc., Roseville, MN, for a four year Agreement with an annual cost not to exceed \$45,000, and a total cost not to exceed \$180,000.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue the purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-141**

RESOLUTION APPROVING THE PURCHASE OF NINE BMW POLICE MOTORCYCLES FROM CYCLE SPECIALTIES, MODESTO, CA FOR A TOTAL COST NOT TO EXCEED \$256,576, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the purchase of nine BMW police motorcycles are replacement units and will be used by the Modesto Police Department, and

WHEREAS, replacement units are essential in maintaining current operations, facilities and/or services for the Police Department, and

WHEREAS, these units will replace traffic motorcycles that will reach their mileage cap this fiscal year and will replace units that have been involved in a collision and are considered a total loss, and

WHEREAS, the Purchasing Division issued RFB 1718-12 for the purchase of four BMW police motorcycles on the City's website and one company chose to respond, and

WHEREAS, four units were originally bid that were budgeted in Fiscal Year 2016-2017, and five additional units have been budgeted in Fiscal Year 2017-2018, and

WHEREAS, in addition, per RFB 1718-12, Technical Specifications and Requirements, page 33 (9) Supplementary Orders states: The Department retains the right to place supplementary orders, either upon issuance of the Purchase Order or by a Purchase Order change within 120 calendar days after the Purchase Order date. In the event the Department exercises such increase option, the vendor shall agree to furnish to the Department the additional quantity of units ordered at the bid price, and

WHEREAS, based on providing the overall lowest responsive and responsible

bid, staff recommends the award of bid for the purchase of nine BMW police motorcycles to Cycle Specialties, Modesto, CA for a total not to exceed \$256,576, and

WHEREAS, sufficient funds for four replacement BMW motorcycles have been encumbered Fiscal Year 2016-2017 and five replacement BMW motorcycles were budgeted in Fiscal Year 2017-2018 in the Fleet Replacement Fund No: 5409-53246-57003. Funding for these vehicles was collected through the Internal Service Fund (ISF) via straight-line depreciation over the life of the vehicles.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of nine BMW police motorcycles to Cycle Specialties, Modesto, CA for a total not to exceed \$256,576.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-142**

RESOLUTION APPROVING THE PURCHASE OF ONE NEW MINI EXCAVATOR FROM VOLVO CONSTRUCTION EQUIPMENT AND SERVICES, TURLOCK, CA FOR A TOTAL COST NOT TO EXCEED \$50,390, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the purchase of one new mini excavator from Volvo Construction Equipment and Services, Turlock, CA for a total cost not to exceed \$50,390, will be a new addition to the City's fleet equipment and used by the Utilities Department, and

WHEREAS, the Utilities Department is currently renting this piece of equipment for State mandated water meter installation program and is needed indefinitely, and

WHEREAS, continuing to rent this piece of equipment through the completion of this piece of equipment will far exceed the purchase price, and

WHEREAS, this equipment will also be utilized to complete water system maintenance and other Capital Improvement Projects where access is limited to smaller equipment, and

WHEREAS, the Purchasing Division issued RFB 1718-20 for the purchase of one new mini excavator on the City's website and five companies chose to respond, and

WHEREAS, all five companies provided responsive and responsible bids, and software was a critical component of the bid documents, based on providing the overall lowest responsive and responsible bid, staff recommends the award of bid for the purchase of one new mini excavator to Volvo Construction Equipment and Services, Turlock, CA for a total not to exceed \$50,390, and

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of one mini excavator to Volvo Construction

Equipment and Services, Turlock, CA for a total cost not to exceed \$50,390.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-143**

RESOLUTION APPROVING A GRANT OF TEMPORARY CONSTRUCTION EASEMENT TO THE CITY OF TURLOCK FOR 1.13 ACRES (49,439 SQUARE FEET) PORTION OF REAL PROPERTY, LOCATED AT 4000 WEST MAIN AVENUE IN MODESTO (APN 058-001-001), FOR THE NORTH VALLEY REGIONAL RECYCLED WATER PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT OF TEMPORARY CONSTRUCTION EASEMENT

WHEREAS, the City of Modesto is the lead agency for the North Valley Regional Recycled Water Project (the Project), and

WHEREAS, the Project will convey treated wastewater via pipeline from the City's Jennings Treatment Facilities to the Delta-Mendota Canal via a new pump station and underground pipelines, to serve irrigation customers of the Del Puerto Water District (DPWD), and

WHEREAS, the City of Turlock is a participant in the project and will deliver treated wastewater from Turlock to the Jennings Treatment Facilities pump station via pipeline, located at Jennings Ranch in Modesto (APN 022-001-005), and

WHEREAS, on March 6, 2018 by Resolution 2018-105 the City of Modesto approved an easement agreement with Turlock to route its pipeline through Modesto's Jennings Ranch to Modesto's North Valley Regional Recycled Water Treatment Pump Station, and

WHEREAS, Turlock's treated wastewater will be added to Modesto's treated wastewater and delivered to the Del Puerto Water District's Delta-Mendota Canal, and

WHEREAS, on July 7, 2015 by Resolution 2015-239, Modesto certified the Final Master Environmental Impact Report for the North Valley Regional Recycled Water Project in accordance with the California Environmental Quality Act (CEQA), and

WHEREAS, the City of Modesto, the owner of the Subject Property, has agreed to grant to the City of Turlock a Temporary Construction Easement to allow an area for material staging and other construction activities on a 1.13 acres (49,439 square feet) portion of City of Modesto's property adjacent to West Main Avenue in Jennings Ranch, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Grant of Temporary Construction Easement to the City of Turlock for a temporary construction easement, over 1.13 acres (49,439 square feet) area of the Subject Property located at Jennings Ranch in Modesto (APN 058-001-001), for the North Valley Regional Recycled Water Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Grant of Temporary Construction Easement, and all related documents required.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-144**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE DEL RIO REPLACEMENT WELL 271 PROJECT, ACCEPTING THE BID, AND APPROVING A CONTRACT WITH NOR-CAL PUMP & WELL DRILLING, INC. OF YUBA CITY, CA IN THE AMOUNT OF \$426,417, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the Del Rio Replacement Well 271 Project, and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the Del Rio Replacement Well 271 Project were opened at 11:00 a.m. on February 13, 2017 for the consideration of the Council, and

WHEREAS, the Director of Utilities has recommended that the bid of \$426,417 received from Nor-Cal Pump & Well Drilling, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to Nor-Cal Pump & Well Drilling, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the specifications for the Del Rio Replacement Well 271 Project, accepts the bid of \$426,417, and awards Nor-Cal Pump & Well Drilling, Inc. of Yuba City, CA, the contract for the Del Rio Replacement Well 271 Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

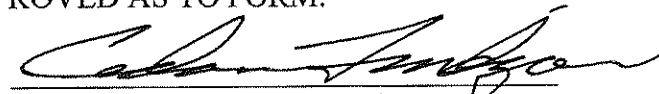
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-145**

**RESOLUTION AUTHORIZING AN INCREASE IN THE DIRECTOR'S
AUTHORITY TO ISSUE CHANGE ORDERS FOR THE DEL RIO
REPLACEMENT WELL 271 PROJECT FROM 10 PERCENT (\$42,642) TO 25
PERCENT (\$106,604) OF THE CONSTRUCTION CONTRACT AMOUNT**

WHEREAS, on April 3, 2018, the City Council is concurrently awarding a \$426,417 contract Nor-Cal Pump & Well Drilling, Inc., of Yuba City, CA, for the construction of the Del Rio Replacement Well 271 Project, and

WHEREAS, the City owns and operates the outlying water system in the community of Del Rio, and

WHEREAS, given the nature of the project, additional work may be needed to address unexpected conditions that require changes in project scope that may exceed the Director's change order authority of 10%, as established by the Council's Change Order Approval Policy adopted by Resolution No. 94-443, and

WHEREAS, the Director of Utilities currently has authority to approve change orders up to a cumulative amount of 10% (\$42,642), and

WHEREAS, staff recommends that the Director's change order authority be increased to 25% (\$106,604).

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Director of Utilities to issue change orders for the Del Rio Replacement Test Well Project from 10 percent (\$42,642) to 25 percent (\$106,604) of the construction contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-146**

RESOLUTION IN SUPPORT OF THE REDUCING CRIME AND KEEPING CALIFORNIA SAFE ACT OF 2018

WHEREAS, in 2011, Assembly Bill (AB) 109, Public Safety Realignment, was passed in California in order to comply with a federal court order to reduce the California prison population by altering the criminal justice system and shifting housing for low level offenders from state prisons to local county jails, and transferring the community supervision of designated parolees from the California Department of Corrections and Rehabilitation (CDCR) to local county probation departments; and

WHEREAS, in 2014 Proposition 47, the Safe Neighborhoods and Schools Act was passed as a follow-up to AB 109 to reduce prison spending and further reduce the prison population, which resulted in reduced penalties for certain “non-serious, non-violent crimes” from felonies to misdemeanors, and allowed certain offenders for one or more of the specified crimes, to apply for a reduced sentence; and

WHEREAS, Proposition 47 created a Safe Neighborhoods and Schools Fund that would receive appropriations based on the state savings; and

WHEREAS, since the passage of these legislations, California has had the largest increase in violent crime compared to the rest of the nation, and second highest increase in theft and property crimes between 2014 and 2016; and

WHEREAS, in 2015, the value of stolen property totaled \$2.5 billion, a 13% increase from 2014, according to the California Department of Justice; and

WHEREAS, in October 2017, a statewide ballot measure was filed with the Secretary of State by the California Public Safety Partnership (CAPSP), public safety

leaders, crime victims, child advocates and business leaders, in an attempt to fix the problems brought forth by recent criminal justice reforms; and

WHEREAS, the Reducing Crime and Keep California Safe Act of 2018 seeks to address the unintended consequences of previous California legislation and increase opportunities for rehabilitation, while lowering recidivism and incarceration rates; and

WHEREAS, revisions will include reforms to laws so felons who violate the terms of their release be brought back to court and held accountable for such violations, enact reforms for those who repeatedly steal to support their drug problem requiring them to enter into existing drug treatment programs, restores DNA collection from persons convicted of theft and drug offenses, and protects safeguards that protect the privacy of individuals by allowing for the removal of their DNA profile if they are not charged with a crime, are acquitted or are found innocent.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby supports the Reducing Crime and Keeping California Safe Act of 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 3rd day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

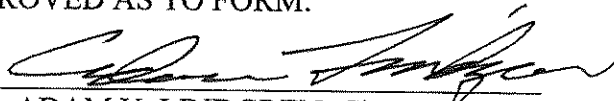
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-147**

**RESOLUTION REAPPOINTING EDITH AWUAH AS A VOLUNTEER
ADMINISTRATIVE HEARING OFFICER**

WHEREAS, on February 9, 2010, Council formally appointed six Administrative Hearing Officers including, Ms. Awuah; and

WHEREAS, due to her professional workload she resigned from her hearing officer duties in May of 2012; and

WHEREAS, Ms. Awuah has recently offered to be reappointed; and

WHEREAS, reappointing Ms. Awuah will allow us to schedule hearings in a more efficient manner, have an alternate in case of a conflict of interest challenge and take some of the burden off of our only remaining hearing officer.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the reappointment of Edith Awuah as a volunteer hearing officer.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-148**

**RESOLUTION APPROVING THE SUBMITTAL OF A GRANT APPLICATION
TO THE FEDERAL TRANSIT ADMINISTRATION FOR SECTION 5339
TRANSIT FUNDS IN THE AMOUNT OF \$1,014,188**

WHEREAS, the Federal Transit Administration (FTA) has been delegated authority to award federal financial assistance for transportation related projects, and

WHEREAS, the City has provided all annual certifications and assurances required by the FTA to be eligible for funding under 49 U.S.C Section 5339, and

WHEREAS, the City has chosen to utilize these funds for the improvement of the downtown Transportation Center, and

WHEREAS, the Transportation Improvement project is included in the 2017 Federal Transportation Improvement Program (FTIP) adopted by the Stanislaus Council of Governments (StanCOG), and

WHEREAS, Modesto is eligible to use federally approved Transportation Development Funds, known as Toll Credits, in lieu of a local match.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the submittal of an application to the FTA for \$1,014,188 in Section 5339 funds.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-149**

**RESOLUTION APPROVING A LIST OF PROJECTS TO BE SUBMITTED TO
THE CALIFORNIA TRANSPORTATION COMMISSION FOR POTENTIAL
FUNDING WITH ROAD REPAIR AND ACCOUNTABILITY TAX (SB1)
PROCEEDS IN FISCAL YEAR 2018-2019**

WHEREAS, on April 28, 2017, the Governor signed Senate Bill (SB) 1, which is known as the Road Repair and Accountability Act of 2017, and

WHEREAS, the primary focus of that Bill is to address basic road maintenance, rehabilitation and critical safety needs on both the state highways and local streets and road systems, and

WHEREAS, beginning November 1, 2017, the State Controller's Office will deposit various portions of this new funding into the new created Road Maintenance and Rehabilitation Account (RMRA), and

WHEREAS, Council by Resolution No. 2017-355 approved a list of projects to be funded with RMRA proceeds, and

WHEREAS, additionally, Council by Resolution No. 2018-15 approved the Maintenance of Effort (MOR) related to Measure L and Senate Bill 1 RMRA proceeds, and

WHEREAS, one of the criteria for funding of RMRA proceeds requires cities to submit an approved project list by May 1, 2018 for FY 2018-19, and

WHEREAS, the proposed project list must be adopted by the Council to be eligible for funding, and

WHEREAS, the project includes a project list of Slurry Seal, Crack Seal, Asphalt Repairs (dig outs), Traffic Signal and Street Lighting Maintenance and Traffic Signs and

Striping Maintenance, and

WHEREAS, on March 26, 2018, this item was presented to the Finance Committee, and recommended to Council for approval.

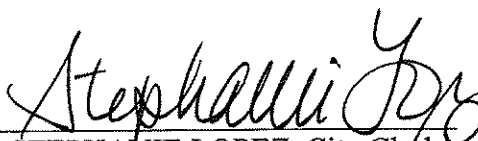
NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a list of projects to be submitted to the California Transportation Commission for potential funding with Road Repair and Accountability Tax (SB1) proceeds in Fiscal Year 2018-2019.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-150**

RESOLUTION APPROVING AN ON-CALL AGREEMENT WITH KRAZAN ASSOCIATES, INC., FOR MATERIALS TESTING AND SPECIAL INSPECTION SERVICES, FOR A TWO YEAR TERM, NOT TO EXCEED \$74,500, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, City staff finds it necessary to utilize the services of a materials testing firm during the course of administering the construction on public improvement projects, and

WHEREAS, the testing services are required to help achieve compliance with the specification requirements of the various projects, and

WHEREAS, staff does not have the required equipment or certifications to perform all the required testing services, and

WHEREAS, bids were opened on March 6, 2018, for the On-call Special Inspection and Material Testing Services agreement, and

WHEREAS, the firm of Krazan & Associates, Inc., was one of two low responsive bidders,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a two year Agreement with Krazan & Associates, Inc., to perform Special Inspection and Material Testing Services for various Capital Improvement projects, in an amount not to exceed \$74,500.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

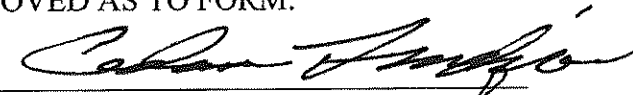
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-151**

**RESOLUTION APPROVING AN ON-CALL AGREEMENT WITH
CONSTRUCTION TESTING SERVICES, FOR MATERIALS TESTING AND
SPECIAL INSPECTION SERVICES, FOR A TWO YEAR TERM, NOT TO
EXCEED \$74,500, AND AUTHORIZING THE INTERIM CITY MANAGER OR
HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, City staff finds it necessary to utilize the services of a materials testing firm during the course of administering the construction on public improvement projects, and

WHEREAS, the testing services are required to help achieve compliance with the specification requirements of the various projects, and

WHEREAS, staff does not have the required equipment or certifications to perform all the required testing services, and

WHEREAS, proposals were opened on March 6, 2018, for the On-call Special Inspection and Material Testing Services agreement, and

WHEREAS, the firm of Construction Testing Services, Inc., was one of two low responsive bidders,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a two year Agreement with Construction Testing Services, Inc., to perform Special Inspection and Material Testing Services for various Capital Improvement projects, in an amount not to exceed \$74,500.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

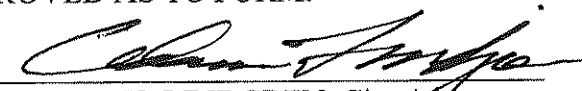
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-152**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE CURRENT CONTRACT WITH KRAZAN AND ASSOCIATES, INC., FOR SPECIAL INSPECTION AND TESTING SERVICES, FOR \$25,000, FOR A TOTAL AMOUNT NOT TO EXCEED \$75,000, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, City staff finds it necessary to utilize the services of a materials testing firm during the course of administering the construction on public improvement projects, and

WHEREAS, the testing services are required to help achieve compliance with the specification requirements of the various projects, and

WHEREAS, staff does not have the required equipment or certifications to perform all the required testing services, and

WHEREAS, October 30, 2017, the City approved an Agreement with Krazan & Associates, Inc., to perform On-call Special Material Testing Services on various City of Modesto, in an amount not to exceed \$50,000, and

WHEREAS, the current contract is with only one consultant, Krazan and Associates, Inc. and this contract is set to expire in August 2018, however, because the latest RFQ included updated and new requirements in the proposed agreements, staff recommends closing the current agreement, and

WHEREAS, in this last year, the amount of construction projects has increased which caused a subsequent increase for materials testing and special inspection, therefore it is necessary to amend the current budget and close out the agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a First Amendment to the current agreement with Krazan & Associates, Inc., for On-call Special Material Testing Services for various Capital Improvement Program projects in the amount of \$25,000 for a total amount not to exceed \$75,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

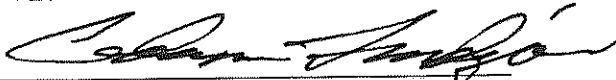
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-153**

**RESOLUTION APPROVING THE APPOINTMENT OF PATRICK CAVANAH
TO THE CITY OF MODESTO CULTURE COMMISSION AS A VOTER
RESIDING IN THE CITY OF MODESTO, WITH A TERM EXPIRATION OF
APRIL 24, 2022**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Appointments Committee met on March 22, 2018 and recommended appointment of Patrick Cavanah to the Modesto Culture Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto as follows:

1. Patrick Cavanah is hereby appointed to the Modesto Culture Commission as a City of Modesto resident with a term expiration of April 24, 2022.
2. The City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Culture Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-154**

RESOLUTION APPROVING A HOMEBUYER ASSISTANCE LOAN IN AN AMOUNT NOT TO EXCEED \$60,000, INCLUDING GAP FINANCING AND RELATED CLOSING COSTS, FOR LORENZO VILLEGAS AND ANA VILLEGAS FOR THE PURCHASE OF PROPERTY LOCATED AT 2324 DORA STREET, MODESTO, CALIFORNIA, 95354, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE DOCUMENTS

WHEREAS, the City established the Down Payment Assistance Program in 1994 funded with Housing and Urban Development funds to assist low- and moderate- income households to enter into homeownership, and

WHEREAS, on January 24, 2017, by Resolution 2017-28, the Housing and Urban Development Policies and Procedures Manual was updated to increase the amount the borrower could request based upon Home Investment Partnership Program (HOME) funding guidelines, such as, area median income (AMI) limits, and minimum required contributions to closing costs, and

WHEREAS, the Homebuyer Assistance Program is designed to assist qualifying First Time Homebuyers whose income is 80% or below the Area Median Income, and

WHEREAS, eligible costs include up to \$60,000 in gap financing, up to five percent (5%) of the purchase price may be used to pay non-recurring closing costs, and

WHEREAS, financial assistance is available in the form of low interest loans, secured by Deeds of Trust and recorded against the property for 30 years, and

WHEREAS, on December 7, 2017, Ana Villegas, the applicant, met with staff and submitted an application for the Homebuyers Assistance Program in the amount of \$60,000, and

WHEREAS, Staff reviewed the application and conditionally approved the application based on the requirements listed in Housing and Urban Development Policies and Procedures Manual, and

WHEREAS, the approved homebuyer identified the property at 2324 Dora Street, Modesto, CA 95350 as a potential home purchase, and

WHEREAS, staff completed an assessment of the property including a Housing Quality Standards Inspection, and an Environmental Assessment, and

WHEREAS, the Homebuyer Assistance Program request of \$60,000 for gap financing and closing costs for 2324 Dora Street was presented to the Housing Rehabilitation Loan Committee on March 22, 2018 and recommended for approval, and

WHEREAS, the loan will be secured on the property through a deed of trust and shall accrue interest at a rate of 3% simple interest for the first 20 years, and zero percent interest for the remaining 10 year terms, and

WHEREAS, the payment is deferred for 30 years, but voluntary payments are encouraged, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Homebuyer Assistance Loan in an amount not to exceed \$60,000, including gap financing and related closing costs, for Lorenzo Villegas and Ana Villegas for the purchase of property located at 2324 Dora Street, Modesto, California, 95354.

BE IT FURTHER RESOLVED that the Interim City Manager or his designee, is hereby authorized to execute the documents, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-155**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT PROJECT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

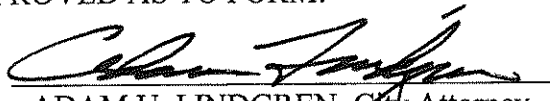
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

POLICE DEPARTMENT

A budget adjustment is necessary to amend the Stanislaus Drug Enforcement Agency (SDEA) budget as approved in Fund 6600, JPA - SDEA Fund, by the SDEA board on 2/21/18 which included removing Modesto Police Department (MPD) Officers as of 12/26/17. SDEA's Operation revenues are decreased by \$398,857 and the expenses are decreased by \$423,546. SDEA's Grant revenue and expenses are decreased by \$89,476. Also increasing General Fund for Salary and Benefits in MPD Investigative Services for 6 months of 1 Police Officer in the amount of \$97,542 and MPD Field Operations for 6 months of 1 Police Lieutenant in the amount of \$108,009.

UTILITIES

A budget adjustment in the amount of \$1,512,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Wastewater Fund, 4210, for Crows Landing Sewer Trunk (CIP# 101100). This project will replace the existing 30-inch diameter Crows Landing Sewer Trunk located east of the Tuolumne River and west of Crows Landing Road. Based on inspection, the trunk line shows excessive signs of corrosion and deterioration and need of immediate replacement.

A budget adjustment in the amount of \$737,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Wastewater Fund, 4210, for Stan-Food CSL Trunk Replacement (CIP# 101101). This project will replace the existing 24-inch diameter cannery segregation trunk line that serves Stanislaus Food as well as the Parshall Flume used for flow measuring. The trunk line is located on 12th Street and Morton Blvd. Based on inspection, the trunk line shows excessive signs of corrosion and deterioration. Design needs to be expedited to allow construction following cannery season.

A budget adjustment in the amount of \$1,300,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Wastewater Fund, 4210, for River Trunk Section Repair (CIP# 101103). This project will replace the existing 36-inch diameter section of the River Trunk that was installed as an emergency repair in 2017. Due to a collapse in the River Trunk, approximately 1100 feet of 36-inch diameter pipe was inserted into the existing 48-inch diameter pipe as a temporary repair to maintain service of the trunk line. The reduction in pipe size has created capacity limitations. This project will provide the permanent repair with appropriate diameter pipe.

A budget adjustment in the amount of \$2,127,000 is needed to establish a new Capital Improvement Project (CIP) and amend the FY17-18 CIP Budget in the Wastewater Fund, 4210, for West Trunk Crossing HWY 132 (CIP# 101102). This project will replace the existing 54-inch diameter West Trunk crossing at the proposed Highway 132 West alignment as well as install a secondary parallel trunk line for redundancy and reliability.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-156**

RESOLUTION APPROVING A LEASE AGREEMENT WITH SUZANNE MCELROY FOR THE MODESTO POLICE DEPARTMENT PROPERTY AND EVIDENCE BUILDING LOCATED AT 1124 F STREET, MODESTO, CA FOR AN AMOUNT NOT TO EXCEED \$3,300 MONTHLY, \$39,600 ANNUALLY AND \$198,000 OVER THE FIVE-YEAR TERM AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE LEASE AGREEMENT

WHEREAS, the City leases property at 1124 F Street for the Police Department's Property and Evidence Building; and

WHEREAS, the current lease was a five year lease with Roger McElroy, for \$3,300 monthly and expired on April 30, 2018; and

WHEREAS, Roger McElroy passed away on November 10, 2015, transferring ownership of the property to his surviving spouse, Suzanne McElroy; and

WHEREAS, the new lease agreement will be a five-year term, for an amount not to exceed \$3,300 monthly, \$39,600 annually.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Modesto that it hereby approves the Lease Agreement with Suzanne McElroy for the Modesto Police Department Property and Evidence Building located at 1124 F Street, Modesto, CA, for an amount not to exceed \$3,300 monthly, \$39,600 annually, and \$198,000 over the five-year term.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the lease agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

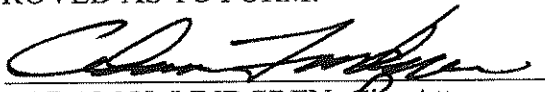
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-157**

**RESOLUTION DECLARING THE CITY-OWNED PARCEL LOCATED ON 119
G STREET IN EMPIRE (APN 133-016-007) AS SURPLUS PROPERTY**

WHEREAS, the City of Modesto owns real property in Empire, and

WHEREAS, the property is located on 119 G Street, with an APN of 133-016-007, and

WHEREAS, the property contains an area of approximately 14,000 square feet, and

WHEREAS, this property was originally purchased in 1995 as part of the purchase of several properties from Del Este Water Co and was used as City Well Site 311, and

WHEREAS, the well is no longer in use and has been destroyed and the property has been cleared of all equipment and is now vacant, and

WHEREAS, there are no other current or future uses for this property by the City, and

WHEREAS, other public agencies were notified of leasing or purchasing the property as required by Government Code 54222 and no replies were received, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the real property located on 119 G Street (APN 133-016-007) be declared as surplus property.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-158**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH MARK LITTLE AND JOAN LITTLE, HUSBAND AND WIFE, FOR SALE OF 14,000 SQUARE FEET OF SURPLUS REAL PROPERTY, LOCATED AT 119 G STREET, IN EMPIRE, (APN 133-016-007), AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, THE GRANT DEED AND ALL RELATED DOCUMENTS REQUIRED TO CLOSE ESCROW

WHEREAS, the City of Modesto has a number of older well sites, and

WHEREAS, certain well sites eventually become unusable due to age and increased maintenance factors, and

WHEREAS, well 311 was purchased as an operational well from the Del Este Water Company in 1995, and

WHEREAS, well 311 reached its operational life in 2004 and was destroyed according to requirements of the Modesto Municipal Code and California Well Standards Bulletin 74-90 (Supplement to Bulletin 74-81), and

WHEREAS, the surplus parcel was listed for sale with the City's real estate broker and a buyer has agreed to purchase the property for \$40,000 and has placed a purchase deposit, and

WHEREAS, an agreement is needed for the sale of the property to the buyer and City staff recommends approving the Purchase and Sale Agreement for sale of the property.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Purchase and Sale Agreement with Mark Little and Joan Little, for the sale of the property for \$40,000, consisting of approximately 14,000 square feet, located at 119 G Street in Empire (APN 133-016-007).

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, the Grant Deed, and all related documents required to close escrow.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-159**

RESOLUTION CONFIRMING DETACHMENT OF A NON-CONTIGUOUS CITY PROPERTY LOCATED AT 119 G STREET IN EMPIRE (APN 133-016-007), REVERTING THE PROPERTY BACK TO UNINCORPORATED STATUS WITHIN THE COUNTY OF STANISLAUS AND AUTHORIZING APPLICATION TO THE STANISLAUS LOCAL AGENCY FORMATION COMMISSION TO ANNEX THE TERRITORY BACK TO THE STANISLAUS CONSOLIDATED FIRE PROTECTION DISTRICT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ANY AND ALL NECESSARY DOCUMENTS REQUIRED FOR CITY DETACHMENT AND APPLICATION FOR ANNEXATION TO THE STANISLAUS CONSOLIDATED FIRE PROTECTION DISTRICT

WHEREAS, the City of Modesto owns real property on 119 G Street in Empire (APN 133-016-007), and

WHEREAS, this property was purchased by the City from the Del Este Water Company in 1995 for Well Site No. 311, and

WHEREAS, the property was approved for non-contiguous annexation into the City of Modesto's boundaries by the Stanislaus Local Agency Formation Commission Resolution 2000-09, effective August 22, 2000, and included simultaneous detachment from the Stanislaus Consolidated Fire Protection District, and

WHEREAS, Well Site No. 311 was abandoned and destroyed in accordance with the Modesto Municipal Code and California Well Standards, and

WHEREAS, the property is now surplus and sold by the City, and

WHEREAS, Government Code Section 56742(g) requires the City of Modesto to adopt a resolution confirming the detachment of the non-contiguous property, and

WHEREAS, detachment of the property from the City also necessitates an application to annex the territory back to the jurisdiction of the Stanislaus Consolidated Fire Protection District, and

WHEREAS, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 of the Government Code, the City of Modesto, as an affected agency, may initiate proceedings with the Stanislaus Local Agency Formation Commission, for the annexation of the territory to the Stanislaus Consolidated Fire Protection District, and

WHEREAS, the detachment of territory from the City and annexation to the Stanislaus Consolidated Fire Protection District are considered exempt from the California Environmental Quality Act under the General Rule, Section 15061(b)(3) as it can be seen with certainty that there will not be a significant effect on the environment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes and confirms the detachment of the property from the City limits upon sale of the property.

BE IT FUTHER RESOLVED by authorizing the Interim City Manager, or his designee, to execute any and all necessary documents required for City detachment and application for annexation to the Stanislaus Consolidated Fire Protection District.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-160**

RESOLUTION REJECTING ALL BIDS FOR THE MODESTO POLICE DEPARTMENT'S HEATING, VENTING AND AIR CONDITIONING RENOVATION PROJECT FOR THE DEPARTMENT'S OPERATIONS BUILDING AND AUTHORIZING STAFF TO RE-ADVERTISE THE PROJECT AT A FUTURE DATE WITH AN AMENDED SCOPE OF WORK

WHEREAS, the bids received for the Modesto Police Department Heating, Venting and Air Conditioning Renovation Project (Operations Building) were opened at 11:00 a.m. on April 3rd, 2018, and later tabulated by the Director of Utilities for the consideration of the Council, and

WHEREAS, the one bid was 67.29% above the engineer's estimate, and was determined to be non-responsive due to a material irregularity, and

WHEREAS, the Utilities Department staff determined that it would be in the best interest of the City to reject all bids and re-advertise the project to clarify the scope of work and evaluate options to reduce construction costs, and,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received for the Modesto Police Department's Heating, Venting and Air Conditioning Renovation Project for the Departments Operations Building

BE IT FURTHER RESOLVED that staff is hereby authorized to re-advertise the project at a future date with an amended scope of work.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-161**

RESOLUTION APPROVING ADDITIONAL ONE-TIME SOFTWARE IMPLEMENTATION COSTS ASSOCIATED WITH THE COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEMS FROM LUCITY, INC., OVERLAND PARK, KS, FOR \$4,500, AND ESRI GIS FROM ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC., REDLANDS, CA, FOR \$17,200, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO EXECUTE A PURCHASE AGREEMENT

WHEREAS, on January 12, 2016, by Resolution No. 2016-08, Council approved an agreement with Lucity Inc., Overland Park, KS (Lucity), for the purchase and implementation of a Computerized Maintenance Management System (CMMS) for Wastewater Collections to improve critical business processes using the most effective and efficient system to support utility operations, and

WHEREAS, in March 2017, the implementation of the Lucity CMMS was completed and included the use of Lucity Mobile which provides crews within Wastewater Collections the ability to receive, create, and complete work orders in real time at the work location, and

WHEREAS, the Lucity CMMS is fully integrated with the City's Graphical Information System (GIS), which enables crews to display work orders on a GIS map of the city and thus greatly increases work efficiencies, and

WHEREAS, by using the Lucity CMMS, Wastewater Collections can now effectively manage assets, respond to customer requests, conduct preventive maintenance, and manage work orders related to the sanitary sewer and storm drainage systems, and

WHEREAS, on March 13, 2018, by Resolution No. 2018-117, Council approved the procurement of a Utilities Department enterprise license and the implementation of

two Computerized Maintenance Management Systems for the Water Division and Wastewater Environmental Compliance Section with Lucity, Inc., Overland Park, KS, for an initial cost of \$276,075, and a total cost not to exceed \$439,100 over five years, and

WHEREAS, also by Resolution No. 2018-117, Council approved the procurement of a department enterprise license for ESRI GIS from Environmental Systems Research Institute, Inc., Redlands, CA, for an initial cost of \$60,000, and a total cost not to exceed \$310,000, and

WHEREAS, since the Council's approval of the enterprise licenses for Lucity and ESRI GIS, IT staff discovered the software implementation costs were inadvertently left off to install and configure a new ESRI department enterprise license as well as ensuring the new Portal environment necessary for the mapping component for Lucity, and

WHEREAS, the cost for the ESRI department enterprise configuration is \$17,200, additionally, to ensure proper integration of the ESRI configuration, IT Staff is requesting additional Lucity on-site support for \$4,500, and

WHEREAS, total additional one-time costs will be \$21,700, and

WHEREAS, the ESRI department enterprise licensing scheme is a completely separate and brand new environment/format from our existing City of Modesto GIS, and

WHEREASE, IT Staff will need to have ESRI/Lucity staff onsite to make sure the new environments are setup correctly and are able to communicate with each other as well as the existing City of Modesto GIS; this will ensure a successful roll out of Lucity application, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the additional one-time software implementation costs associated

with the Computerized Maintenance Management Systems from Lucity, Inc., Overland Park, KS, for \$4,500, and ESRI GIS from Environmental Systems Research Institute, Inc., Redlands, CA, for \$17,200, and

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to execute a purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 24th day of April, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

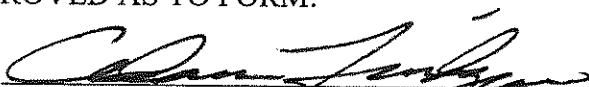
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-162**

**RESOLUTION APPROVING THE APPOINTMENT OF AMEET BIRRING AS
THE PLANNING COMMISSION REPRESENTATIVE TO THE CITIZENS
HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE (CH&CDC)
WITH A TERM EXPIRATION OF JANUARY 1, 2019**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, on March 19, 2018, the Planning Commission recommended Ameet Biring as its representative to the Citizens Housing and Community Development Committee,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Modesto that Ameet Biring is hereby appointed as the 2018 Planning Commission representative to the Citizens Housing and Community Development Committee, with a term expiration of January 1, 2019.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Citizens Housing and Community Development, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki,
Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STÉPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-163**

**RESOLUTION APPOINTING NICHOLAS SOTTERO TO THE DISABLED
ACCESS APPEALS BOARD WITH A TERM EXPIRATION OF JANUARY 1,
2022**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Appointments Committee met on March 22, 2018, and recommended the appointment of Nicholas Sottero to the Disabled Access Appeals Board.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that Nicholas Sottero is hereby appointed to the Disabled Access Appeals Board with a term expiration of January 1, 2022.

BE IT FURTHER RESOLVED, the City Clerk is hereby directed to transmit a copy of this resolution to the appointed members of the Disabled Access Appeals Board.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-164**

**RESOLUTION APPOINTING JOHN BERGMAN TO THE BOARD OF
BUILDING APPEALS WITH A TERM EXPIRATION OF JANUARY 1, 2022**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Appointments Committee met on March 22, 2018, and recommended the appointment of John Bergman to the Board of Building Appeals.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby appoints John Bergman to the Board of Building Appeals with a term expiration of January 1, 2022.

BE IT FURTHER RESOVLED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed members of the Board of Building Appeals.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

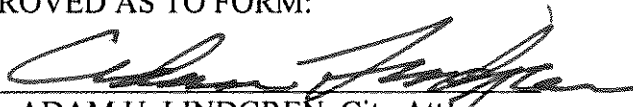
NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-165**

RESOLUTION AUTHORIZING SUBMITTAL OF A GRANT APPLICATION TO SEEK GRANT FUNDING FOR THE STATE ACTIVE TRANSPORTATION PROGRAM CYCLE 4 GRANT IN THE AMOUNT OF \$4,800,000 FOR THE ENCINA AVENUE AND LINCOLN AVENUE PEDESTRIAN/BICYCLE TRAIL CORRIDOR PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO CONDUCT ALL NEGOTIATIONS, EXECUTE AND SUBMIT ALL DOCUMENTS

WHEREAS, the State Active Transportation Program was created by Senate Bill 99 (Chapter 359, Statutes of 2013) and Assembly Bill 101 (Chapter 354, Statutes of 2013) to encourage increased use of active modes of transportation, such as biking and walking, and

WHEREAS, Pursuant to the statutes, the goals of the Active Transportation Program are to:

- Increase the proportion of trips accomplished by biking and walking
- Increase the safety and mobility of non-motorized users
- Advance the active transportation efforts of regional agencies to achieve greenhouse gas reduction goals as established pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) and Senate Bill 391 (Chapter 585, Statutes of 2009)
- Enhance public health, including reduction of childhood obesity through the use of programs including, but not limited to, projects eligible for Safe Routes to School Program funding
- Ensure that disadvantaged communities fully share in the benefits of the program

WHEREAS, staff is seeking approval to submit a grant application for State Active Transportation Program Cycle 4 grant funding in the amount of \$4,800,000 by proposing a 2.6 mile pedestrian/bicycle path East-West along Encina Avenue from N. Conejo Avenue to Lincoln Avenue and North-South along Lincoln Avenue from Dry Creek Trail to Yosemite Boulevard, and

WHEREAS, all improvements are planned to be within existing public right-of-way with no anticipated land acquisition, and

WHEREAS, the ATP Cycle 4 grant program is competitive and requires an extensive application with considerable community engagement. This application will be prepared by a consultant that will be selected from a pre-qualified consultant list approved by Council on November 14, 2017 by Resolution No. 2017-439. The consultant/City Staff will utilize \$35,000 from the CFF-Air Quality fund to complete the application process, and

WHEREAS, as part of the application process, staff will conduct community outreach meetings which are intended for citizens, stakeholders and school representatives from within the project area to identify and discuss pedestrian and traffic calming project improvements. Schools include Capistrano Elementary, El Vista Elementary and La Loma Junior High, and

WHEREAS, on March 1, 2018 staff presented to the Citizens Transportation Sale Tax Commission the Encina Avenue and Lincoln Avenue Pedestrian/Bicycle Trail Corridor Project and received positive feedback regarding the project and the use of local Measure L funds as a source of match money, and

WHEREAS, on March 12, 2018, the Safety & Communities Committee heard this item and recommended this item be forwarded to Council for approval,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the filing of an application for the development of the Encina Avenue and Lincoln Avenue Pedestrian/Bike Trail Corridor Project; and

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is the authorized agent to conduct all negotiations, execute and submit all documents including, but not limited to applications, agreements, payment requests, etc., with approval as to form by the City Attorney, which may be necessary for the completion of the aforementioned project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-166**

**RESOLUTION APPROVING AMENDMENT NO. 7 TO THE KIERNAN
BUSINESS PARK SPECIFIC PLAN TO CHANGE THE LAND USE
DESIGNATION OF 2.8 ACRES FROM OFFICE (O) USES TO REGIONAL
COMMERCIAL (RC) USES, PROPERTY LOCATED ON PELANDALE
AVENUE EAST OF CHAPMAN ROAD**

WHEREAS, Government Code Section 65450 et. seq. permits cities and counties to adopt specific plans for the systematic implementation of the General Plan and to provide for a greater level of detail in planning sites or areas of special interest or value, and

WHEREAS, on April 1, 1997, the Council by Resolution No. 97-159 adopted the Kiernan Business Park Specific Plan, and

WHEREAS, Government Code Section 65453 permits the amendment of specific plans as often as deemed necessary by the legislative body, and

WHEREAS, on November 4, 1997, the Council by Resolution No. 97-631 adopted Amendment No. 1 to the Kiernan Business Park Specific Plan to add language to allow for changes in utility service providers, and

WHEREAS, on April 7, 1998, the Council by Resolution No. 98-170 adopted Amendment No. 2 to the Kiernan Business Park Specific Plan to add language to permit indoor theaters in the Regional Commercial Designation within a Planned Development Zone, and

WHEREAS, on August 10, 2004, the Council by Resolution No. 2004-424 adopted Amendment No. 3 to modify the land use and circulation diagrams and development standards for the Kaiser Medical Center site, to revise the planned street

system in the future business park, and to incorporate design standards into the Specific Plan, and

WHEREAS, on September 1, 2009, the Council by Resolution No. 2009-420 adopted Amendment No. 4 to re-designate 39 acres located on the east side of Dale Road between Kiernan Avenue and Bangs Avenue from Business Park to Mixed Use and Medium-High Density Residential, to modify the circulation plan, incorporate Mixed Use and Medium-High Density Residential design standards and guidelines, and establish facilities plans for the area bounded by Kiernan Avenue, Dale Road, Bangs Avenue, and American Avenue, and

WHEREAS, on December 15, 2015, the Council by Resolution No. 2015-499 adopted Amendment No. 5 to amend storm drain provisions and to clarify and simplify land use and development standard regulations, and

WHEREAS, on May 2, 2017 the Council by Resolution No. 2017-171 adopted Amendment No. 6 to further define allowable and conditional uses in the Business Park land use designation of the Specific Plan, particularly regarding ancillary uses, and

WHEREAS, Costa Partners Limited LP has filed an application to amend the Land Use Plan Diagram of the Kiernan Business Park Specific Plan to change the land use designation of 2.8 acres located on the north side of Pelandale Avenue east of Chapman Road from Office (O) to Regional Commercial (RC), and

WHEREAS, on March 19, 2018, at 6:00 p.m. the Planning Commission held a duly noticed public hearing in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, at which hearing evidence both oral and documentary was received and considered concerning the proposed specific plan amendment, and

WHEREAS, after said public hearing, the Modesto City Planning Commission by Resolution No. 2018-03, recommended to the City Council approval of the proposed Amendment No. 7 to the Kiernan Business Park Specific Plan to change the land use designation of 2.8 acres from Office (O) to Regional Commercial (RC), and

WHEREAS, said matter was set for a public hearing of the City Council to be held on May 1, 2018, in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, at which date and time said duly noticed public hearing was held, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that all recitals above are true and correct and incorporated as part of this Resolution.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby finds and determines as follows:

1. The proposed amendment to the Kiernan Business Park Specific Plan is consistent with the General Plan, because the General Plan Land Use Designation of the 2.8-acre amendment area is Regional Commercial (RC), which allows for commercial uses as described in the Regional Commercial (RC) land use designation of the Kiernan Business Park Specific Plan Land Use Plan Diagram.
2. The proposed amendment will conform to the Kiernan Business Park Specific Plan policies and standards because the policies already exist in the Specific Plan for the Regional Commercial land use designation.
3. The proposed amendment is compatible with surrounding and existing planned uses because the proposed land use changes allow for the establishment of regional commercial uses between existing regional commercial uses and a new medical office use that is currently under construction, and maintains for Office uses fifteen acres of land designated for Office (O) uses within the Specific Plan.
4. The proposed amendment to will not have a visual impact because the existing design guidelines of the Kiernan Business Park Specific Plan will apply to any development proposed on this site.
5. The proposed amendment will not have a significant traffic impact because the change of 2.8 acres from Office uses to Regional Commercial

uses would not change the Kiernan Business Park Amendment No. 4 EIR's conclusions regarding the intensity and location of significant traffic impacts.

6. The proposed amendment will not impact infrastructure or financing plan because no changes are proposed affecting either plan.
7. There are no substantial changes proposed in the Specific Plan amendment that will require major revisions of the Kiernan Business Park Specific Plan Amendment No. 4 Program EIR (SCH No. 2007062071).
8. There are no substantial changes occurring with respect to circumstances under which the Specific Plan amendment is being undertaken which will require major revisions in the Kiernan Business Park Specific Plan Amendment No. 4 Program EIR.
9. No new information, which was not known and could not have been known at the time the Kiernan Business Park Specific Plan Amendment No. 4 Program EIR was certified as complete, has become available.
10. The Initial Study, Environmental Assessment No. EA/C&ED 2018-03, provides the substantial evidence to support findings 2-4, noted above.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that the Kiernan Business Park Specific Plan is hereby amended to change the land use designation of 2.8 acres from Office (O) uses to Regional Commercial (RC) uses, property located on Pelandale Avenue east of Chapman Road, as shown on **Exhibit "A"** **attached** hereto and incorporated herein by reference.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal, Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

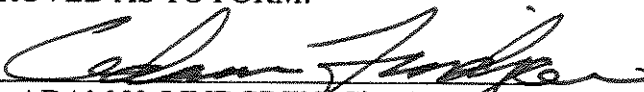
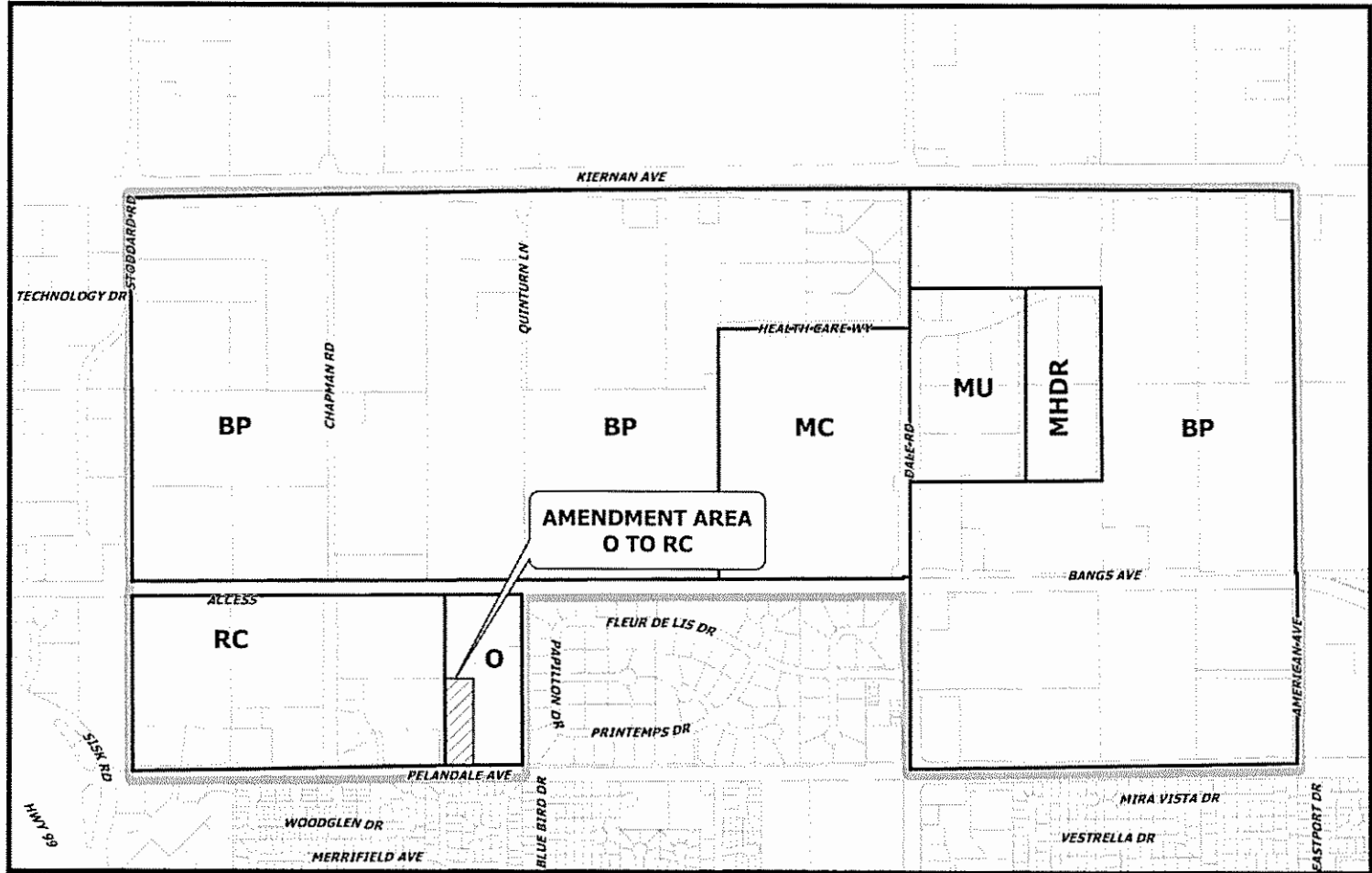
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Kiernan Business Park Specific Plan Amendment No. 7



KIERNAN BUSINESS PARK SPECIFIC PLAN
LAND USE PLAN DIAGRAM

- Regional Commercial (RC)
- Office (O)
- Medical Campus (MC)
- Med-High Density Residential (MHDR)
- Mixed Uses (MU)
- Business Park (BP)

Kiernan Business Park SP Boundary
 Parcels



SPA-18-001

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-167**

**RESOLUTION APPROVING THE CITY'S SPONSORSHIP OF THE 20TH
ANNUAL 2018 NORTH MODESTO KIWANIS GRAFFITI PARADE AND CAR
SHOW, INCLUDING THE WAIVER OF CITY PERMIT FEES, POLICE
DEPARTMENT OVERTIME AND VEHICLE COSTS, AND STREETS
DIVISION LABOR AND EQUIPMENT COSTS AT AN ESTIMATED COST OF
\$59,121**

WHEREAS, the North Modesto Kiwanis has sponsored this event for 19 years, with over 1,200 classic cars last year and 20,000 guests, and

WHEREAS, the parade and car show raised over \$130,000 to support local children's charities through scholarships, grants and multiple funding programs, and

WHEREAS, the annual event draws participants and spectators from miles around that benefit Modesto lodging, restaurants and entertainment venues, and

WHEREAS, staff is requesting Council approval to sponsor the 20th Annual 2018 North Modesto Kiwanis Graffiti Parade and Car Show, and

WHEREAS, the sponsorship will include the waiver of City permit fees, Police Department associated costs, and Streets Division associated costs, and

WHEREAS, Friday, June 8, 2018 the parade will start at 6:30 pm in Downtown Modesto and continue on to McHenry Avenue with a turn-around at McHenry and Briggsmore Avenues, and

WHEREAS, the car show on Saturday, June 9th and Sunday, June 10th will be located at the Modesto Municipal Golf Course, and

WHEREAS, the Police Department will provide public safety coverage and traffic control throughout this weekend event, and

WHEREAS, the Streets Division will set up road closures, signage and assist the

Modesto Police Department with traffic control, and

WHEREAS, the costs associated with the waiver of City permit fees, Police Department costs, and Streets Division costs for the 2018 parade and car show are estimated to be \$59,121 and will be absorbed in the departments' respective current fiscal year budget.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves sponsorship of the 20th Annual 2018 North Modesto Kiwanis Graffiti Parade and Car Show for a total estimated cost of \$59,121.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 1st day of May, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

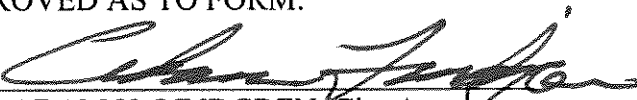
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-168**

**RESOLUTION ACCEPTING THE *DESTINATION MODESTO* REPORT FOR
THE SECOND QUARTER OF FISCAL YEAR 2017-18**

WHEREAS, in 2015, the City absorbed the functions of the Convention & Visitor's Bureau within the Community & Economic Development Department and a *Destination Modesto* Task Force was created and provided feedback on the marketing and promoting of travel, tourism and event/sports facilities and entertainment venues in the City, and

WHEREAS, Staff has provided quarterly reports to the Council since October 2015, and

WHEREAS, the reports have been expanded to include activity from the McHenry Mansion, McHenry Museum, all three (3) City-owned golf courses, and City parks, and

WHEREAS, the *Destination Modesto* Report – Second Quarter Fiscal Year 2017-18 continues to record such activity.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the *Destination Modesto* Report – Second Quarter Fiscal Year 2017-18.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-169**

**RESOLUTION APPROVING THE FINAL MAP AND SUBDIVISION
AGREEMENT OF VINTAGE UNIT ONE SUBDIVISION, AUTHORIZING THE
INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE A
SUBDIVISION AGREEMENT WITH THE OWNER, NRB INVESTMENTS, LLC
AND THE DEVELOPER, MODESTO ROSELLE, LLC, AND AUTHORIZING
THE CITY CLERK TO CERTIFY THE FINAL MAP AND RECORD IT WITH
THE STANISLAUS COUNTY RECORDER'S OFFICE**

WHEREAS, NRB Investments, LLC, a California limited liability company (“OWNER”) and the developer, Modesto Roselle, LLC, a California limited liability company (“SUBDIVIDER”), is in possession of a tract of land situated in the City of Modesto, County of Stanislaus, consisting of 15.2 acres, known as the VINTAGE UNIT ONE SUBDIVISION (“SUBDIVISION”), and

WHEREAS, a tentative map of said tract was approved by the Planning Commission of the City of Modesto on October 19, 2015 with conditions of approval as noted in Planning Commission Resolution Number 2015-26, and

WHEREAS, the Secretary of the Planning Commission of the City of Modesto and the City Engineer have certified that the final map of said tract substantially conforms to the approved tentative map, and

WHEREAS, the project is currently under construction and the public improvements have not been completed, and

WHEREAS, as required by Section 4-4.605 of the Modesto Municipal Code, the SUBDIVIDER has executed a Subdivision Agreement, and

WHEREAS, the City Engineer of the City of Modesto has certified that the final map of said SUBDIVISION meets all of the provisions of the California Subdivision

Map Act and the provisions of the Modesto Municipal Code relating to subdivisions, and the City Surveyor has determined that the map is technically correct, and

WHEREAS, the SUBDIVIDER has furnished securities, as set forth in Section 4-4.605 of the Modesto Municipal Code, which shall secure the obligations set forth in Section 66499.3 of the Government Code of the State of California. Said securities are in forms acceptable to the City Attorney and in the amounts required by the City Engineer,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that said Final Map be approved; that the dedications for public streets and easements as shown thereon within the boundaries of said tract be accepted on behalf of the public for public use; and approve the subdivision agreement and authorize the Interim City Manager or his designee to execute the Subdivision Agreement.

BE IT FURTHER RESOLVED that the City Clerk be authorized to certify the map of said tract on behalf of the City of Modesto after the fees required by the Modesto Municipal Code in amounts determined by the City Engineer have been paid.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGRÉN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-170**

RESOLUTION APPROVING AN AGREEMENT WITH GOODWIN CONSULTING GROUP, IN AN AVERAGE ANNUAL AMOUNT OF \$52,000, NOT TO EXCEED \$155,200 OVER THREE YEARS, FOR THE ADMINISTRATION OF THE CITY COMMUNITY FACILITIES DISTRICTS AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City has determined that Community Facilities Districts (CFDs) and Assessment Districts (ADs) are necessary funding mechanisms to construct and maintain infrastructure for new development areas, and

WHEREAS, since 1996, the City of Modesto has formed fourteen Community Facilities Districts (“CFDs”) pursuant to the “Mello-Roos Community Facilities Act of 1982”, and

WHEREAS, the City has been working with Goodwin Consulting Group (GCG) in the annual administration of the fourteen CFD’s, since 2001, and

WHEREAS, GCG has assisted the City in many CFD Formations, Infrastructure Financing Plans, Fiscal Impact Analysis’ and most recently, the Capital Facilities Fees Update, and

WHEREAS, GCG is a Sacramento-based firm with expertise in both preparing the special tax formula when a Community Facilities District (CFD) is formed and administering the special tax levy on an annual basis, and

WHEREAS, the principals of GCG have more than eighty years of combined experience in public finance, development economics, real estate market analysis and municipal consulting, and

WHEREAS, As part of the annual CFD administration services, GCG will oversee the preparation and dissemination of SEC-required continuing disclosure reports to the municipal bond market, arbitrage rebate and yield reduction calculations for tax-exempt bond issues, annual reporting to the California Debt and Investment Advisory Commission, bond payoff calculations for property owners, inquiries from taxpayers, and tax delinquency monitoring and foreclosure assistance, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204(a), Exceptions to Formal Bidding Requirements, the agreement is for professional services and, therefore, exempt from the bidding requirement, and

WHEREAS, the Goodwin Consulting Group contract will be paid through the annual maintenance tax of each CFD, and

WHEREAS, this item was presented to the Economic Development Committee on April 11, 2018 and was recommended to forwarded to Council for approval,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Goodwin Consulting Group, in an average annual amount of \$52,000, not to exceed \$155,200 over three years, for the administration of the City Community Facilities Districts.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-171**

RESOLUTION ACCEPTING FISCAL YEAR 2018-2019 ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 1 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 1 -6; NOTICE OF INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 1 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 1 – 6 AND SETTING A PUBLIC HEARING ON JUNE 26, 2018 TO CONSIDER THE FISCAL YEAR 2018-19 LEVY AND COLLECTION OF ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 1

WHEREAS, Resolution No. 88-935, adopted by the Council of the City of Modesto on December 13, 1988, initiated proceedings for the formation of Landscape Maintenance Assessment District No. 1 for the purpose of administering the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 1-6, and

WHEREAS, said assessment district was formed in accordance with the Landscape and Lighting Act of 1972, (California Streets and Highways Code Sections 22500 through 22679), and

WHEREAS, Section 22623 of the California Streets and Highways Code requires the City Engineer, the person designated by this Council as Engineer of Work for Assessment District No. 1, to prepare and file an annual report, and

WHEREAS, the Engineer of Work, has prepared and filed said annual report with the City Clerk, and

WHEREAS, California Streets and Highways Code Section 22623 requires the legislative body (the City Council) to adopt a resolution of intention which shall include the following:

- a. Declaration of intention of the legislative body (the City Council) to levy and collect assessments within the assessment district for the fiscal year stated in the annual report.
- b. General description of the existing improvements and proposed improvements and any substantial changes proposed to be made in the existing improvements.
- c. Reference to the assessment district by its distinctive designation and indication of the general location of the district.
- d. Reference to said annual report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- e. Notice of the time, as fixed by the California Streets and Highways Code Section 22625, and the place for hearing by the legislative body (the City Council) on the levy of the proposed assessment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto hereby accepts the Fiscal Year 2018-2019 Engineer's Report for Landscape Maintenance Assessment District No. 1 for Dry Creek Meadows Subdivisions Nos. 1 through 6, which is **attached** hereto and hereinafter incorporated by reference.

BE IT FURTHER RESOLVED that the City Council hereby finds as follows:

1. The City Council intends to levy and collect assessments within Landscape Maintenance Assessment District No. 1 during the fiscal year 2018-19.

2. There are no proposed new improvements or any substantial changes in existing improvements in Landscape Maintenance Assessment District No. 1 and that the existing improvements to be made in said assessment district are generally described as follows:

The City shall provide maintenance, in perpetuity, of landscaping and any and all improvements required for such maintenance including, but not limited to, landscape irrigation systems in the following locations:

- a. Street medians in Creekwood Drive
- b. Areas adjacent to the access control walls along Creekwood Drive
- c. Areas adjacent to the access control walls along Claus Road

3. Landscape Maintenance Assessment District No. 1 is located in the County of Stanislaus, within the City Limits of the City of Modesto and is more specifically located on the west side of Claus Road, between Modesto Irrigation District Lateral No. 2 and State Route 132 (Yosemite Boulevard).

4. Said annual report filed with the City Clerk and approved by the Council does provide a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within Landscape Maintenance Assessment District No. 1.

5. On Tuesday, the 26th day of June, 2018, at the hour of 5:30 p.m., the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the Tenth Street Place Chambers located at 1010 10th Street, Modesto, California.

6. The City Clerk is authorized and directed to give the notice of hearing required by the Landscape and Lighting Act of 1972.

7. The levy and collection of assessments as set forth in this resolution are exempt from the procedural and substantive requirements of Proposition 218 pursuant to Article XIII, Section 5(a) of the California Constitution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST:

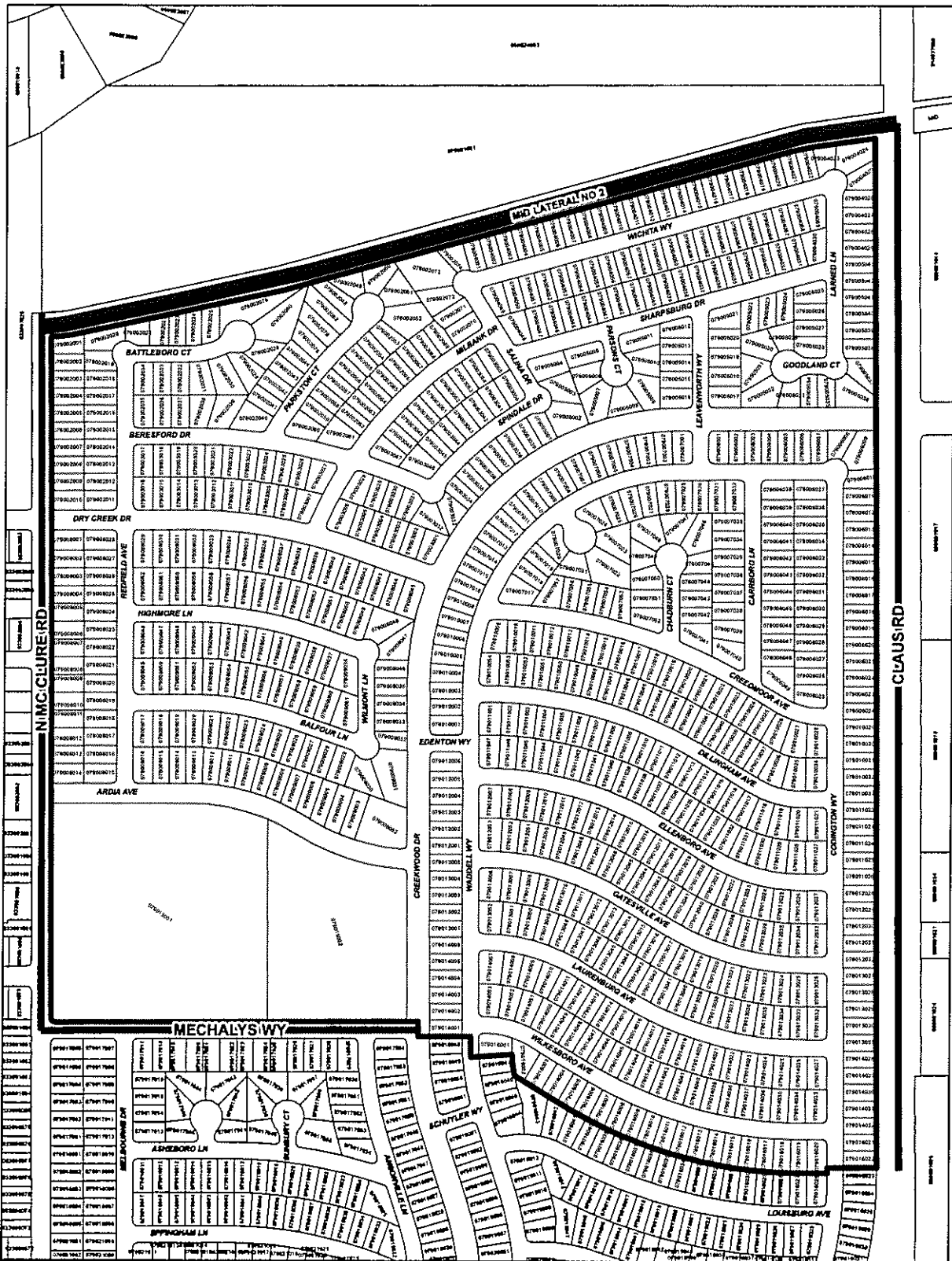

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

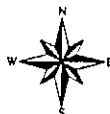
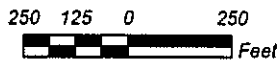
By:


ADAM U. LINDGREN, City Attorney



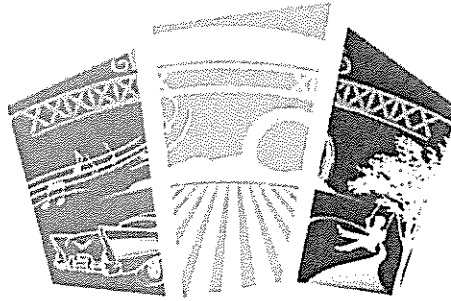
Assessment District Diagram

Landscape Maintenance Assessment District No. 1
 (Dry Creek Meadows Subdivisions No. 1 - 6)



Date: 1/25/2018





MODESTO

CALIFORNIA

City of Modesto
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT No. 1
◆ DRY CREEK MEADOWS SUBDIVISIONS Nos. 1 through 6 ◆
*A Landscape Maintenance Assessment District pursuant to
the Landscape and Lighting Act of 1972*

ENGINEER'S ANNUAL REPORT

FISCAL YEAR
JULY 1, 2018 - JUNE 30, 2019



Prepared By:
Jessica Narayan
Infrastructure Financing Program
Supervisor

Certified By:
Vickey Dion
City Engineer

Accepted By Motion:
Modesto City Council

TABLE OF CONTENTS

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VI.	Annual Assessments List by Parcel & Property Owner

SECTION I HISTORY

On December 12, 1988, Landscape Maintenance Assessment District No. 1 ("LMAD No. 1") was formed in accordance with the Landscape and Lighting Act of 1972 (California Streets and Highway Code §22500 through §22679) ("the Act"), to administer the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 1-6. All costs for the LMAD No. 1 are funded by the annual assessments levied on each property within the district. The Act requires several courses of action on the part of City staff and City Council prior to August 10th of each year.

The Act initially requires the City Council to order, prepare, and file an Engineer's Annual Report for the City Council. This report is prepared for the purpose of detailing the plans and specifications for the maintenance of work, the estimated costs for landscape maintenance performed by City contractors, utility service charges, City street tree pruning costs, City staff time to administer the maintenance contract, and additional work to be performed by the City Contractor at the request of the City.

LMAD No. 1 is located east of North McClure Road and southwest of MID Lateral #2 and Claus Road. It is comprised of 749 single-family residential lots and three (3) public agency owned parcels. An annual assessment of \$26 per single-family residential parcel has remained the same since 1996. The total assessment to be levied for LMAD No. 1 for Fiscal Year 2018-2019 is \$19,474.

Upon the City Council's approval of the Engineer's Annual Report, the City Council adopts a resolution declaring its intent to levy and collect assessments within LMAD No. 1 for the following fiscal year and schedules a public hearing. This public hearing and proposed resolution levying the proposed assessments is in accordance with the annual assessment procedures.

Finally, in compliance with the Act, the City Council conducts the public hearing and adopts certain resolutions in accordance with the California Streets and Highways Code §22625 through §22641. The City Clerk is required to give the Modesto Bee notice of the public hearing no less than ten (10) days prior to the scheduled hearing date. All interested persons are afforded the opportunity to be heard during the public hearing. Should there be any protests, whether written or oral, the City Council may choose to continue the hearing to a later date and/or may change any part of the Engineer's Annual Report to address the concerns of the property owner(s). The adopted resolution is then forwarded to the Auditor-Controller of the County of Stanislaus for placement of such charges on the upcoming year's County Tax Roll.

SECTION II ANNUAL ASSESSMENT REVIEW AND SUMMARY

A. PARCEL REVIEW

1. Single Family Residential Parcels:
There are 749 single-family residential parcels located within LMAD No. 1.
2. Multi-Family Residential Parcels:
There are no multi-family residential parcels located within LMAD No. 1.
3. Commercial/Industrial Parcels:
There are no commercial or industrial parcels located within LMAD No. 1.
4. Public Agency Parcels:
There are two (2) parcels owned by the City of Modesto (Creekwood Park and the Pedestrian Overcrossing at Claus Road) and one (1) parcel owned by the Empire School District (Bernard Hughes School). According to §22663 of the California Streets and Highways Code, public property owned by any public agency and in use in the performance of a public function shall not be subject to assessment.

B. 2018-2019 ANNUAL ASSESSMENTS

All single-family residential parcels are levied at a flat rate of \$26.00 per parcel. Each parcel receives equal benefits from the District. The annual assessments levied are calculated by multiplying the total number of parcels by the flat rate.

\$	26.00	Annual assessment per parcel
x	749	Single-family residential parcels
\$	19,474.00	Total annual assessment

C. COMPARISON TO PREVIOUS FISCAL YEAR

The proposed Fiscal Year 2018-2019 annual assessment is the same as the annual assessment for Fiscal Year 2017-2018 of \$26.00 per single-family residential parcel.

SECTION 3 FINANCIALS – ANNUAL ASSESSMENT REVENUE & EXPENSE PROJECTIONS

LMAD No. 1 Fund 6480	Estimated FY 2017-18 ¹	Proposed FY 2018-19 ²
Beginning Fund Balance	\$ 5,914	\$ 6,092
Revenue (Cost Center 80010)		
Special Assessments	\$ 10,853 ³	\$ 19,474 ⁴
Interest	\$ (1)	
<i>Estimated - Special Assessments</i>	\$ 8,622 ⁵	
Total Revenue	\$ 19,474	\$ 19,474
Expenses (Cost Center 80010)		
	Account	
<i>Operating Budget</i>		
Postage Expenses	52025 \$ -	\$ -
Water Utility Expenses	53043 \$ (2,813)	\$ (2,000)
Repair and Maintenance Services - Landscape	53165 \$ (5,146)	\$ (10,293)
Professional Services	53300 \$ -	\$ (1,000)
Legal Services	53450 \$ -	\$ (500)
Services City Forces - Interfund	54500 \$ (3,103)	\$ (5,713)
<i>Estimated - Water Utility Expenses</i>	53043 \$ (1,187)	\$ -
<i>Estimated - Repair and Maintenance Services</i>	53165 \$ (3,996)	\$ -
<i>Estimated - Professional Services</i>	53300 \$ (1,000)	\$ -
<i>Estimated - Legal Services</i>	53450 \$ (500)	\$ -
<i>Estimated - Services City Forces</i>	54500 \$ (1,551)	\$ -
Total Expenses	\$ (19,297)	\$ (19,506)
Ending Fund Balance	\$ 6,092	\$ 6,060

¹ The estimated amount shows what has been expended as of 03-21-2018. There will be more expenses through the end of the fiscal year (June); these are shown as *Estimated*.

² The estimated expenditures for FY 2018-19 are based on the revenue that is currently able to be generated within LMAD No. 1.

³ Actual revenue received for FY 2017-18 tax levy.

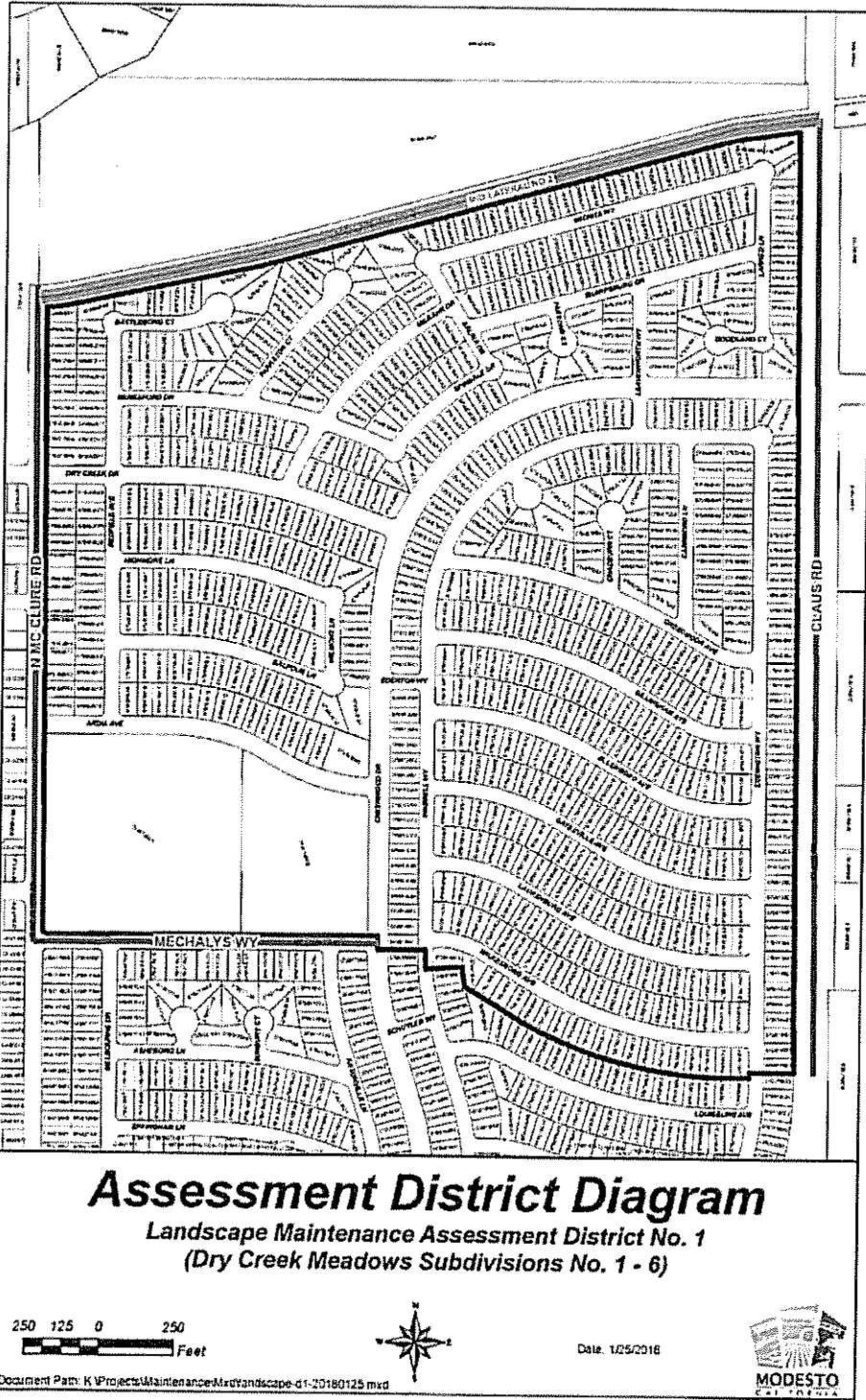
⁴ Proposed levy.

⁵ Estimated revenues for second installment of FY 2017-18 tax levy.

SECTION IV MAINTENANCE & PLAN SPECIFICATIONS

Plans and specifications are available for review in the Public Works Department, located at 512 Jefferson Street, Modesto, CA. For more information, contact Kelly Gallagher, Parks Operations Manager at (209) 524-2330.

SECTION V ANNUAL ASSESSMENT DISTRICT DIAGRAM



SECTION VI ANNUAL ASSESSMENT LIST BY PARCEL & OWNER

Fee Parcel	Owner	Address	City/State/Zip	2018/19 Ass't
079-002-001	MERCADO LISA M & RODOLFO	736 N MC CLURE RD	Modesto CA 95354	\$26.00
079-002-002	SOUMPHONPHAKDY YOUTHANA	732 N MC CLURE RD	Modesto CA 95354	\$26.00
079-002-003	SORDO BRYON S ET AL	728 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-004	PRASAD AJAY B & CHANDRA SAILESHNI D	724 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-005	LOPEZ JOSE M	720 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-006	YATES MICHAEL V & YATES CHRISTINE M	716 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-007	ALBANO FLORANTE J & ALBANO JUANITA T	712 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-008	GARCIA JOSE DE JESUS	708 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-009	ESPINOZA GABRIEL	704 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-010	LEON MARTHA	700 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-011	SAMRA AMARJIT S TR	701 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-012	BARRIENTOS DAVID & BARRIENTOS MARIA E	705 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-013	YOUNGMAN AARON B & LAUREN E	709 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-014	BATTAGLIA COREY J	713 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-015	BADAL EDWARD E & BADAL JANET E	717 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-016	NGUYEN THANG & DANG LIEN	721 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-017	SMITH ROBIN K & SMITH SUSAN R	725 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-018	DEOL HARMINDER S & DEOL SUKHWINDER K	729 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-019	KGILL LLC	733 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-020	CASEY MARY JOHN	737 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-021	PANYANOUWONG ROCKY P ET AL	3513 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-022	JOHNSON VERDELL TR	3517 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-023	VILLEGAS JOSEPH J	3521 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-024	PLUNK NATALIE & ROBERT	3525 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-025	HASKEL ALAN	3529 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-028	ALVAREZ VICTOR R & CRISTINA TRS	3536 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-029	HASKEL ROBERT	3532 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-030	EMERY EVERETTE & SHONDA TRS	3528 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-031	VILLALPANDO HERIBERTO & ROSA	3524 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-032	CARR PATRICK K & CHERYL J	3520 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-033	PRASHAD RAJENDRA & SONI L	3516 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-034	VO SANG	3512 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-035	ARROYO STEVEN I & ARROYO SANDRA	3513 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-036	CARREON JOSE & CECILIA	3517 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-037	GOMEZ PATRICIA	3521 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-038	COENEN KELVIN L & COENEN CHRISTINA P	3525 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-039	HILL PAUL JAMES SR TRS & HILL DORTHA HELENE	3529 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-040	CARSON SAMMY D & CARSON BRENDA S	713 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-041	MENDOZA SHAWN	717 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-042	SOTO HECTOR M & PEÑA MARIA C	721 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-043	SAMRA AMARJIT	725 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-044	MEFFERD JULIE A	729 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-048	SINGH JOTIKA ET AL	745 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-049	BISHOP ROSIE	749 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-050	YALDA JORGINA Y	753 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-051	TORRES JUAN LUIS	752 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-052	CASTILLO RANDY	748 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-053	LANZA PHILIP R	744 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-054	FISHER TIMOTHY S	740 PARKSTON CT	Modesto CA 95355	\$26.00
079-002-055	PEREZ ISIDRO C	736 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-056	GANJA SAM	732 PARKSTON CT	Modesto CA 95354	\$26.00
079-002-057	SANCHEZ JASON MICHAEL	728 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-058	COLLS LUIS R TR	724 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-059	REYES ANTHONY P	720 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-060	CLARKE THOMAS D II & BRENDA L	716 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-061	CASTIGLIONE JOSEPH B & BECKY M	713 MILBANK DR	Modesto CA 95357	\$26.00
079-002-062	LUBINSKY EDWARD & LUBINSKY CAROL E	717 MILBANK DR	Modesto CA 95357	\$26.00
079-002-063	CASTILLO HECTOR	721 MILBANK DR	Modesto CA 95357	\$26.00
079-002-064	PRASAD RAMA ET AL TRS	725 MILBANK DR	Modesto CA 95357	\$26.00
079-002-065	WINGO NAIDA J ET AL	729 MILBANK DR	Modesto CA 95357	\$26.00
079-002-066	SMITH MARQUE R	733 MILBANK DR	Modesto CA 95357	\$26.00
079-002-067	VILLANUEVA DAVID M & VILLANUEVA DIANE M	737 MILBANK DR	Modesto CA 95357	\$26.00
079-002-068	PETERSON JEAN	741 MILBANK DR	Modesto CA 95357	\$26.00
079-002-069	MORSE GERALD WAYNE & CONSUELO	745 MILBANK DR	Modesto CA 95357	\$26.00
079-002-070	RAMIREZ RIVERA JULIO C & CRUZ-FUENTES ALMA NIDIA	817 SALINA DR	Modesto CA 95357	\$26.00
079-002-071	CONTRERAS JESUS E RAMOS & RAMOS ANGELICA N CARRASC	821 SALINA DR	Modesto CA 95357	\$26.00

079-002-072	SALAZAR JENNIFER	825 SALINA DR	Modesto CA 95357	\$26.00
079-002-073	MANANQUIL DEXTER & PRAK DEBBIE	3701 WICHITA WAY	Modesto CA 95357	\$26.00
079-002-074	ROMAN TED ET AL	3705 WICHITA WAY	Modesto CA 95357	\$26.00
079-002-076	BATES HAROLD & JANICE	3533 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-078	HESKEL MATTHEW ET AL	733 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-079	LEZA OSCAR	737 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-080	HASKEL ROBERT P	3537 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-082	SIMAS LUIS & DAISY	741 PARKSTON CT	Modesto CA 95357	\$26.00
079-003-001	MAHARAJ SANJAI S & MAHARAJ ARUNA D	3641 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-002	HUFFMAN JOSEPH R II & MARLENE J	3637 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-003	LONG HERBERT JR & PATRICIA	3633 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-004	CALVO SERGIO & SILVIA	3629 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-005	TORRES MOSES & ESTRADA NANCY	3625 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-006	MAGCALAS JOEL & VIRGINIA	3621 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-007	CORDOVA ISIDRO C & CORDOVA MARTHA B	3613 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-008	CHUANGS INVESTMENT INC	3609 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-009	PRASAD SUJENDRA & DEVI SANGITA	3605 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-010	GIL MARTIN & GIL DEBORAH L	3601 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-011	DOUGLAS GREG & DOUGLAS TERI	3537 DRY CREEK DR	Modesto CA 95354	\$26.00
079-003-012	HERNANDEZ FERNANDO PARDO & HERNANDEZ GLORIA C	3533 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-013	CHERRY RANDY & ROSALBA	3529 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-014	REYES FERNANDO ET AL	3525 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-015	CHUON LEE ET AL	3521 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-016	DIXON THOMAS L TR	3517 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-017	WISNER JAMES E & ELINA S	3512 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-018	ESTRADA ADRIANA G	3516 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-019	DELANEY KIMBERLY R	3520 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-020	LOVE BOBBY	3524 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-021	DHALIWAJ JOGINDER SINGH & KULWANT KAUR	3528 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-022	LUTTRELL ERIC ET AL	3532 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-023	MENDOZA ADRIAN & ROSA	3536 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-024	MANHOSO FRANK & MANHOSO MARIA	3540 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-025	FISCHER WILLIAM & FISCHER CAROL	3600 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-026	MARTINEZ MICHAEL & TERESA	3604 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-027	PRAKASH OM & SUSHIL	3608 BERESFORD DR	Modesto CA 95350	\$26.00
079-003-028	REYES ERLINDA M TR	3616 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-029	CHUNG WILLIAM & YEH GEORGINA PIK-CHING TRS	3620 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-030	STANLEY MACHELLE	3624 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-031	MUNDOZ ALFREDO F & CEYLON A	3628 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-032	SAENGPHACHANH PHONESY ET AL	3632 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-033	ROTH WILLIAM C & ROTH DOLORES	704 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-034	SOLIS MARIA	708 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-035	LANGI SOANE	712 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-036	SHARMA RUDRA DUTT & RESHMIKA	716 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-037	DEL REAL INDELACIO & DEL REAL ELENA	720 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-038	MORALES DIANA R	724 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-039	MONTELONGO SANDRO	728 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-041	GONZALES JUAN G JR & GLORIA M	729 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-042	DORRETT NEWTON & LYNELL D	725 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-043	ANAYA JAMIE LEE	721 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-044	MARENTES YESENIA	717 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-045	CARSON CHRISTOPHER & MARGARET F	713 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-046	BOWMAN ANDREW	709 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-047	SINGH RAWNIK & LAL RANJITA	3617 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-048	IDTS LLC	720 MILBANK DR	Modesto CA 95357	\$26.00
079-003-049	MOODY DIANE K	724 MILBANK DR	Modesto CA 95357	\$26.00
079-003-050	SWITZER LYNDELL	728 MILBANK DR	Modesto CA 95357	\$26.00
079-003-051	KILGORE LINDA L	732 MILBANK DR	Modesto CA 95357	\$26.00
079-003-052	MAXWELL VIRGINIA E	736 MILBANK DR	Modesto CA 95357	\$26.00
079-003-053	JUDD JIMMIE RANDALL ET AL	740 MILBANK DR	Modesto CA 95357	\$26.00
079-003-054	SPIEKER DAVE M & SPIEKER JANE R	744 MILBANK DR	Modesto CA 95357	\$26.00
079-003-055	ALVEAR FELICITAS	748 MILBANK DR	Modesto CA 95357	\$26.00
079-003-056	PAHL KAREN M ET AL	733 SPINDALE DR	Modesto CA 95357	\$26.00
079-004-001	ESPARZA WILLIAM & ELSA	3709 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-002	CASSIDY ALAN K & CASSIDY SUSAN H	3713 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-003	HAWIL ALFRED	3717 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-004	PALMERIN ARTURO & PATRICIA	3721 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-005	GILL HARMAIL & DARSHAN K	3725 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-006	MANLULU NOEL M & MANLULU MARIVIC F	3729 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-007	TOWNE JAMES E & TOWNE AMANDA J	3733 WICHITA WAY	Modesto CA 95357	\$26.00

079-004-008	VALDES RENE D & PUNSMAN	3801 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-009	DE ALBA RIGOBERTO SR & SANDRA L TRS	3805 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-010	DE ALBA RIGOBERTO SR & SANDRA L TRS	3809 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-011	WATTLE DANNY & CAROLANNE	3813 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-012	HECKLER LAWRENCE S TR	3817 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-013	GARCIA ARMANDO & MARISOL RESENDIZ	3821 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-014	CURTRIGHT BARBARA TR	3825 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-015	KENNEDY CHAD & SHINDBU	3829 WICHITA WAY	Modesto CA 95355	\$26.00
079-004-016	GETREU DANIEL L & GETREU PATRICIA E	3901 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-017	MILLER RAYMOND E & MILLER JERELYN	3905 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-018	GONZALEZ CARRAZCO LUIS ALBERTO ET AL	3909 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-019	ALBERG DAVID A & PAMELA M TRS	3913 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-020	BOWMAN CLINTON & TERRI	3917 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-021	COX JULIE A	3921 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-022	TEJADA SERGIO L	3925 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-023	MEZA HECTOR MEDINA	3929 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-024	MARTINEZ ARTHUR J & ELISA R	3933 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-025	GARDNER GEORGE & GARDNER DAWN	844 LARNED LN	Modesto CA 95357	\$26.00
079-004-026	SAMUEL BENJAMIN & JANET Y	840 LARNED LN	Modesto CA 95357	\$26.00
079-004-027	BARTON KEVIN A	836 LARNED LN	Modesto CA 95357	\$26.00
079-004-028	SEN INDIR & SEN SURUJ M	832 LARNED LN	Modesto CA 95357	\$26.00
079-004-029	VIGIL CELSO ET AL	828 LARNED LN	Modesto CA 95357	\$26.00
079-004-030	MENDOZA NEREIDA	3925 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-031	VEGA CESAR & SABRINA	3921 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-032	BALANJI HELEN FARHAD ZADEH	3917 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-033	GLEN MAVIS J TR	3913 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-034	CHRISTIANSON ADAM E & YVONNE M TRS	3909 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-035	CHICKEN RANCH MEWUK INDIANS	3905 SHARPSBURG DR	Modesto CA 95351	\$26.00
079-004-036	PHIPPS CORY L & PHIPPS CAROLE J	3901 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-037	RETFORD HANK W & KAREN J TRS	3821 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-038	BARNETT BRIENT K & ERIN	3817 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-039	MUNOZFERRER ISMAEL	3813 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-040	AU-YEUNG CHI & AU-YEUNG TZE H	3809 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-041	VASQUEZ CODY R & BIANCA	3805 SHARPSBURG DR	Modesto CA 95354	\$26.00
079-004-042	SERNA MARLA ANN TR	3801 SHARPSBURG DR	Modesto CA 95355	\$26.00
079-004-043	SOUZA RICK L & SOUZA MARVELYN	3721 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-044	WOOD SHAWN & WOOD KRISTINA M	3717 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-045	HATTERSLEY SCOTT LEYTON & SANDRA LEE TRS	3713 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-046	DROZCO RUDY JOSEPH & QUIRALTE-CASTANEDA MELISSA	3709 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-047	DIVIRD HEIDI N & JASON R	3705 SHARPSBURG DR	Modesto CA 95354	\$26.00
079-004-048	PANG YIM PING & LI FELIX JING HUI	3701 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-049	EYRING MARION L TR	3712 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-050	BENTLEY DOUGLAS & BENTLEY LEEANNE K	3716 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-051	LEYVA RENE SR & CLAUDIA D	3720 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-052	DUMAS JAMES BRIAN SR & PAMELA LEE TRS	3724 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-053	MORENO ROSA M	3728 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-054	GALVAN OLADE DANIEL GIBRAN & DIAZ GALVAN LAURA EL	3732 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-055	CASTILLO RAFAEL	3800 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-056	SALVATION ARMY	3804 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-057	CLINE DAVID L & DEBRA N TRS	3808 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-058	FUGATE BRANDON ET AL TRS	3812 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-059	COUCHMAN PAUL E & KATHRYN A	3816 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-060	CABEBE MARIA RIZALINA C TR	3820 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-061	MAYOL BIRGITT A TR ET AL	3824 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-062	HERNANDEZ CESAR E & MARGARITA C	3828 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-063	BEAUDETTE GARY & BEAUDETTE DEBORAH	3900 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-064	ALVAREZ LOUIS L ET AL	3904 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-065	MANCINI JUDITH	3908 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-066	ISRAEL SAMMY S & SHERLY ESGUERRA	3912 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-067	ROJAS ROGELIO A	3916 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-068	OVEDO IRMA L	3920 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-069	OCKEY LEOTA L TR	3924 WICHITA WAY	Modesto CA 95357	\$26.00
079-005-001	SIMPSON STEVEN	732 SPINDALE DR	Modesto CA 95357	\$26.00
079-005-002	BALLIET RICHARD L & BALLIET SHERRY	736 SPINDALE DR	Modesto CA 95357	\$26.00
079-005-003	BORDNER FATIMA	800 SALINA DR	Modesto CA 95357	\$26.00
079-005-004	HELLERUD GARRY A & HELLERUD ARLENE L	804 SALINA DR	Modesto CA 95351	\$26.00
079-005-005	URENA FIDEL & ELIA K	813 PARSONS CT	Modesto CA 95357	\$26.00
079-005-006	CLEMENTS PANDORA A	809 PARSONS CT	Modesto CA 95357	\$26.00
079-005-007	THOMPSON MELANIE	805 PARSONS CT	Modesto CA 95357	\$26.00
079-005-008	LAKE DAVID E & LAKE MARGARET R	800 PARSONS CT	Modesto CA 95357	\$26.00

079-005-009	LEE EDMUND W TR	804 PARSONS CT	Modesto CA 95357	\$26.00
079-005-010	GARCIA EDUARDO C & GARCIA ELIZABETH A	808 PARSONS CT	Modesto CA 95357	\$26.00
079-005-011	HINOJOS BRANDON & KRISTAL R	812 PARSONS CT	Modesto CA 95351	\$26.00
079-005-012	RANGEL FRANCISCO JAVIER JR	817 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-013	MEDINA VICTOR & IRMA	813 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-014	FAGUNDES ANTONIO L & HAIR JACQUELINE K TRS	809 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-015	GARCIA MATIAS & GARCIA MERCEDES	805 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-016	ERWIN TERESA M	801 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-017	OWENS LARRY G & MARY Z	800 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-018	TAYLOR BRADLEY JOSEPH	804 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-019	BISHOFF PHYLLIS J TR	808 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-020	GROSS THOMAS T	812 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-021	MARCELINO DAVID C & REBECCA N	816 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-022	MCDONALD SHARICE	3908 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-023	DAVISON WAYNE & JO	3912 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-024	HAWIL ALFRED	3916 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-025	DURHAM SANDY M	817 LARNED LN	Modesto CA 95357	\$26.00
079-005-026	MCCARTHY JAMES & TAMRA	813 LARNED LN	Modesto CA 95357	\$26.00
079-005-027	CHEN GEORGE CHONG JYH & HOLLY YUN YAN	809 LARNED LN	Modesto CA 95357	\$26.00
079-005-028	VAN DIEMEN MICHAEL B & VAN DIEMEN LAURI L	805 LARNED LN	Modesto CA 95357	\$26.00
079-005-029	LIGHT MARK T & WRIGHT LUCILA	3909 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-030	LUCAS THOMAS M III & LUCAS LISA M	3905 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-031	BARKLEY JOSEPH E TR	3900 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-032	BROOKS CHARLES A & SUSAN D TRS	3904 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-033	GAMBOA BENITO	3908 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-034	MORALES SHARON & LUIS	3912 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-035	YOUNGER ROGER COLEMAN & LAURA JEAN TRS	3916 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-036	COLE TINA M	3920 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-037	ALVARADO MARIA D	800 LARNED LN	Modesto CA 95357	\$26.00
079-005-038	PALMERIN JOSE DE JESUS	804 LARNED LN	Modesto CA 95357	\$26.00
079-005-039	BARROW DAMEKA	808 LARNED LN	Modesto CA 95357	\$26.00
079-005-040	PARKS ANDREW STEVEN	812 LARNED LN	Modesto CA 95357	\$26.00
079-005-041	LEIVA LEONEL ALFREDO & LILI MARLENE	816 LARNED LN	Modesto CA 95357	\$26.00
079-005-042	MORAD EDMOND & MORAD CARMEN	820 LARNED LN	Modesto CA 95357	\$26.00
079-005-043	BROWN DANNY ARTHUR & CHRISTINA	824 LARNED LN	Modesto CA 95357	\$26.00
079-006-001	LAMBEL LARRY G & CYNTHIA A	737 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-002	NASSER MOHAMED	741 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-003	HILL PAMELA ET AL	745 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-004	CHHIM LIM	749 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-005	FLORES J JESUS	753 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-006	SAMOW HALA	757 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-007	MICHAEL RAPHAEL ET AL	761 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-008	REYES JIM R & REYES ELLEN S	765 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-010	JOHNSON GERALD L ET AL	752 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-011	REEVES JERAMIAH & SAUNDRA	748 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-012	WEBB LAQUITA	744 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-013	GARCIA FRANCISCO & YOLANDA	740 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-014	MC CRARY MARY JANE	736 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-015	PARKINS SANDRA BELINDA TR	732 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-016	TELLEZ MAURICE R & MARGARITA F	728 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-017	TELLEZ MAURICE R & MARGARITA F	724 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-018	SANTOS LUZ MARIA	720 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-019	SANTOS LUZ	716 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-020	PADILLA SALVADOR & PADILLA ANTONIA	712 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-021	PERROTTI PATRICK ET AL TRS	708 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-022	BAINS GURNAM S & BALVINDER K	704 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-023	LOTKO ANN E	700 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-024	PEREZ JUAN MANUEL & SILVIA PULIDO	640 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-025	RAM RAVI PRAKASH & RAM SANJILA PRAKASH	701 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-026	BANUELOS MARTHA E TR	705 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-027	ARROYO RAFAEL ARROYO & CHAVEZ GUADALUPE RAMIREZ	709 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-028	BENDERAS RAUL ET AL	713 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-029	AGUIRRE ALICIA R	717 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-030	GOMEZ FRANCISCO J & PATRICIA	721 CODINGTON WAY	Modesto CA 95354	\$26.00
079-006-031	BAINS GURNAM S & BALVINDER K	725 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-032	FIGUEROA LUIS E & FIGUEROA ISABEL L	729 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-033	CARROLL EDWIN JOSEPH & CONNIE	733 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-034	AMBROSICHI STEPHEN F TR	737 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-035	MOLINA GIOVANI	741 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-036	GALE MARK D II & DEBRA L TRS	745 CODINGTON WAY	Modesto CA 95357	\$26.00

079-006-037	SILLEMOM ANTHONY	749 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-038	GUZMAN JESUS A	744 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-039	LOUCKS DAVID GEORGE & JOSEFA M TRS	740 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-040	PATRICK ANTONIO	736 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-041	PALOMERA HECTOR MANUEL	732 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-042	WILLIAMS MARLON & NENA	728 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-043	DEBERRY GARY L & ALICE	724 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-044	LAMPROE LEONARD C & LAMPROE MARY A	720 CARRBORO LN	Modesto CA 95354	\$26.00
079-006-045	GARCIA FELIPE & FLORES BLANCA	716 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-046	ODISHO DAVID & ODISHO JULIET	712 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-047	WAY DONALD E & TERESA M TRS	708 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-048	DAVID VIRGEEN	704 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-049	CONN HILARY A & GARY	700 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-001	CHOW MINH LU ET AL	729 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-002	JORGENSEN FRANK E & MIRIAM M TRS	725 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-003	CRUZ DEZIREE	721 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-004	CARDOSO MANUEL ALCANTAR ET AL	717 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-005	L & D RENTALS LLC	713 WADDELL WAY	Modesto CA 95354	\$26.00
079-007-006	GUTIERREZ DIEGO	709 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-007	SANCHEZ ENRIQUE	705 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-008	MC CLURE JODI PENIRIAN	701 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-009	FERNANDEZ RAMIRO & ALMA	669 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-010	ZAMORA GUILLERMO	665 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-011	STOLLBERG WILLIAM R & HOAI TRS	661 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-012	L & D RENTALS LLC	657 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-013	KESSLER STACI ET AL	653 WADDELL WAY	Modesto CA 95350	\$26.00
079-007-014	BAKER OUTIN MARLENE	649 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-015	MARSELLA BARBARA A	645 WADDELL WAY	Modesto CA 95354	\$26.00
079-007-016	ROQUE DARWIN	641 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-017	PENSCO TRUST COMPANY	648 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-018	MEYER LISA M	652 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-019	MENDEZ HILARIO	656 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-020	AMBRIZ MARIO G	721 RIEDSVILLE CT	Modesto CA 95357	\$26.00
079-007-021	GOOTGELD MARLA	717 RIEDSVILLE CT	Modesto CA 95357	\$26.00
079-007-022	ZAVALA JOHN & YVONNE	713 RIEDSVILLE CT	Modesto CA 95357	\$26.00
079-007-023	ACOSTA DAVID ET AL	716 RIEDSVILLE CT	Modesto CA 95354	\$26.00
079-007-024	SCHULTZ BRENDA J & RONALD	720 RIEDSVILLE CT	Modesto CA 95357	\$26.00
079-007-025	SCALA PAOLO & MEDINA MIRIAM	712 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-026	JIMENEZ GREGORIO	716 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-027	MOLES EDWARD A & DIAMOND SUSAN H TRS	720 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-028	SOITO ANABEL	724 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-029	TRIMBLE BRENDA E	728 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-030	POZZOLI JOHN L	732 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-031	SINGH SURUJ B & SINGH LACHMI BAI	736 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-032	DE LA TORRE CONRADO & ROSEMARY TRS	740 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-033	MARCIANO ARMANDO D & MARCIANO REMEDIOS R	737 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-034	PLACE GREGORY & SHERI L	733 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-035	MECIA MIGUEL A & ASPEN	729 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-036	P T BRAND PROPERTIES LLC	725 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-037	CEJA BEATRICE	721 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-038	NAVARRO ENRIQUE JR	717 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-039	HARRISON KAREN S	713 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-040	VILLALOVOS ART ROBERT & YOLANDA	709 CARRBORO LN	Modesto CA 95354	\$26.00
079-007-041	GALLOWAY JACK A & AMY A	700 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-042	JACKSON JONATHAN & ADONA	704 CHADBURN CT	Modesto CA 95354	\$26.00
079-007-043	DIAS JEREMIAH A ET AL	708 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-044	SAMRA GURDIP & PREET	712 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-045	ROBLES RICHELLE & YULO JOHN	716 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-046	MEZA JACQUELINE M	720 CHADBURN CT	Modesto CA 95355	\$26.00
079-007-047	TRUESDAIL SHELBY J	724 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-048	BAHI EILEEN	721 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-049	IBARRA JUANA	717 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-050	YEFREMNKO ALEKSEY & CANDICE	713 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-051	BROOKS HARVEY EARL TR	709 CHADBURN CT	Modesto CA 95354	\$26.00
079-007-052	ESTRADA GAMBOSA RAMON	705 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-053	SILVEIRA FERNANDA	3725 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-007-054	BERTRAM ELLEN TR	3721 CREEDMOOR AVE	Modesto CA 95356	\$26.00
079-007-055	PEREZ JOSE P & PEREZ ROSA M	3717 CREEDMOOR AVE	Modesto CA 95354	\$26.00
079-007-056	SKOCHKO KATHLEEN A & SKOCHKO RICHARD A	3713 CREEDMOOR AVE	Modesto CA 95354	\$26.00
079-007-057	DAVIS JAMES R & DAVIS LETECIA B	3709 CREEDMOOR AVE	Modesto CA 95357	\$26.00

079-008-001	BUAYA DAVID S	620 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-002	ALI SYED ARIF & ARIF SHAZIA	616 N MC CLURE RD	Modesto CA 95354	\$26.00
079-008-003	CONCHAS SANDRA H	612 N MC CLURE RD	Modesto CA 95354	\$26.00
079-008-004	RENO FRED W	608 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-005	CHAND VIJAY & MATI SOHAN	604 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-006	CHAND VIJAY V ET AL	600 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-007	JACKSON MATTHEW & JACKSON SUZANNA	564 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-008	WARD DONALD G & CARLILE-WARD CARRIE LYNN	560 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-009	MOUNDI HARINDER K & GURDIAL SINGH W	556 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-010	BORGES FRANK J	552 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-011	MILLER THOMAS H TR	548 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-012	PRASAD DHARMEND	544 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-013	MAHARAJ ARLINA & SANJAI S	540 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-014	TAGRE ABEL JOSE & TERRIE MARIE TRS	536 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-015	CHAMBERS DEREASSA	501 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-016	SABLOK SATISH KUMAR & RENUKA TRS	505 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-017	PEEK CHARLES & PEEK ADRIENNE	509 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-018	KINCHELOE DONNIE & KAREN	513 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-019	SHARMA UMA L	517 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-020	CARDOSO JOHN P	521 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-021	MARQUEZ VICENTE MARTINEZ & MADRIGAL GRACIELA	525 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-022	ZERMENO RAUL & MARIA LETICIA	529 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-023	ZARAGOZA RICARDO	533 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-024	CHAND SHUI	601 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-025	JEET JERMY S	605 REDFIELD AVE	Modesto CA 95354	\$26.00
079-008-026	BROWER PROPERTIES 3 LLC	609 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-027	KUMAR PRANEEL	613 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-028	CV RESIDENTIAL LLC	617 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-029	PRAK DEBBIE & MANANQUIL DEXTER	3516 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-030	BROWN CAROL C TR	3520 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-031	WRIGHT JACQUELINE L TR	3524 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-032	HARDY RICK L & LYNN P	3528 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-033	DAVIS DAWNA BEARD	3532 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-034	BHATTI BALBIR S & JASVIR K	3536 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-035	SINGH KULDIP & KOUR JASBIR	3600 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-036	MENDOZA JESSICA PATINO ET AL	3604 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-037	ORTIZ MATIAS & ORTIZ JOSEFINA	3608 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-038	BROWN DALE LEE & VANESSA MARIE	3612 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-039	NEY GARY III	3616 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-040	ECKLES ROBERT S & ECKLES JULIE L	3620 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-041	SINGH SHALVIN V	3624 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-042	MALLEY KATHERINE S	3628 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-043	KELLER ALFRED W	3632 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-044	DAVIS LUELLA B & DAVIS WAYNE W	3636 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-045	HERNANDEZ FRANK J & DIANA C	3640 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-046	STAMPS GENE A & GLORIA M	532 WILMONT LN	Modesto CA 95357	\$26.00
079-008-047	JIMENEZ GERARDO	536 WILMONT LN	Modesto CA 95357	\$26.00
079-008-048	MATULIS ERIC A	3633 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-049	CHIU JOSEPH C & CHIU HELEN LEE	3629 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-050	FARA AHMED & FARA MUFDHILA	3625 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-051	JAUREGUI HORACIO J & SUSANA	3621 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-052	CISNEROS MARTIN T & CISNEROS MELISSA	3617 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-053	SINGH PREM	3613 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-054	WHITAKER SAUDIA F	3609 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-055	PRASAD JACK J & RESHMA D	3605 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-056	GUTIERREZ JESUS & MARIA DE JESUS	3601 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-057	WELLS JEFFREY R & CARRIE H	3533 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-058	POSLANEC COBY L	3529 HIGHMORE LN	Modesto CA 95353	\$26.00
079-008-059	SADA FRED & JACKIE H	3525 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-060	WHITE JOHN L & WHITE MARILYN K	3521 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-061	BASSI JOE & KIRAN TRS	3517 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-062	INDERJIT S TOOR CONSTRUCTION INC	3513 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-003	LIBERTO CHARLES & BARBARA	3629 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-004	POK NAVEEN & VEULVILAVONG AMMONE	3625 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-005	WRIGHT ROBERT T TR	3621 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-006	DALMAN NINON M	3617 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-007	VARGAS ROBERT S & MARTHA V	3613 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-008	RUSH ROBERT P SR & PATRICIA L	3609 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-009	REYNOLDS EVA NELL TR	3605 ARDIA AVE	Modesto CA 95357-1501	\$26.00
079-009-010	WILLIAMS DONALD F & DEBORAH A	3601 ARDIA AVE	Modesto CA 95357	\$26.00

079-009-011	NAIRN DENNIS & NAIRN REBECCA	3533 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-012	MONDRAGON LUIS JR	3529 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-013	JOHAL SUKHWINDER KAUR & JASBIR S SINGH	3525 ARDIA AVE	Modesto CA 95357-1504	\$26.00
079-009-014	THANDI H S & S K	3521 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-015	RAMOS FERNANDO A	3517 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-016	MARTINEZ TONY R JR	3513 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-017	FIGUEROA JASMINE E	3512 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-018	GREWAL JASKIRAN	3516 BALFOUR LN	Modesto CA 95357-1508	\$26.00
079-009-019	OGDEN ROBERT C & DEBORAH A TRS	3520 BALFOUR LN	Modesto CA 95354	\$26.00
079-009-020	FOUNTAIN TIMOTHY J & FOUNTAIN DEBORAH A	3524 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-021	MILLS AUDREY C	3528 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-022	COLLS LUIS R TR	3600 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-023	MARRIQUEZ UBALDO & DORA	3604 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-024	AMEREL CLEVE & ROSA	3608 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-025	JOHNSON SOUNITA ET AL	3612 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-026	LEWMAN-KUNKLER BRENDA F TR	3616 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-027	LEE DAVID S & HU YANTING	3620 BALFOUR LN	Modesto CA 95351	\$26.00
079-009-028	GONZALEZ ALFONSO CHAVEZ & RAMPONI-CHAVEZ JUDY	3624 BALFOUR LN	Modesto CA 95355	\$26.00
079-009-029	SANCHEZ HUGO & ZENAIIDA	3628 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-030	TOMLINSON MARK S & TOMLINSON JENNIFER D	3632 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-031	GOVEA PETER C & CAROL M TRS	512 WILMONT LN	Modesto CA 95357	\$26.00
079-009-032	CERVANTES JUAN MANUEL OCEGUERA & CASILLAS ROCIO ME	516 WILMONT LN	Modesto CA 95357	\$26.00
079-009-033	KHOURY TANIA SALIBA	520 WILMONT LN	Modesto CA 95357-1534	\$26.00
079-009-034	BARRY MAGED	524 WILMONT LN	Modesto CA 95357	\$26.00
079-009-035	BIZZINI KELLY A	528 WILMONT LN	Modesto CA 95357	\$26.00
079-009-036	MARTINEZ PEDRO & HERNANDEZ APRIL	3628 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-037	RAMIREZ JESUS & LORENA	3624 HIGHMORE LN	Modesto CA 95354	\$26.00
079-009-038	CERDA GONZALO	3620 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-039	WILHELM DENNIS & WILHELM JANICE	3616 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-040	CASTRO MARIA	3612 HIGHMORE LN	Modesto CA 95355	\$26.00
079-009-041	VIZCARRA JOSE A	3608 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-042	YAU KING PO & SU AI CENG	3604 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-043	ZAYA SAMIA	3600 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-044	CHIU CHARLES	3528 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-045	FORBES DEENA M ET AL	3524 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-046	LITTMANN PETER & TAMARA	3520 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-047	MANI LOGESH	3516 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-048	KUMAR KAMIL ET AL	3512 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-049	MAHUSAY SATURNINO & MAHUSAY PATRICIA	3513 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-050	VALDEZ MARIA GUADALUPE RAMIREZ	3517 BALFOUR LN	Modesto CA 95354	\$26.00
079-009-051	KUMAR AMAR	3521 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-052	PETERSON KAREN TR	3525 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-053	PRAKASH SUSHEEL & DEVI VINITA	3529 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-054	QSHANA DOONA H	3533 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-055	VERSOLA KENNETH Q ET AL TRS	3601 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-056	MARTINEZ RICHARD A & MARTINEZ MARTHA S	3605 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-057	VALADEZ RUBEN ET AL	3609 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-058	HEDRICK KENNETH L & HEDRICK MARGIE	3613 BALFOUR LN	Modesto CA 95357-14	\$26.00
079-009-059	WASPE LAWRENCE E MD	3617 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-060	RODRIGUEZ MARIO & RODRIGUEZ SONIA	3621 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-061	CISNEROS STEVE P & CISNEROS ELVIRA	3625 BALFOUR LN	Modesto CA 95357-14	\$26.00
079-009-062	DAVIS RODGER & STACY	3633 ARDIA AVE	Modesto CA 95351	\$26.00
079-010-001	HORLUCK LUPE CASTILLO ET AL	609 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-002	ORTEGA ANGEL GABRIEL	613 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-003	TAYLOR DAVID & CHRISTINE	617 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-004	LEWIS LA VONA L TR	621 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-005	MALDONADO LUIS & MALDONADO ERENDIRA	625 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-006	BROWER PROPERTIES 2 LLC	629 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-007	AISPURO ROSALVA P	633 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-008	THOMAS-STEVENSON CHERI N	637 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-009	PRASAD BINESARI & SATYA W	3700 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-010	LERINDEGUI JOYCE C ET AL	3704 CREEDMOOR AVE	Modesto CA 95357-1417	\$26.00
079-010-011	TRIO DONNA M	3708 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-012	PRASAD RAKESH	3712 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-013	ANTONIO MARIA ET AL	3716 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-014	STOCKAND MIMI M	3720 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-015	WATSON THOMAS R & SHARON M	3724 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-016	GONZALES JOSEPH R	3728 CREEDMOOR AVE	Modesto CA 95355	\$26.00
079-010-017	NELSON RONALD J	3732 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-018	RAMIREZ GABRIELA	3736 CREEDMOOR AVE	Modesto CA 95357	\$26.00

079-010-019	CHIANG STANLEY & EMILY	3800 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-020	AU-YEUNG CHI & AU-YEUNG TZE HING LAM	3804 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-021	SALDANA BENJAMIN	3808 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-022	VELAZQUEZ RAUL & VELAZQUEZ MARIBEL	3812 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-023	XIAOKUN ZHI	3816 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-024	STEWART ALLAN HENRY ET AL TRS	3900 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-025	JAMES GLORIA R	3904 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-026	RIVERA PAUL C & CARMEN	3908 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-027	KUMAR ABINESH	3912 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-028	NAMO ALEN	3916 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-029	DYRCZ JEFFREY LEE	636 CODINGTON WAY	Modesto CA 95357-1425	\$26.00
079-010-030	GALIOTO-FISHER LISA M	632 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-031	SMITH JUSTIN KEITH	628 CODINGTON WAY	Modesto CA 95357-1425	\$26.00
079-010-032	LAURANCE MICHAEL E & DEBRA	624 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-033	LONGERO CHARLES	620 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-034	LOVEALL DENNIS J & TANG JANNY LUU	3925 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-035	HALE DENNA M	3921 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-036	CHARLES TIMOTHY M & CHARLES LISA A	3917 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-037	GALLEGOS ELIDIA	3913 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-038	RAMIREZ JUAN J & RAQUEL COSIO	3909 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-039	MARIGMEN VALERIANO M	3905 DILLINGHAM AVE	Modesto CA 95357-1423	\$26.00
079-010-040	VHAN SUNILA TR	3901 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-041	PERA ADRIAN C	3825 DILLINGHAM AVE	Modesto CA 95354	\$26.00
079-010-042	BRESHEARS DONALD K	3821 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-043	DELGADO MIGUEL	3817 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-044	JESUS MANUEL A & MARY L TRS	3813 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-045	GUZMAN ALEJANDRA ROBLES	3809 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-046	BEJARANO JUAN PABLO	3805 DILLINGHAM AVE	Modesto CA 95357-1421	\$26.00
079-010-047	ALBARRAN ARUTRO S & ALBARRAN CELIA P	3801 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-048	GALLO MARTIN & GALLO BEATRIZ	3725 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-049	SANTOS LUZ MARIA	3721 DILLINGHAM AVE	Modesto CA 95354	\$26.00
079-010-050	PEREZ JOSE P & ROSA M	3717 DILLINGHAM AVE	Modesto CA 95357-1420	\$26.00
079-010-051	KUMAR ASHOK	3713 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-052	MADRIGAL ROBERT	3709 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-053	GARDALI CHARLES J TR	3705 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-054	JIAO HUIYING TR	3701 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-001	MOUNBUA CHANH ET AL	3700 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-002	VARGAS EDWARD J & RACHELLE DEE TRS	3704 DILLINGHAM AVE	Modesto CA 95357-1422	\$26.00
079-011-003	LIANG JIN & CEN CHUNYAN	3708 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-004	KOOCHOU NINOUS & DOMARINA	3712 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-005	BAIJAN GEORGE & YOUNAN MARIAM	3716 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-006	RODRIGUEZ MARCELINO & RODRIGUEZ ELENA	3720 DILLINGHAM AVE	Modesto CA 95351	\$26.00
079-011-007	CHUANGS INVESTMENT INC	3724 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-008	ALVES JASON L	3800 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-009	WONG SHERRE L TR	3804 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-010	SAMO LUAY	3808 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-011	KINGSLEY BRANDON K & AMBER N	3812 DILLINGHAM AVE	Modesto CA 95357-1424	\$26.00
079-011-012	STILLWELL VINCE & ESCOBAR EVELYN	3816 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-013	ROWE DANIEL V & ROWE MICHELLE R	3820 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-014	LOBAO THOMAS A & LOBAO LISA	3824 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-015	MARTINHO THERESA SILVA TR	3900 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-016	CONTRERAS JAVIER	3904 DILLINGHAM AVE	Modesto CA 95357-1584	\$26.00
079-011-017	CABRERA MELINDA S	3908 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-018	VASQUEZ ROSA	3912 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-019	BAXTER RACHEL	3916 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-020	MENDEZ JOSE ALVAREZ & TERESA JESUS	3920 DILLINGHAM AVE	Modesto CA 95357-1584	\$26.00
079-011-021	SAENGSOURY TONY & SAENGSOURY MARY	3924 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-022	MARQUEZ ELIZABETH K & MARQUEZ RICHARD R	616 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-023	TODD BRIAN EDWARD & TRISHA ANN	612 CODINGTON WAY	Modesto CA 95357-1443	\$26.00
079-011-024	REGALADO JUAN	608 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-025	CEJA MIGUEL Y & BEATRICE	604 CODINGTON WAY	Modesto CA 95351-3528	\$26.00
079-011-026	MORALES STACIE A & KENNETH	600 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-027	LEBON FRANCIS LOUIS	3925 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-028	MUSQUEZ MACARIO F & LISA M	3921 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-029	RANEY JERRY S & TONIE	3917 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-030	MC KAY JAMES A & MC KAY MARY L	3913 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-031	FERNANDEZ ELMA ET AL	3909 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-032	BAILEY ELIZABETH M & STEVE R	3905 ELLENBORO AVE	Modesto CA 95357-1441	\$26.00
079-011-033	MANI GYANESH & SHAKUNTALA	3901 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-034	LOVE JAMES H & LOVE BRENDA W	3825 ELLENBORO AVE	Modesto CA 95357	\$26.00

079-011-035	LEVCHENKO LAURIE	3821 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-036	KIRKBRIDE CHRISTOPHER CHARLES & LUISA R	3817 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-037	GALLARDO CLAYTON LEON	3813 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-038	PADILLA ROBERTO	3809 ELLENBORO AVE	Modesto CA 95351-1439	\$26.00
079-011-039	MARTINEZ DOLORES ET AL	3805 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-040	BANKS TONYA	3801 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-041	ALDAWOOD PETER SHLIMON & RIMA	3725 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-042	MORRIS SAMUEL DAVID ET AL	3721 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-043	LOPEZ DIANA MORENO	3717 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-044	KEYGHALDI KARNAVAL & ESTER	3713 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-045	COSTA WILMA D & DAVID JR	3709 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-046	BURCIU VASILE & TABITA	3705 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-047	CHIHIL JOSEPHINE U TR	3701 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-001	HONBERGER ROBERT & HONBERGER LISA	541 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-002	BETYAGHOUB VILHAM & LINDA TRS	545 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-003	WONG SAI YING & LIXIAN KUANG TRS	549 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-004	KUWAMOTO LARRY & BETTY TRS	553 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-005	CHAND ATISH & REENA	557 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-006	PEERA ALBERTA	601 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-007	SUAREZ-MILLAN THANIA A	3700 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-008	MARENTES YESENIA	3704 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-009	MOORE MICHAEL	3708 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-010	KIDD BRIAN & KIDD KIMBERLY	3712 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-011	ESTRADA JOSE & ALICIA	3716 ELLENBORO AVE	Modesto CA 95357-1440	\$26.00
079-012-012	SERRANO GUADALUPE & MARIA ELENA	3720 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-013	MIRANDA CYNTHIA & MAGANA JOSE LUIS BARRAGAN	3724 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-014	GILL HARMAIL & DARSHAN	3800 ELLENBORO AVE	Modesto CA 95357-1440	\$26.00
079-012-015	BARRIENTOS JAVIER & ARCADIA	3804 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-016	CORRAL EDUARDO & SANDRA	3808 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-017	CHUANG TINA Y	3812 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-018	AGAS JANELYN R	3816 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-019	MADEROS KATHLEEN J	3820 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-020	BRITZKE GARY T & BRITZKE PATRICIA I	3824 ELLENBORO AVE	Modesto CA 95357-1442	\$26.00
079-012-021	PENA BERNIE & PEÑA TREANNA	3900 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-022	BP 4 LLC	3904 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-023	SOLOMON LLOYD R & JEAN M TRS	3908 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-024	THOMAS DOUGLAS E & GLENDA J	3912 ELLENBORO AVE	Modesto CA 95350	\$26.00
079-012-025	RODRIGUEZ ALFONSO	3916 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-026	BARCELO PATRICIA	3920 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-027	MATA JUAN W ET AL	3924 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-028	SALINAS ELIZABETH & ALBERT	556 CODINGTON WAY	Modesto CA 95354	\$26.00
079-012-029	AUSTIN BEVERLY	552 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-030	VALLADOLID RAMIRO & DE VALLADOLID MA CRUZ COBARRUB	548 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-031	CHAIRES MICHAEL	544 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-032	TAH 2016-1 BORROWER LLC	540 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-033	MC CLELLAN BRYCE	3925 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-034	WILDEMAN GALEN J	3921 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-035	RATANA KAM & RATANA TIMOTHY	3917 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-036	SORIA RUBEN & SORIA GLORIA L	3913 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-037	ORNELAS GABRIEL M & KATLYN T	3909 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-038	TORRES VICTOR MANUEL & PANTOJA MARIA	3905 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-039	MENDOZA NANCY M	3901 GATESVILLE AVE	Modesto CA 95354	\$26.00
079-012-040	GRAVES LUNDA M	3825 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-041	TUERS TERRY B & TUERS LENORE L	3821 GATESVILLE AVE	Modesto CA 9535-1445	\$26.00
079-012-042	KINNE DONNELLY & SUSAN N TRS	3817 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-043	ORNELAS RUI & ELISANGELA	3813 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-044	BUSH CHARLES F & BUSH DONNA L	3809 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-045	PENA JOSEPH	3805 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-046	ODISHO CATHERINE ET AL	3801 GATESVILLE AVE	Modesto CA 95356	\$26.00
079-012-047	SHEPHERD NORMAN E & LISA N	3725 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-048	BARTHOLOMEW RUSSELL RAY	3721 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-049	RUSSELL GARRICK	3717 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-050	JENSEN STEVEN H & TORJA R	3713 GATESVILLE AVE	Modesto CA 95354	\$26.00
079-012-051	PATEL JAGUBHAI & PATEL GANGABEN	3709 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-052	NELSON LESTER J & NELSON CRESENCIA	3705 GATESVILLE AVE	Modesto CA 95356	\$26.00
079-012-053	MUTOZA CRAIG J	3701 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-001	HERNANDEZ ELI U ET AL	521 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-002	VARGAS EDWARD J & RACHELLE DEE TRS	525 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-003	ROCHA JOHN DANIEL & ROCHA DIANNE MARIE	529 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-004	VANDERHEIDEN ROBIN	533 WADDELL WAY	Modesto CA 95357-1444	\$26.00

079-013-005	CORREA ARMANDO M JR & IRMA A	537 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-006	VALLADOLID YESENIA	3700 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-007	BATEMAN WALTER	3704 GATESVILLE AVE	Modesto CA 95357-1446	\$26.00
079-013-008	GOUVEIA JOHN E & GOUVEIA TERRE L	3708 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-009	DELEMONS ALBINA	3712 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-010	LE CANH & TIEU MY HA	3716 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-011	AYALA DIEGO ADRIAN ET AL	3720 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-012	MORA-MARTINEZ MA R	3724 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-013	MARTINEZ PEDRO & IRMA	3800 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-014	LONN ROCHELLE	3804 GATESVILLE AVE	Modesto CA 95357-1448	\$26.00
079-013-015	GOLIB VILMA	3808 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-016	PARKINSON MARK & DIANE	3812 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-017	BROWN WILLIAM K & SHAMIRAN A	3816 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-018	OXFORD DAVID C JR	3820 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-019	TAPIA YER YANG ET AL	3824 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-020	PETTIGREW AUSTIN T	3900 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-021	ROUNGREUANG BOUNLONG	3904 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-022	ALVARENGA VICTOR	3908 GATESVILLE AVE	Modesto CA 95350-1575	\$26.00
079-013-023	GUARDADO ARIEL	3912 GATESVILLE AVE	Modesto CA 95357-1412	\$26.00
079-013-024	JOLLIFF GARTH & KATHERINE	3916 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-025	BAXTER RACHEL A	3920 GATESVILLE AVE	Modesto CA 95357-1412	\$26.00
079-013-026	YIP AARON K & ELISE H	3924 GATESVILLE AVE	Modesto CA 95357-1455	\$26.00
079-013-027	FARIAS ROBERTO F & ELIZABETH	536 CODINGTON WAY	Modesto CA 95357	\$26.00
079-013-028	USSERY CAROL D	532 CODINGTON WAY	Modesto CA 95357	\$26.00
079-013-029	ZAVALA CLEMENTE JR & ZAVALA IRMA	528 CODINGTON WAY	Modesto CA 95357-1455	\$26.00
079-013-030	GCHOA SANJUANA	524 CODINGTON WAY	Modesto CA 95357	\$26.00
079-013-031	MIRANDA SERGIO	520 CODINGTON WAY	Modesto CA 95357	\$26.00
079-013-032	DELACRUZ JENNIFER ROBYN	3925 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-033	CAMPBELL LISA R	3921 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-034	RODRIGUEZ MANUEL & MARIA E TRS	3917 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-035	GUZMAN JONATHAN	3913 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-036	HENDERSON DAVID	3909 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-037	SHAMESALDIN JOHNY K & SHAMESALDIN MUNA M	3905 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-038	JOSEPHSON JOSEPH A & JOSEPHSON STACEY	3901 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-039	RAMIREZ JACOB & ARACELI	3825 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-040	KELLEY JOSHUA B & KATERYNA	3821 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-041	HERNANDEZ SALVADOR M & HERNANDEZ NILDA M	3817 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-042	RODRIGUEZ ELENA	3813 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-043	AQUINO J GABRIEL MENDOZA & MENDOZA NIEVES	3809 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-044	ATHINEIL GEORGE K & ATHINEIL INAAM M	3805 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-045	ALVARADO ALFONSO F	3801 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-046	DUNN JAY ALAN	3725 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-047	WATKINS WALLY T & LAUREN A	3721 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-048	CHAND VIJAY ET AL	3717 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-049	SABINIANO MARLON N ET AL	3713 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-050	CAPUTO LYNDA BINGHAM TR	3709 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-051	SMITH STEVEN J & SMITH AIDA L	3705 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-052	LOPEZ MARIO & LUZ ELVIRA	3701 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-001	GARCIA MIGUEL & GARCIA MARIA	449 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-002	CABAGHOT DOLORES R & FLYNN G	501 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-003	OSHANA OSHANA & OSHANA MARGRIT	505 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-004	WILSON KELLIE MICHELLE & RYAN CHRISTOPHER	509 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-005	NOON SAMNANG	513 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-006	SANCHEZ JOSE L & MADRIGAL ALICIA	517 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-007	AUSTIN CATHERINE ANN TR	3700 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-008	BECCERRA-BARRERA GERMAN & BECCERRA LUISA G	3704 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-009	MILTON JEANNIE	3708 LAURENBURG AVE	Modesto CA 95354	\$26.00
079-014-010	CASTRO GREGORY ALAN & BARBARA LYNN TRS	3712 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-011	DIXON GARY W TR	3716 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-012	AMES JAMES C & ADELE TRS	3720 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-013	WARNER JO ANNE	3724 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-014	GARCIA THERESA L	3800 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-015	BERGHORST REBECCA L ET AL	3804 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-016	GLOVER KEITH R & MENDOZA ARACELI CORRAL	3808 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-017	DIHR ASHKA ET AL	3812 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-018	RIVERA DAYSI M	3816 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-019	HUYNH NGOC DUNG THI ET AL	3820 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-020	CASTANEDA JOSE J & MARGARET	3824 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-021	GUZMAN MIRIAM & FLORES MARTIN	3900 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-022	SEUGA HOWLAND P	3904 LAURENBURG AVE	Modesto CA 95357	\$26.00

079-014-023	TORRES JOSE DE JESUS & TORRES MARIA DOLORES	3908 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-024	HO KAI-YIN SILAS & WANG LI	3912 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-025	SINHA NAVIN & SINGH PRIIT P	3916 LAURENBURG AVE	Modesto CA 95357-1412	\$26.00
079-014-026	CHRISTIAN RICHARD D & DIANE L TRS	3920 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-027	JENKINS JASON L & CHRISTINE M	3924 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-028	PIERCE FRANKLIN C & JODI L	516 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-029	PRASAD SURESH & PRASAD MUNI L	512 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-030	CASTELLANOS RIGOBERTO	508 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-031	NUON SOPHEAP & OUM SAVANARA	504 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-032	ROCHA SERAPIO & MARIA	500 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-033	ATWOOD BOBBY D	3925 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-034	BEST JERROLIN E	3921 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-035	GIOVANNONI CASEY L	3917 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-036	MALIK ROBERT	3913 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-037	VACA ANDRES SERVIN	3909 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-038	CHAU VINCENT	3905 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-039	ROSAS SAMUEL	3901 WILKESBORO AVE	Modesto CA 95357-1493	\$26.00
079-014-040	YOUNG HOLLY M ET AL	3825 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-041	FAMA JOSELITO & FAMA DOROTEA	3821 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-042	CICERO THEODORE JR & CAROL	3817 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-043	CABRERA THOMAS & CABRERA JANET S L	3813 WILKESBORO AVE	Modesto CA 95357-1491	\$26.00
079-014-044	RIVERA LOUIS S & LOUELLA J TRS	3809 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-045	JARAMILLO ARTURO	3805 WILKESBORO AVE	Modesto CA 95357-1491	\$26.00
079-014-046	ROGERS MEGAN ET AL	3801 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-047	BATTAN KRISHAN RAAJ	3725 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-048	BAINS SARVATINDER & BELDINDER K	3721 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-049	BOUCHER GARY C & BOUCHER DENISE K	3717 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-050	POWLEY ANAMARIA	3713 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-051	PRASAD GEORGE & PRASAD LAUTA	3709 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-052	WARD JODY LEE & CHEN QIAO	3705 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-053	BENJAMIN LINDA & EUGENE	3701 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-001	COLLINS TOMMY S	440 WADDELL WAY	Modesto CA 95357	\$26.00
079-016-002	BIRD BYRON M	3704 WILKESBORO AVE	Modesto CA 95357-1492	\$26.00
079-016-003	BARNES REECE WAYNE	3708 WILKESBORO AVE	Modesto CA 95354-1024	\$26.00
079-016-004	BIERMAN ALLEN	3712 WILKESBORO AVE	Modesto CA 95357-1492	\$26.00
079-016-005	PRASAD VIJAY	3716 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-006	GONZALEZ JOSE	3720 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-007	YUMANG ELADIO M JR & VIOLETA	3800 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-008	KOHN RONALD & JUANITA I	3804 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-009	CANCINO DANIEL DISU & FEDERICA BERNARTE TRS	3808 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-010	ROSALES JOSE L & FRANCO MARIA T	3812 WILKESBORO AVE	Modesto CA 95357-1494	\$26.00
079-016-011	STINHILVER WILLARD & STINHILVER MARLENE	3816 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-012	MAREK BETTY J ET AL	3820 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-013	ACIERTO PHILIP	3824 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-014	LUZUNARIS MIGUEL ORLANDO	3900 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-015	OU KANG YE & LIANG LIZHEN	3904 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-016	VILLASENOR RICARDO & ANA L RAMINEZ DE	3908 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-017	MANSOUR ALEN M	3912 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-018	EASTHAM GLENDA S	3916 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-019	GERSON COREY	3920 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-020	SOLORID SAMMY & MARIA L	3924 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-021	SINGH AJESH & AACHAL	440 CODINGTON WAY	Modesto CA 95357	\$26.00
079-016-022	JOHNSON ALOMA J & VELTON JR	436 CODINGTON WAY	Modesto CA 95357	\$26.00

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-172**

RESOLUTION ACCEPTING FISCAL YEAR 2018-2019 ENGINEER'S REPORT FOR LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 7-10, CREEKWOOD MEADOWS SUBDIVISION, AND YOSEMITE MEADOWS SUBDIVISION; NOTICE OF INTENTION TO LEVY AND COLLECT ASSESSMENTS FOR LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 7-10, CREEKWOOD MEADOWS SUBDIVISION, AND YOSEMITE MEADOWS SUBDIVISION AND SETTING A PUBLIC HEARING ON JUNE 26, 2018 TO CONSIDER THE LEVY AND COLLECTION OF ASSESSMENTS WITHIN LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2

WHEREAS, Resolution No. 89-460, adopted by the Council of the City of Modesto on April 4, 1989, initiated proceedings for the formation of Landscape Maintenance Assessment District No. 2 for the purpose of administering the maintenance of landscaping in the public right of way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 7-10, Creekwood Meadows Subdivision and Yosemite Meadows Subdivision Units Nos. 1 and 2, and

WHEREAS, said assessment district was formed in accordance with the Landscaping and Lighting Act of 1972, (California Streets and Highways Code Sections 22500 through 22679), and

WHEREAS, Section 22623 of the California Streets and Highways Code requires the Community Development Manager, the person designated by the Council as Engineer of Work for Assessment District No. 2, to prepare and file an annual report, and

WHEREAS, the City Engineer, said Engineer of Work, has prepared and filed said annual report with the City Clerk, and

WHEREAS, California Streets and Highways Code Section 22623 requires the Council to adopt a resolution of intention which shall include the following:

- a. Declaration of intention of the Council to levy and collect assessments within the assessment district for the fiscal year stated in said annual report.
- b. General description of the existing improvements and proposed improvements and any substantial changes proposed to be made in the existing improvements.
- c. Reference to the assessment district by its distinctive designation and indication of the general location of the district.
- d. Reference to said annual report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the district.
- e. Notice of the time, as fixed by California Streets and Highways Code Section 22625, and the place for hearing by the Council on the levy of the proposed assessment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2018-2019 Engineer's Report for Landscape Maintenance Assessment District No. 2 for Dry Creek Meadows subdivisions Nos. 7-10, Creekwood Meadows subdivision and Yosemite subdivision.

BE IT FURTHER RESOLVED that the Council hereby finds as follows:

1. The City Council intends to levy and collect assessments within Landscape Maintenance Assessment District No. 2 during the fiscal year 2018-2019.

2. There are no proposed new improvements or any substantial changes in the existing improvements within the existing Landscape Maintenance Assessment District No. 2, and the existing improvements to be made in said assessment district are generally described as follows:

The City shall provide maintenance, in perpetuity, of landscaping and any and all improvements required for such maintenance including, but not limited to, landscape irrigation systems in the following locations:

- a. Street medians in Creekwood Drive
- b. Areas adjacent to the access control walls along Creekwood Drive
- c. Areas adjacent to the access control walls along Claus Road

3. Landscape Maintenance Assessment District No. 2 is located in the County of Stanislaus, within the City limits of the City of Modesto, and is more specifically located on the northeast corner of Yosemite Boulevard and North McClure Road. District 2 is bounded by Yosemite Boulevard on the south, North McClure Road on the west, Yosemite Meadows Drive on the east, and Mechalys Way on the north.

4. Said annual report filed with the City Clerk and approved by the Council does provide a full and detailed description of the improvements, the boundaries of the assessment district and any zones therein, and the proposed assessments upon assessable lots and parcels of land within Landscape Maintenance Assessment District No. 2.

5. On Tuesday, the 26th day of June, 2018, at the hour of 5:30 p.m., the City Council will conduct a public hearing on the question of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the Tenth Street Place Chambers located at 1010 10th Street, Modesto, California.

6. The City Clerk is authorized and directed to give the notice of hearing required by the Landscaping and Lighting Act of 1972.

7. The levy and collection of assessments as set forth in this resolution shall follow the procedural and substantive requirements of Proposition 218 pursuant to Article 13D, Section 5(a) of the California Constitution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-173**

**RESOLUTION ACCEPTING THE FISCAL YEAR 2018-2019 ENGINEER'S
REPORT FOR THE SHACKELFORD LANDSCAPE AND LIGHTING
DISTRICT; NOTICE OF INTENTION TO LEVY AND COLLECT
ASSESSMENTS FOR THE SHACKELFORD LANDSCAPE AND LIGHTING
DISTRICT; AND SETTING A PUBLIC HEARING ON THE PROPOSED
ASSESSMENTS TO BE HELD ON JUNE 26, 2018 TO CONSIDER THE 2018-19
LEVY AND COLLECTION OF ASSESSMENTS WITHIN SHACKELFORD
LANDSCAPE AND LIGHTING DISTRICT**

WHEREAS, on June 29, 1999, the County of Stanislaus ("County") formed the Shackelford Landscape and Lighting District ("Shackelford LLD") for the purpose of administering the maintenance of seventy-seven (77) 200-watt high-pressure sodium streetlights, and

WHEREAS, the Shackelford LLD was formed in accordance with the Landscaping and Lighting Act of 1972 (Streets and Highways Code Sections 22500 through 22679), and

WHEREAS, the Shackelford LLD is comprised of approximately 153 acres, includes 495 lots with both residential and commercial development, and is bounded by Crows Landing on the west, E. Hatch Road on the south, Union Pacific Railroad on the east, and State Route 99 on the north, and

WHEREAS, on February 22, 2012, the Stanislaus County Local Agency Formation Commission ("LAFCO") approved the annexation of the Shackelford Area to the City of Modesto ("City"), and

WHEREAS, on April 24, 2012, by Resolution No. 2012-142, the Council approved the Shackelford Landscape and Lighting District Transfer Agreement between the County and City, and

WHEREAS, the City assumed full responsibility and administration of the Shackelford LLD on July 1, 2012, and

WHEREAS, Section 22623 of the California Streets and Highways Code requires the City Engineer, the person designated by this Council as Engineer of Work for the Shackelford LLD, to prepare and file an annual report, and

WHEREAS, the Engineer of Work has prepared and filed said annual report with the City Clerk, and

WHEREAS, California Streets and Highways Code Section 22623 requires the legislative body (the City Council) to adopt a resolution of intention which shall include the following:

- a. Declaration of intention of the legislative body (the City Council) to levy and collect assessments within the Shackelford LLD for the fiscal year stated in the annual report.
- b. General description of the existing improvements and proposed improvements and any substantial changes proposed to be made in the existing improvements.
- c. Reference to the assessment district by its distinctive designation and indication of the general location of the Shackelford LLD.
- d. Reference to said annual report, on file with the City Clerk, for a full and detailed description of the improvements, the boundaries of the Shackelford LLD and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the Shackelford LLD.

- e. Notice of the time, as fixed by the California Streets and Highways Code Section 22625, and the place for hearing by the legislative body (the City Council) on the levy of the proposed assessment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2018-19 Engineer's Report for the Shackelford Landscape and Lighting District.

BE IT FURTHER RESOLVED that the City Council hereby finds the following:

1. The City Council intends to levy and collect assessments within the Shackelford LLD during the fiscal year 2018-19.
2. There are no proposed new improvements or any substantial changes in the existing improvements in the Shackelford LLD and the existing improvements to be made in the Shackelford LLD are generally described as follows:

The City shall provide maintenance, operation and servicing, in perpetuity, of streetlights and all improvements required for such maintenance including, but not limited to:

- a. Payment to local utility company for monthly power costs of energizing street lights in the Shackelford LLD.
- b. Payment to local utility company for maintenance of street lights in the Shackelford LLD that the utility company owns (usually those lights that are mounted on wooden poles).
- c. Maintenance provided by the City of Modesto for street lights in the Shackelford LLD that are owned by the City of Modesto (usually those lights that are mounted on steel poles).

3. The Shackelford LLD is located in the County of Stanislaus, within the City Limits of the City of Modesto and is more specifically located North of Hatch Road, South of State Highway 99, and East of Crows Landing Road.

4. Said annual report filed with the City Clerk and approved by the Council by motion does provide a full and detailed description of the improvements, the boundaries of the Shackelford LLD and any zones therein, and the proposed assessments upon assessable lots and parcels of land within the Shackelford LLD.

5. On Tuesday, the 26th day of June, 2018, at the hour of 5:30 p.m., the City Council will conduct a public hearing on the questions of the levy of the proposed annual assessment. The hearing will be held at the meeting place of the City Council located in the Tenth Street Place Chambers located at 1010 10th Street, Modesto, California.

6. The City Clerk is authorized and directed to give the notice of hearing required by the Landscape and Lighting Act of 1972.

7. The levy and collection of assessments as set forth in this resolution are exempt from the procedural and substantive requirements of Proposition 218 pursuant to Article XIII, Section 5(a) of the California Constitution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-174**

RESOLUTION ACCEPTING THE SUPPLEMENTAL PAYMENT OF THE LOCAL TRANSPORTATION FUND (LTF) FOR FISCAL YEAR 2016-17 FROM THE STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) IN THE AMOUNT OF \$308,775 TO OFFSET THE SHORTFALL IN STATE TRANSIT ASSISTANCE FUNDS (STA)

WHEREAS, the greatest portion of the City's funding for the Transit Service Program is made available under the Transportation Development Act (TDA), which includes Local Transportation Fund (LTF) funds and State Transit Assistance (STA) funds, and

WHEREAS, the City has prepared its TDA claim for Fiscal Year 2016-2017 pursuant to these sections of the California PUC, and

WHEREAS, the City did not receive the estimated STA funds in Fiscal Year 2016-2017, and

WHEREAS, the Stanislaus Council of Governments (StanCOG) approved the payment of \$308,775 in LTF to cover the difference of estimated and actual STA funds received, and

WHEREAS, Council action accepting these funds is required by the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the payment of LTF funds for Fiscal Year 2016-2017 from StanCOG in the amount of \$308,775.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 8th day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Council members: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

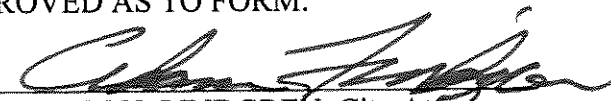
NOES: Council members: None

ABSENT: Council members: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-175**

**RESOLUTION APPROVING A NEW PURCHASE AGREEMENT WITH
AMERICAN CHILLER, INC., IN AN AMOUNT NOT TO EXCEED \$75,000 FOR
REPAIRS AND MAINTENANCE OF THE CLIMATE CONTROL SYSTEM FOR
THE MODESTO CENTRE PLAZA FACILITY, AND AUTHORIZING THE
PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE
PURCHASING AGREEMENT**

WHEREAS, in 1988 the 24,000 square foot Modesto Centre Plaza (MCP)
convention facility was constructed, and

WHEREAS, American Chiller, Inc., installed the climate control system (System)
which houses one small and one large chiller unit, and

WHEREAS, quarterly maintenance of the System was initially maintained but
later reduced and eventually eliminated due to budget reductions, and

WHEREAS, system failures and disrepairs have increased over the last thirty
years, and

WHEREAS, replacement of the chillers, estimated at \$425,000, was included as
part of the negotiations for a Qualified Management Agreement with the Doubletree
Hotel but were later suspended, and

WHEREAS, in 2017, the City contracted American Chiller to recondition the
units to prolong the life of the equipment at a cost of \$65,000, and

WHEREAS, in 2018, the City contracted American Chiller to upgrade the
computer components to monitor and control the operating system at a cost of \$49,668,
and

WHEREAS, during the 2018 upgrade, additional system repairs necessary to
maintain full operation of the climate control system and critical in accommodating large

groups and full use of the facility during warmer months were identified and herein incorporated as **Attachment 1**, and

WHEREAS, the cost to repair the units, restore quarterly maintenance service, and fund future emergency repairs through June 30, 2019 is approximately \$75,000, and

WHEREAS, \$55,000 will be encumbered from the Community and Economic Development's Fiscal Year 2017-2018 Operating Budget, and

WHEREAS, \$20,000 will be encumbered from the Community and Economic Development's Fiscal Year 2018-2019 Operating Budget, and

WHEREAS, any remaining encumbered funds from Fiscal Year 2017-2018 will be rolled over to Fiscal Year 2018-2019, and

WHEREAS, with its longstanding history, knowledge, expertise and service on the units, American Chiller has been identified as the most capable provider for future service and repairs.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Purchase Agreement with American Chiller Inc., in an amount not to exceed \$75,000, for repair and maintenance of the climate control system for the Modesto Centre Plaza facility.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the Purchase Agreement with American Chiller, Inc.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST:

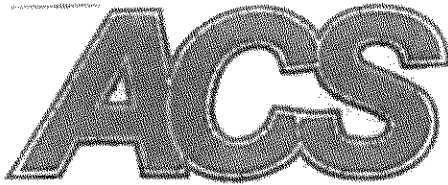

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney



AMERICAN CHILLER SERVICE, INC.
 WWW.AMERICANCHILLER.COM

Large Tonnage Air
 Conditioning Specialists

CA Lic. No. 605046
 NV Lic. No. 0036258

February 9, 2018

DIR #100000880

Arbor Room VAV Changeout

Modesto Centre Plaza
 1000 L Street
 Modesto CA 95354
 Attn: Erik Gonzalez

Quote: 47932

Phone: 209-281-1658

Dear Erik:

We are providing our proposal for the replacement of current VAV digital controls located in Arbor room as requested. All work is quoted at prevailing wage to be performed M-F during normal business hours. Listed below are the details of our proposal:

Equipment to be Controlled:

- (4) Arbor room VAV's

Scope of Work:

- ACS will provide labor and parts to replace existing digital controls on two VAV's in the Arbor room and add digital controls to two additional existing pneumatic VAV's in the Arbor room. The valve's will also be replaced on the two VAV's that have pneumatic controls only. The other two existing valves to remain and be re-used.

Total Cost:

\$12,690.00

- Total Cost includes:

- o All wiring, temperature controls, technical drawings, first year parts and labor warranty and programming.

Exclusions:

- Permits or fees, VFD's, dumpster fees, line voltage work (over 24vac), equipment protection, fire alarm work, furnish or installation or wiring of smoke detectors, fire smoke dampers, dampers, fire calk/stopping, core drilling, any mechanical equipment or devices, repair or replacement of any existing control devices or panels not specifically stated above, any pneumatic control devices or repair, asbestos or hazardous material abatement, bonds, liquidated or consequential damages of any kind, any cutting, patching or painting work.

Thank you for the opportunity to provide this proposal, we look forward to working with you on this project!

Respectfully,
 American Chiller Service, Inc.

Kyle Ferguson

Accepted By:

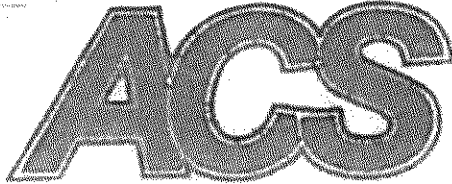
Modesto Centre Plaza

(The Terms and Conditions attached form an integral part of this agreement and are expressly incorporated herein)

Sacramento
 Bay Area
 Modesto
 Reno / Tahoe
 Mailing Address

11328 Sunrise Gold Circle, Rancho Cordova CA 95742
 743 Thornton Street, San Leandro CA 94577
 931 Reno Ave., Suite L, Modesto CA 95351
 5580 Mill Street, Suit 400, Reno NV 89502
 P.O. Box 1887 Rancho Cordova, CA 95741-1887
 Website: www.americanchiller.com

Phone: (916)457-7800 Fax: (916)731-8100
 Phone: (510)686-1111 Fax: (510)686-1234
 Phone: (209)557-0111 Fax: (209)557-0123
 Phone: (775)322-9900 Fax: (775)322-9929
 Toll Free: (800)916-2445
 E-Mail: info@americanchiller.com



AMERICAN CHILLER SERVICE, INC.
 WWW.AMERICANCHILLER.COM

Large Tonnage Air
 Conditioning Specialists

CA Lic. No. 605048
 NV Lic. No. 0036255

January 25, 2018

DIR #100000880

AHU #1 and #2 Damper Actuators

Modesto Centre Plaza
 1000 L Street
 Modesto CA 95354
 Attn: Erik Gonzalez

Quote: 47381

Phone: 209-281-1658

Dear Erik:

We are providing our proposal for the replacement of current buildings pneumatic dampers on AHU #1 and #2 with new electronic ones. All work is quoted at prevailing wage to be performed M-F during normal business hours. Listed below are the details of our proposal:

Equipment to be Replaced:

- (4)pneumatic damper actuators on AHU #1 & #2

Equipment to be Included:

- (4) electronic actuators
- (4) Room Sensors

Scope of Work:

- Replace failing AHU 1&2 pneumatic damper actuators with new electronic actuators, (4) in total. Integrate new actuators into control scheme.

Total Cost:

\$7,238.00

Exclusions:

- Internet Connectivity, Dampers and/or repairs, electrical work or repairs, roof jacks, demo, paint, patch, core drilling, dumpster fees and/or any work outside the above scope of work or scope for control system.

Thank you for the opportunity to provide this proposal, we look forward to working with you on this project!

Respectfully,
 American Chiller Service, Inc.

Accepted By:

Kyle Ferguson

Modesto Centre Plaza

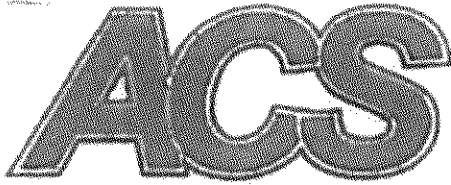
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E-Mail info@americanchiller.com



AMERICAN CHILLER SERVICE, INC.
 WWW.AMERICANCHILLER.COM

Large Tonnage Air
 Conditioning Specialists

CA Lic. No. 608046
 NV Lic. No. 0035255

February 7, 2018

DIR #1000000880

HVAC Annual Service

Modesto Centre Plaza
 1000 L Street
 Modesto CA 95354
 Attn: Erik Gonzalez

Quote: 47376

Phone: 209-281-1658

Dear Erik:

We are providing our proposal for annual services at your facility. All work is quoted at prevailing wage to be performed M-F during normal business hours. Listed below are the details of our proposal:

Equipment to be Serviced:

- (1)Trane RTWA Chiller
- (1)Trane CVHE Chiller
- (1)Refrigerant Monitor

Scope of Work:

- Provide labor and materials to perform annual services per attached check lists
- Provide written reports at completion of each service

Material Cost:

\$1,207.00

Labor Cost:

\$5,305.00

Total Cost:

\$6,512.00*

***Additional Considerations:**

- (2)CHW Pumps & (2) CW Pumps Annual Service
- (1)BAC Cooling Tower Annual Service

\$1,012.00
\$2,749.00 ask Randy what this includes

Thank you for the opportunity to provide this proposal, we look forward to working with you on this project!

Respectfully,
 American Chiller Service, Inc.

Accepted By:

Kyle Ferguson

Modesto Centre Plaza

(The Terms and Conditions attached form an integral part of this agreement and are expressly incorporated herein)

Sacramento
 Bay Area
 Modesto
 Reno / Tahoe
 Mailing Address

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-176**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS,
ACCEPTING THE BID AND AWARDING THE CONSTRUCTION CONTRACT
TO DSS COMPANY, DBA KNIFE RIVER CONSTRUCTION, OF STOCKTON,
CALIFORNIA, IN THE AMOUNT OF \$1,588,636 FOR THE CLAUS ROAD
PAVEMENT REHABILITATION PROJECT, AND AUTHORIZING THE
INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE
AGREEMENT**

WHEREAS, plans and specifications have been prepared for the Claus Road Pavement Rehabilitation Project, and City staff recommends approval by the City Council, and

WHEREAS, the project was advertised for bids on February 28, 2018, bids were publicly opened at 11:00 a.m. on April 3, 2018 pursuant to Modesto Municipal Code 8-3.403 and Charter Section 1307 and four responsive bids were received, and

WHEREAS, the proposed award of bid to DSS Company, dba Knife River Construction, of Stockton, CA conforms to Modesto Municipal Code section 8-3.403 and Modesto Charter Section 1307 and is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$1,588,636.00 received from DSS Company, dba Knife River Construction of Stockton, California, be accepted as the lowest responsible and responsive bid and the contract be awarded to DSS Company, dba Knife River Construction,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for the Claus Road Pavement Rehabilitation Project, accepts the bid of DSS Company, dba Knife River Construction of Stockton, California in the amount of \$1,588,636.00, and awards DSS Company, dba

Knife River Construction of Stockton, California the contract for the Claus Road
Pavement Rehabilitation Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is
hereby authorized to execute the contract.

The foregoing resolution was introduced at a regular meeting of the Council of
the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer,
who moved its adoption, which motion being duly seconded by Councilmember Grewal,
was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

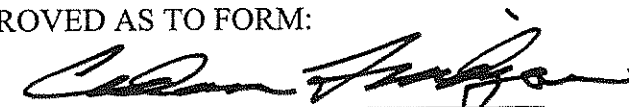
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-177**

**RESOLUTION APPROVING THE PLANS, SPECIFICATIONS AND BID,
AWARDING THE CONSTRUCTION CONTRACT TO DSS COMPANY DBA
KNIFE RIVER CONSTRUCTION OF STOCKTON, CALIFORNIA, IN THE
AMOUNT OF \$2,204,866 FOR THE CARPENTER ROAD STREET
IMPROVEMENTS PROJECT AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, on May 24, 2016, by Resolution 2016-220, Council approved list of projects to be funded upon the passage of Measure L within the first 5 years, and

WHEREAS, the list includes the Carpenter Road Street Improvements project under the Local Streets and Roads category with a total budget of \$2.9 million dollars, and

WHEREAS, in November of 2016 the voters of Stanislaus County approve the county wide, 25-year, half-cent sales tax increase known as Measure L, and

WHEREAS, on July 5, 2017, by Resolution 2017- 269, Council approved a list of proposed projects including the Carpenter Road Street Improvements project to be funded with Measure L tax proceeds in Fiscal Year 2017-18, and

WHEREAS, in accordance with Administrative Directive 3.1 staff utilized a pre-qualified local consultant list and requested a proposal from Drake Haglan to perform design services for the Carpenter Road Street Improvements project, and

WHEREAS, on December 12, 2017, by Resolution 2017-502, Council approved an Agreement with Drake Haglan and Associates, Modesto, CA, for professional engineering design services, and

WHEREAS, plans and specifications have been prepared for the Carpenter Road Street Improvements Project, and City staff recommends approval by the City Council, and

WHEREAS, the project was advertised for bids on April 10, 2018, bids were publicly opened at 11:00 a.m. on May 1, 2018 pursuant to Modesto Municipal Code 8-3.403 and Charter Section 1307 and one responsive bid was received, and

WHEREAS, the proposed award of bid to DSS Company, dba Knife River Construction, of Stockton, CA conforms to Modesto Municipal Code section 8-3.403 and Modesto Charter Section 1307 and is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$2,204,866 received from DSS Company, dba Knife River Construction of Stockton, California, be accepted as the lowest responsible and responsive bid and the contract be awarded to DSS Company, dba Knife River Construction,

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans, specifications and bid and awards the construction contract to DSS Company dba Knife River Construction of Stockton, California, in the amount of \$2,204,866 for the Carpenter Road Street Improvements Project.

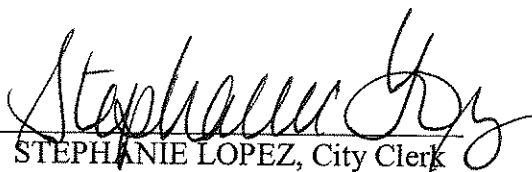
BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-178**

**RESOLUTION AUTHORIZING THE UTILITY DEPARTMENT DIRECTOR TO
APPROVE CHANGE ORDERS UP TO THE CUMULATIVE AMOUNT OF
\$220,487 (10% OF THE ORIGINAL CONTRACT PRICE)**

WHEREAS, the contingency cost for Carpenter Road Street Improvements Project has been estimated to be \$220,487, 10% of the original contract price, an amount which exceeds the Director's authority for the project as established by Change Order Policy 1.028, and

WHEREAS, the reason for the increased contingency is because of the accelerated design and review period to construct portions of the project which front Central Catholic High School this summer in order to avoid traffic congestion issues while school is in session, and

WHEREAS, the Director of Utilities shall have authority to approve change orders up to the cumulative amount of \$220,487.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Utility Department Director to approve change orders up to the cumulative amount of \$220,487 (10% of the original contract price).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-179**

RESOLUTION APPROVING A CHANGE ORDER TO PURCHASE ORDER#135006 WITH DOCON, INC., MODESTO, CA IN THE AMOUNT OF \$7,161 FOR THE INSTALLATION OF SHADE NETTING FABRIC AT JOHN THURMAN FIELD, AN ADDITIONAL \$3,305 IN PROJECT CONTINGENCY (IF NEEDED), AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE TO ISSUE CHANGE ORDERS TO THE PURCHASE ORDER FOR A TOTAL AMOUNT NOT TO EXCEED \$36,360 AS NECESSARY

WHEREAS, Council approved an agreement with HWS Baseball, IV. LLC, operating as The Modesto Nuts (NUTS) for the use, operation and management of John Thurman Field by Resolution No. 2016-503, and

WHEREAS, Council also established a fund for capital improvements to be made to the stadium by Resolution No. 2016-504, and

WHEREAS, the list of 2018 capital improvements were reviewed by Council on October 24, 2017, and

WHEREAS, Council amended the fiscal budget by Resolution No. 2017-413 to fund CIP Project #101019, and

WHEREAS, installing shade netting fabric was determined to be one of the top priority projects to complete prior to the 2018 season, and

WHEREAS, the project was bid on February 1, 2018, and

WHEREAS, DOCON, Inc. of Modesto, CA was the only bidder to respond to the bid request, and

WHEREAS, the one bid was determined to be reasonable and fair, and

WHEREAS, DOCON, Inc. of Modesto, CA was awarded purchase order #135006 in an amount of \$25,894 to install shade fabric at John Thurman Field, and

WHEREAS, a change order in the amount of \$7,161 is necessary to ensure the longevity of the shad netting and to increase the fabric warranty from 1 year to 10 years, and

WHEREAS, an additional project contingency of \$3,305 is necessary to ensure the project can be completed without further delay.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a change order to purchase order #135006 with DOCON, Inc. of Modesto, CA in the amount of \$7,161 for the installation of shade netting fabric at John Thurman Field and an additional \$3,305 in project contingency (if needed) .

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue change orders to the purchase order for a total amount not to exceed \$36,360.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-180**

RESOLUTION APPROVING THE CANCELLATION OF SEVEN COMPLETED BIDS FOR 22 VEHICLES AND PIECES OF EQUIPMENT FROM VARIOUS VENDORS

WHEREAS, funds were approved and allocated in the budget adoption for Fiscal Years 2016-2017 and 2017-2018 for the purchase of 22 new and replacement units to be assigned to various departments and divisions, and

WHEREAS, the Interim City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for new vehicles and heavy equipment through various competitive processes, and

WHEREAS, the Purchasing Division issued seven RFBs in late 2017 and early 2018 for the purchase of 22 new and replacement vehicles and equipment on the City's website under the appropriate commodity codes for automotive vehicles and related transportation equipment, and

WHEREAS, all bids had detailed bid specifications posted on Planet Bids per the City's purchasing guidelines and prospective bidders were notified online of the bid opportunity, and

WHEREAS, the City received seven completed bids and all bids received were compliant per bid specifications and many of the vendors were willing to hold the pricing longer than originally required in order to do business with the City, and

WHEREAS, since receiving the completed bids, it was determined to cancel non-urgent, non-awarded bids and RFBs and to remove any posted bids from Plant Bids, pending a Fleet Utilization Study, and

WHEREAS, a Fleet Utilization Study was identified as part of Fleet Efficiency

Study recommendations to examine the existing inventory and determine the necessity of all current equipment and vehicles, and

WHEREAS, the study is scheduled to be completed in late June 2018, and it is anticipated that there will be a reduction in the size of the fleet and therefore an inventory of existing resources that could be transferred across the organization, and

WHEREAS, once the study is complete, staff will reevaluate the need for fleet purchased and adjust the bids accordingly.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the cancellation of seven completed bids for the purchase of 22 vehicles and pieces of equipment from various vendors as listed in **Exhibit A**.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-181**

**RESOLUTION APPROVING THE SUBMISSION OF THE CITY'S
TRANSPORTATION DEVELOPMENT ACT (TDA) TRANSIT CLAIM FOR
FISCAL YEAR 2018-2019 TO THE STANISLAUS COUNCIL OF
GOVERNMENTS (STANCOG) IN THE AMOUNT OF \$11,815,332**

WHEREAS, the greatest portion of the City's funding for the Transit Service Program is made available under the Transportation Development Act (TDA), which includes Local Transportation Fund (LTF) funds and State Transit Assistance (STA) funds, and

WHEREAS, the Stanislaus Council of Governments (StanCOG) has informed the Finance Department that TDA funds have been apportioned by the State to StanCOG for allocation to public transit agencies pursuant to Article 4 of Chapter 4 of the California Public Utilities Code (PUC), and

WHEREAS, the City has prepared its TDA claim for Fiscal Year 2018-2019 pursuant to these sections of the California PUC, and

WHEREAS, the City's Transit TDA Claim for Fiscal Year 2018-2019 is \$11,815,332, and

WHEREAS, the total Transit Operating Budget for Fiscal Year 2018-2019 is \$20,192,774, and

WHEREAS, Council action authorizing submission of the Claim is required by StanCOG pursuant to Section 99233.11 of the California PUC before any TDA funding can be released to the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the TDA transit claim for Fiscal Year 2018-2019 to StanCOG in the amount of \$11,815,332.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-182**

RESOLUTION APPROVING FARE CHANGES ON THE MODESTO AREA EXPRESS (MAX) COMMUTER SERVICE TO THE BAY AREA RAPID TRANSIT (BART) STATION EFFECTIVE JULY 1, 2018, AND AUTHORIZING THE TRANSIT MANAGER TO IMPLEMENT THE CHANGES

WHEREAS, passenger fares for Modesto Area Express (MAX) commuter service to the Bay Area Rapid Transit (BART) station in Pleasanton need to be updated to allow for the new electronic fare media, and

WHEREAS, Transit staff conducted a survey of MAX BART riders and determined that the majority of riders expressed satisfaction with the change, and

WHEREAS, the regular one-way and round trip fares will remain the same, and

WHEREAS, the monthly and partial month passes will be changed to a 31-Day Pass and a 7-Day Pass, to more closely align with regular MAX passes.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the following fares are hereby changed for passengers riding on the MAX commuter service to the BART station:

MODESTO AREA EXPRESS	
BART Express Commuter Service	
31-Day Pass	\$175.00
7-Day Pass	\$50.00
One-Way	\$14.00
Round-Trip	\$16.00

BE IT FURTHER RESOLVED that these fares shall go into effect on and after July 1, 2018.

BE IT FURTHER RESOLVED that the Transit Manager is hereby authorized to implement the changes to passenger fares.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

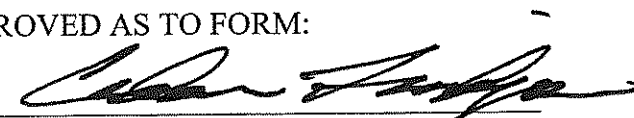
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-183**

RESOLUTION APPROVING A TEN-YEAR LICENSE AGREEMENT WITH ORCHARD SUPPLY COMPANY, LLC, FOR THE USE OF PARKING SPACES FOR THE MODESTO AREA EXPRESS (MAX) PARK AND RIDE LOT AT 2800 SISK ROAD FOR A TOTAL AMOUNT OF \$6,000 IN THE INITIAL YEAR AND A TOTAL COST NOT TO EXCEED \$63,000 FOR THE TERM OF THE AGREEMENT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City has used the parking spaces it currently occupies at the Orchard Supply Hardware (OSH) store at 2800 Sisk Road since 2004 when the City entered into the original agreement, and

WHEREAS, the parking lot is used for a Park and Ride lot for people using the Modesto Area Express (MAX) commuter bus to the Bay Area Rapid Transit (BART) station in Pleasanton.

WHEREAS, the parking lot provides a lighted, convenient and well-maintained location for people to park their vehicles for the day, and

WHEREAS, there has not been a written agreement in place with OSH since 2008, and

WHEREAS, on May 9, 2018, this item was presented to the Economic Development Committee for their acceptance, and the Committee recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the license agreement with Orchard Supply Company, LLC, for the use of the parking lot at 2800 Sisk Road for a total amount of \$6,000 in the initial year and a total cost not to exceed \$63,000 for the ten-year term of the agreement.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

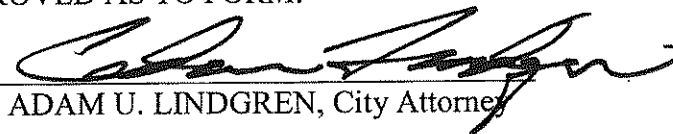
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-184**

**RESOLUTION APPROVING A SOLE SOURCE PURCHASE AGREEMENT
WITH AVAIL TECHNOLOGIES, INC., STATE COLLEGE, PA, FOR
REPLACEMENT CELLULAR MODEMS UTILIZED BY MODESTO AREA
EXPRESS (MAX) FOR A TOTAL COST NOT TO EXCEED \$316,144 FOR
THREE YEARS, AND AUTHORIZING THE INTERIM CITY MANAGER, OR
HIS DESIGNEE, TO EXECUTE THE PURCHASE AGREEMENT**

WHEREAS, on March 6, 2007, by Resolution No. 2007-161 Council awarded a development and installation contract in the approximate amount of \$948,000 to Avail Technologies, Inc., to install a Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) system on the Modesto Area Express (MAX) bus fleet, and

WHEREAS, on December 11, 2007, the City entered into an agreement with Avail Technologies, Inc., for the development of a CAD/AVL system for the MAX bus fleet, and

WHEREAS, on June 7, 2016, by Resolution No. 2016-234, Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 18, 2018 at a cost of \$112,652, and

WHEREAS, in April 2017, Avail Technologies upgraded and began hosting the software to enable the real-time bus information to be made available to the public via website and myStop smart phone application. In addition, most of the buses started transmitting data via a stable cellular connection vs. the less reliable data radio connection. Avail included the server hosting services as part of the annual agreement approved in June 2016, with no additional cost to the City, and

WHEREAS, on July 11, 2017, by Resolution No. 2017-277, Council authorized the purchase of additional hardware to enable all buses to transmit the signal with a

cellular connection, along with other upgraded hardware, so that the real-time data was accurate and all buses had the same equipment installed. That equipment upgrade is currently scheduled for January 2018, and

WHEREAS, this additional software will enhance the MAX system by providing better tools to the operations staff to ensure that the Avail system is producing correct data for the traveling public and the management staff will have the reports needed to effectively convey the story of MAX service in Modesto, and

WHEREAS, Avail Technologies, Inc. is the sole provider of Avail applications and is the only vendor that can provide Avail maintenance for their products. The City conducted a competitive bid process and found no other reseller that can provide maintenance for the Avail system. As a result, the Purchasing Manager has determined that purchase of software and maintenance and modem equipment meet the City's sole source criteria as required under the Modesto Municipal Code 8-3.204, and

WHEREAS, on January 23, 2018, by Resolution 2018-36, Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 2021, and

WHEREAS, the action in January 2018 included replacement modems that were found not to be in the best interest of the City to save costs in the long term. The newer style of modems will allow multiple devices to use the cellular connection, thus allowing for one data plan and not multiple data plans.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a sole source purchase agreement with Avail Technologies, Inc.,

State College, PA, for replacement cellular modems utilized by Modesto Area Express for a total not to exceed \$316,144.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-185**

RESOLUTION AMENDING THE FISCAL YEAR 2017-18 OPERATING BUDGET IN THE AMOUNT OF \$43,911 TO FUND THE PURCHASE OF REPLACEMENT CELLULAR MODEMS UTILIZED BY MODESTO AREA EXPRESS (MAX), AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, on January 23, 2018, by Resolution 2018-36, Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 2021, and

WHEREAS, the action on January 2018 included replacement modems that were found not to be in the best interest of the City to save costs in the long term, and

WHEREAS, the newer style of modems will allow multiple devices to use the cellular connection, thus allowing for one data plan and not multiple data plans, and

WHEREAS, the cost of replacing the modems authorized by Council under the action on January was \$75,466, and

WHEREAS, the cost for the newer Sierra Wireless modems is \$119,377, and

WHEREAS, a budget adjustment to project 100982 is necessary in the amount of \$43,911 to fund the purchase of the Sierra Wireless modems, and

WHEREAS, funding for this project is available through existing transit grants under Proposition 1B under the Public Modernization, Improvement and Service Enhancement Account program (PTMISEA).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-18 Operating Budget as shown in **Exhibit A, attached** hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

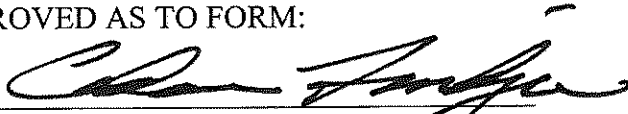
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

(Projects and Grants)

Contact Person: Maria Garnica Council Action Date: _____
 Telephone: 577-5249 Resolution Number: _____
 Submitting Department: PW Date Submitted by Dept: 5/8/2018
 Project Name: Bus Fixed Route Fund Fiscal Year being Adjusted: FY17/18
 Project Fund: 4510

FY	-	Fund	-	Cost Center	-	Account	-	Project	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
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Revenues

<u>FROM</u>												
											\$0	
										\$0		
<u>TO</u>												
18		4510		59999		42117		100982	\$474,447	\$43,911	\$518,358	Intergov - State - Prop 1B - Capital - Related
										\$43,911	\$0	

FY	-	Project	-	Task	-	Expenditure Type	Current Budget	Increase/ (Decrease)	Revised Budget	Project Organization
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Expenses

<u>FROM</u>												
<u>TO</u>												
18		100982		EA		Equipment Acquisition	\$0	\$0	\$0			
							\$368,981	\$43,911	\$412,892			PW. Transit Services
							\$0		\$0			

Justification for Budget Adjustment

Authorization	Signature	Date
Administrative Services Officer (if needed)		
Deputy Director (if needed)		
Department Director or Authorized Designee		
Financial Analyst		
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: <u>2</u>	Completed <u>MG</u>
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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-186**

**RESOLUTION ACCEPTING THE DOWNSTREAM WATER SYSTEM
IMPROVEMENTS-TIER 1 NORTH TANK 11 AND PUMP STATION PROJECT
AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH
THE COUNTY RECORDER, RELEASE SECURITIES, AND RELEASE
PAYMENTS TOTALING \$10,693,011.53 TO GATEWAY PACIFIC
CONTRACTORS INC., OF SACRAMENTO, CA**

WHEREAS, the Downstream Water System Improvements-Tier 1 North Tank 11 and Pump Station Project has been completed by Gateway Pacific Contractors Inc., of Sacramento, CA. in accordance with the contract agreement dated July 14, 2015,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Downstream Water System Improvements-Tier 1 North Tank 11 and Pump Station Project is hereby accepted as complete by Gateway Pacific Contractors Inc., of Sacramento, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$10,693,011.53 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

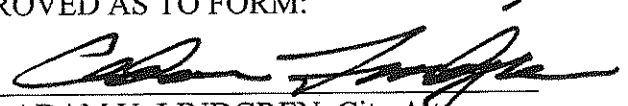
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-187**

**RESOLUTION ACCEPTING THE TULLY ROAD AND 9TH STREET
PAVEMENT REHABILITATION PROJECT AS COMPLETE, AUTHORIZING
ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER,
RELEASE SECURITIES, AND RELEASE PAYMENTS TOTALING \$601,986.51
TO GEORGE REED, INC., OF MODESTO, CA**

WHEREAS, the Tully Road and 9th Street Pavement Rehabilitation Project has been completed by George Reed, Inc., Of Modesto, CA. in accordance with the contract agreement dated September 12, 2017,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Tully Road and 9th Street Pavement Rehabilitation Project is hereby accepted as complete by George Reed, Inc., of Modesto, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$601,986.51 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-188**

RESOLUTION APPROVING THE PURCHASE AGREEMENTS FOR THE FURNISHING OF HOT PATCH WORK FROM GARRETT THOMPSON CONSTRUCTION, INC., MODESTO, CA, FOR AN ANNUAL COST NOT TO EXCEED \$4,106,500; AND UNITED PAVEMENT MAINTENANCE, HUGHSON, CA, FOR AN ANNUAL COST NOT TO EXCEED \$200,000, FOR TWO-YEAR AGREEMENTS WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COMBINED TOTAL COST NOT TO EXCEED \$4,306,500; APPROVAL OF ANY OF THE ONE YEAR EXTENSIONS WOULD REQUIRE FUTURE APPROVAL BY THE CITY COUNCIL, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE PURCHASING AGREEMENTS

WHEREAS, the Interim City Manager authorizes the Purchasing Division to issue formal Request for Bids (RFB) for the furnishing of hot patch work, and

WHEREAS, on January 11, 2018, the Purchasing Division issued RFB No. 1718-05-RB for the furnishing of Hot Patch Work on the City's website, and eleven (11) companies chose to download the RFB document, and

WHEREAS, on February 13, 2018, bids were formally opened in the City Clerk's Office. Two companies chose to respond and both provided responsive and responsible bids. One local vendor was capable of providing this type of service, and

WHEREAS, to ensure continued services to the City, contracts shall be awarded to more than one contractor to provide for backup in case the primary contractor is unable to meet the City's needs. A secondary position contractor may be awarded a specific job only if the primary contractor is unable to perform the service, or if the primary contractor is unable to complete the specific job within the time frame required by the City, and

WHEREAS, based on providing lowest responsive and responsible bids, staff recommends the award of bid for the furnishing of hot patch work for the Utilities

Department, Water and Wastewater Divisions, to Garrett Thompson Construction, Inc., Modesto, CA, for an estimated annual cost not to exceed \$4,106,500; and United Pavement Maintenance, Hughson, CA, for an estimated annual cost not to exceed \$200,000; for an annual combined total cost not to exceed \$4,306,500, and

WHEREAS, the above agreements are for a term of two-years with three one-year extension options, and

WHEREAS, approval of any of the one year extensions would require future approval by the City Council, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bids for the furnishing of hot patch work to Garrett Thompson Construction, Inc., Modesto, CA, as “primary” contractor and United Pavement Maintenance, Hughson, CA, as “secondary” contractor, conforms to the Modesto Municipal Code, and

WHEREAS, the cost for these services will be covered through existing budget in Water Fund accounts 4100-45020-53150, 4100-45040-53150, and various Water Fund CIP projects, and Wastewater accounts 4210-44313-53100, 4210-44314-53100 and Stormwater account 4480-44222-53100.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Purchase Agreements for the furnishing of Hot Patch Work from Garrett Thompson Construction, Inc., Modesto, CA, for an annual cost not to exceed \$4,106,500; and United Pavement Maintenance, Hughson, CA, for an annual cost

not to exceed \$200,000, for two-year agreements with three one-year extension options, for an annual combined total cost not to exceed \$4,306,500.

BE IT FURTHER RESOVLED, that approval of any of the one year extensions would require future approval by the City Council.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

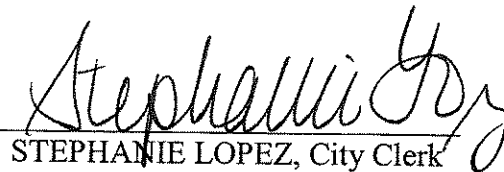
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 22nd day of May, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-189**

**RESOLUTION NAMING THE MAYOR AND CITY COUNCIL AS THE
INTERIM BOARD OF DIRECTORS OF THE MODESTO CONVENTION AND
VISITOR'S BUREAU**

WHEREAS, in June 2003 and 2005, the City entered into Agreements with the Modesto Convention and Visitor's Bureau, a non-profit corporation ("CVB"), to promote and market Modesto for meetings, conventions, tour groups, and visitor activities, and

WHEREAS, on July 6, 2010, by Resolution No. 2010-285, Council approved a five-year extension of the term through June 30, 2015, and

WHEREAS, in July 2015, the duties, functions, and staff of the CVB were transferred to the Community and Economic Development Department, and

WHEREAS, in October 2015, the Destination Modesto Task Force ("Task Force") was formed to review and make recommendations on how to structure the entity responsible for marketing Modesto and its venues and attractions, and

WHEREAS, the Task Force concluded that the marketing should include results-oriented management, comprehensive and coordinated marketing, regional collaboration and partnership, performance measured by economic growth potential, and an entrepreneurial spirit, and

WHEREAS, in March 2018, the Council accepted an informational report outlining the next steps to restore the CVB as an independent agency, and

WHEREAS, the City has started the first step of the process and hired Storypowered, Aaronson Management Group, to consult and oversee the transition, and

WHEREAS, a Board of Directors is essential in order for the CVB to become fully operational as an independent agency, and

WHEREAS, the three remaining CVB Board of Directors, Neal Khatri (Chair), Theresa Hickerson, and Maggie Mejia, have not met since August 2015 and have exceeded the life of their terms, and

WHEREAS, the CVB Bylaws define the number of directors and method of appointment as follows: "...shall be seven (7). Each member of the City Council shall appoint one member to the Board of Directors. In addition there shall be three (3) ex-officio, non-voting members of the board...The Modesto Center Plaza Manager, A Modesto City Councilmember appointed by the Mayor and The Chief Executive Officer...", and

WHEREAS, in order to continue the work of transition the agency to independent status and to provide access to the financial records and funding still controlled by the existing Board, staff recommends dissolving the existing Board of Directors and appointing the Mayor and City Council as the Interim Board of Directors with no ex-official members at this time, and

WHEREAS, in the event a City Councilmember is unable to serve, the City Manager shall fill the vacancy, and

WHEREAS, the Interim Board of Directors will serve until permanent appointments are made by the City Council once the agency is operating independently and requirements for board appointments are established.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby names the Mayor and City Council as the Interim Board of Directors of the Modesto Convention and Visitor's Bureau.

BE IT FURTHER RESOLVED, that in the event a City Councilmember is unable to serve as an Interim Board of Directors, then the Interim City Manager shall serve in his/her place.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-190**

RESOLUTION APPROVING AN AGREEMENT WITH ALTA PLANNING + DESIGN INC., OAKLAND, CA, FOR ENGINEERING SERVICES FOR THE ACTIVE TRANSPORTATION PLAN (NON-MOTORIZED MASTER PLAN UPDATE) IN AN AMOUNT NOT TO EXCEED \$199,994 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$19,999 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A MAXIMUM TOTAL AMOUNT NOT TO EXCEED \$219,993 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City is ready to begin work for the Active Transportation Plan Project, and

WHEREAS, on January 9, 2007, by Resolution No. 2007-067, Council approved the current Non-Motorized Transportation Master Plan, and

WHEREAS, the current Non-Motorized Transportation Master Plan is outdated and is in need of being updated, and

WHEREAS, on May 24, 2016, by Resolution No. 2016-220, Council approved a list of projects to be funded upon the passage of Measure L within the first 5 years, and

WHEREAS, the list included the Active Transportation Plan project under the Bike/Pedestrian category, and

WHEREAS, in November of 2016 the voters of Stanislaus County approved the county wide, 25-year, half-cent sales tax increase known as Measure L, and

WHEREAS, on July 5, 2017, by Resolution No. 2017- 269, Council approved a list of proposed projects including the Active Transportation project to be funded with Measure L tax proceeds in Fiscal Year 2017-18, and

WHEREAS, in accordance with Council Resolution No. 2017-439 and Administrative Directive 3.1, staff utilized a pre-qualified local consultant list and

requested a proposal from Alta Planning + Design Inc. to perform design services for the Active Transportation Plan project, and

WHEREAS, staff negotiated a scope of services and cost proposal with Alta Planning + Design Inc.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Alta Planning + Design Inc., Oakland, CA, for engineering services for the Active Transportation Plan (Non-Motorized Master Plan Update) in an amount not to exceed \$199,994 for the identified scope of services, plus \$19,999 for additional services (if needed), for a maximum total amount not to exceed \$219,993.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

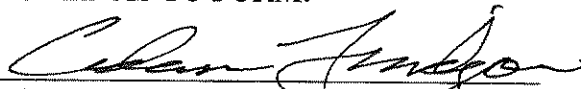
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO 2018-191**

RESOLUTION APPROVING A FISCAL SPONSOR AGREEMENT WITH VALLEY MOUNTAIN REGIONAL CENTER FOR THE PURPOSES OF FUND RAISING RELATED TO THE DEVELOPMENT OF THE AWESOME SPOT PLAYGROUND AT BEYER COMMUNITY PARK, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the play equipment at Beyer Community park was installed in 1986,
and

WHEREAS, Beyer Community Park is one of the parks identified for playground improvements, and

WHEREAS, it is the desire of the City to install an inclusive playground designed for citizens of all abilities to play side by side at Beyer Community Park, and

WHEREAS, a group of citizens has organized into The Awesome Spot Playground team for the purposes of playground design, community engagement, and fundraising, and

WHEREAS, Council approved a temporary fiscal sponsorship agreement with Shane's Inspiration in March 2017 by Resolution No. 2017-104, and

WHEREAS, the fiscal sponsorship agreement with Shane's Inspiration will soon expire, and

WHEREAS, Valley Mountain Regional Center holds a current 501(c)3 Non-Profit Status, and

WHEREAS, The Awesome Spot Playground team desires to continue fund raising for the project, and

WHEREAS, Valley Mountain Regional Center desires to partner with the City and The Awesome Spot Playground team to assist with fundraising efforts as a fiscal sponsor.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves a Fiscal Sponsor Agreement with Valley Mountain Regional Center for the purposes of fund raising related to the development of The Awesome Spot Playground and Beyer Community Park.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement and any other supporting documents, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-192**

RESOLUTION ACCEPTING THE CALIFORNIA RIVER PARKWAYS GRANT PROGRAM FUNDS IN AN AMOUNT OF \$500,000 TO FUND DESIGN AND CONSTRUCTION OF THE TUOLUMNE RIVER REGIONAL PARK (TRRP) RIVER OVERLOOK PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO ACCEPT AND UTILIZE THE GRANT AWARD

WHEREAS, the City of Modesto has received a grant award from the California River Parkways Grant Program of \$500,000 for design and construction of the Tuolumne River Regional Park River Overlook Project, and

WHEREAS, Council authorized the submission of an application for the grant on September 8, 2015, by Resolution No. 2015-335, and

WHEREAS, the River Overlook Project is included in the TRRP Master Plan and is an important piece of the development of the trail system of the Gateway Parcel.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it accepts the California River Parkways Grant Program funds in an amount of \$500,000 to fund design and construction of the Tuolumne River Regional Park River Overlook Project.

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby authorized to accept and utilize the grant award from the California River Parkways Grant Program for the development and construction of Tuolumne River Regional Park River Overlook Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Mayor Brandvold

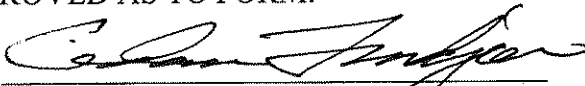
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-193**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-18 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN AN AMOUNT NOT TO EXCEED
\$849,940 IN REVENUE AND TO BUDGET EXPENDITURES AS OUTLINED IN
ATTACHMENT A TO FUND DESIGN AND CONSTRUCTION OF THE
TUOLUMNE RIVER REGIONAL PARK RIVER OVERLOOK PROJECT AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
IMPLEMENT THE BUDGET ADJUSTMENT**

WHEREAS, the City of Modesto has received a grant award from the California River Parkways Grant Program of \$500,000 for the design and construction of the Tuolumne River Regional Park (TRRP) River Overlook Project, and

WHEREAS, on September 8, 2015, by Resolution No. 2015-335, Council authorized the submittal of an application to the California River Parkways Grant Program, and

WHEREAS, the City received notice of a grant award from the California Natural Resources under this grant program in an amount of \$500,000, and

WHEREAS, Council shall consider amending the 2017-18 Capital Improvement Project Budget to create a new project titled TRRP River Overlook Account #101109 with the grant award as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends the Fiscal Year 2017-18 Capital Improvement Program Budget in an amount not to exceed \$849,940 in revenue and budgets expenditures as outlined in **Attachment A**.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to implement the budget adjustment as outlined in **Attachment A** to

fund the design and construction of the Tuolumne River Regional Park (TRRP) River Overlook Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

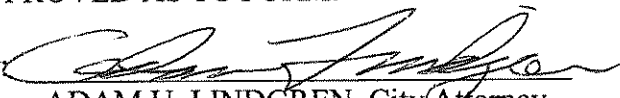
ABSENT: Councilmembers: Zoslocki

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By 
ADAM U. LINDGREN, City Attorney

Attachment A

Budget Adjustment for Capital Project 101109 (TRRP River Overlook)

Fund 6710 – TRRP CIP:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
6710-89999-101109 – Eng/Design/Admin	\$120,000
6710-89999-101109 – Construction	\$627,540
6710-89999-101109 – Construction Admin	\$45,000
6710-89999-101109 – Contingency -CIP	\$57,400
	Total: \$849,940

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
6710-89999-42201-101109	\$ 500,000	Intergov - State – Natural Resources Agency
6710-89999-42015-101109	\$ 349,940	Intergov - Federal – Federal Highway Administration (DOT)

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-194**

RESOLUTION APPROVING THE SOLE SOURCE PROCUREMENT OF A PROPRIETARY SOFTWARE UPGRADE AND ASSOCIATED HARDWARE TO ASSIST WITH THE COLLECTION, ANALYSIS, AND STORAGE OF DIGITAL EVIDENCE FROM PEN-LINK LTD., LINCOLN, NE, FOR AN AMOUNT NOT TO EXCEED \$113,673 AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE ORDER

WHEREAS, the Modesto Police Department currently uses Pen-Link software for specific investigative analysis and is in need of upgraded software and associated hardware that will be used to collect, analyze, and store digital evidence; and

WHEREAS, Pen-Link is the proprietary manufacturer and distributor of the current investigative software system the department uses and wishes to continue using Pen-Link with an upgrade in technology; and

WHEREAS, this software and associated hardware upgrade will enhance the department's ability to investigate and manage major crimes affecting the community; and WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid; and

WHEREAS, however, there are exceptions to the rule set forth in the Modesto Municipal Code, and one exception, MMC Section 8-3.204(b), states whereas the Purchasing Agency's requirements can be met solely by a single article or process; the procurement for the purchase of proprietary software upgrade and hardware to assist with collection, analysis and storage of digital evidence for the Modesto Police Department to Pen-Link, Ltd., conforms to the Modesto Municipal Code; and

WHEREAS, funding for the purchase of Pen-Link software upgrade and associated hardware, in an amount not to exceed \$113,673, will come from 2016-17 State Law Enforcement Supplemental Funds (SLESF).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sole source procurement of a proprietary software upgrade and associated hardware to assist with the collection, analysis, and storage of digital evidence for the Modesto Police Department to Pen-Link, Lincoln, NE.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, to issue a purchase order for an amount not to exceed \$113,673.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

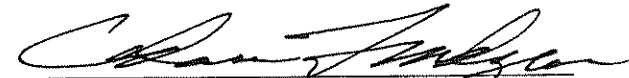
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-195**

RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE OF ELEVEN FORD POLICE INTERCEPTOR AWD UTILITY VEHICLES TO TOWNE FORD , REDWOOD CITY, CA, FOR A TOTAL COST NOT TO EXCEED \$370,415, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE ORDER

WHEREAS, the replacement of eleven Police Interceptor AWD utility vehicles for the Police Department have been subjected to a thorough evaluation and all eleven vehicles have met or exceeded the replacement criteria before being placed on the replacement list, and

WHEREAS, the Interim City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for new vehicles and heavy equipment through various competitive processes, and

WHEREAS, the Purchasing Division issued RFB 1718-44 on March 18, 2018 the purchase of 11 Ford Police Interceptor AWD utility vehicles on the City's website under the commodity codes for automotive vehicles and related transportation equipment, automobiles, and automobile and other passenger vehicles repair and maintenance. Prospective bidders were notified online of the bid opportunity, and

WHEREAS, on April 10, 2018, bids were formally opened in the City Clerk's office. One vendor chose to respond with the overall lowest responsive and responsible bid, and

WHEREAS, ten of these vehicles will be standard black and white patrol vehicles for the Modesto Police Department at a cost of \$31,200 per unit before taxes and fees. One of these vehicles will have the same specification as the patrol vehicles except

for the dark blue paint for the Street Gang Unit. This unit will cost \$31,285 before taxes and fees, and

WHEREAS, sufficient funds for eleven Ford Police Interceptor AWD utility vehicles have been encumbered in the Fleet Replacement Fund: 5409-53246-57003.

NOW THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the award of bid for the purchase of eleven Police Interceptor AWD utility vehicles to Towne Ford, Redwood City, CA.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue a purchase order for an estimated total cost of \$370,415.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

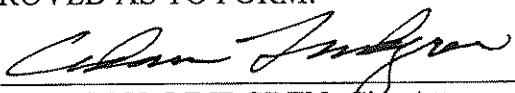
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-196**

RESOLUTION APPROVING AN AGREEMENT WITH PIRES, LIPOMI & NAVARRO ARCHITECTS, MODESTO, CA, FOR ARCHITECTURAL DESIGN SERVICES FOR THE FLEET MAINTENANCE FACILITY IMPROVEMENTS PROJECT IN THE AMOUNT OF \$84,125, PLUS \$8,412 FOR ADDITIONAL SERVICES IF NEEDED, FOR AN AGREEMENT TOTAL OF \$92,537 AND AUTHORIZING THE INTERMIN CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Fleet Services Division maintains 1,060 pieces of active equipment in the City's fleet, and

WHEREAS, this equipment is used by all City departments in their daily operations as they provide service to the citizens of Modesto, and

WHEREAS, the current Fleet Facility is inadequate in several areas to properly service all of the vehicles and equipment, and

WHEREAS, the current building does not allow lifting of the nearly 200 heavy duty vehicles and pieces of equipment for performing under vehicle maintenance work, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204(a) Exceptions to Formal Bidding Requirements, this agreement is for professional services and, therefore, exempt from the bid requirement, However, staff proceeded through a RFP process pursuant to Administrative Directive 3.1, and

WHEREAS, on October 4, 2016, by Resolution No. 2016-396, Council approved a prequalified list of architectural consultants for Capital Improvement Program (CIP) projects, allowing staff to proceed in issuing a Request for Proposal (RFP) to prequalified firms for Architectural Services for the Phase I Fleet Maintenance Facility Project, and

WHEREAS, two proposals were received and reviewed by a selection committee that consisted of the Utilities Engineering Design Division staff, and

WHEREAS, the selection committee determined that Pires, Lipomi and Navarro Architects were responsive and qualified to provide architectural design services for the Phase I Fleet Maintenance Facility Project, and

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Pires, Lipomi & Navarro Architects, Modesto, CA, for architectural services for the Phase I Fleet Maintenance Facility Project in the amount of \$84,125, plus \$8,412 for additional services if needed, for an agreement total of \$92,537.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-197**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH ANGELINA R. ARRIAGA, FOR A PARCEL OF APPROXIMATELY 6,625 SQUARE FEET OF REAL PROPERTY, LOCATED AT 1426 GARDEN AVENUE IN MODESTO (APN 037-035-046), IN THE AMOUNT OF \$159,044 FOR THE RIVER TRUNK REHABILITATION PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, THE GRANT DEED AND ALL RELATED DOCUMENTS REQUIRED TO CLOSE ESCROW

WHEREAS, the City is making improvements to the River Trunk Sewer Collection System, and

WHEREAS, the project is known as the River Trunk Rehabilitation Project, and

WHEREAS, a part of the rehabilitation work will route a portion of the new 66" trunk line along Garden Avenue, and

WHEREAS, the new trunk line will terminate at the Sutter Avenue Treatment Plant, and

WHEREAS, a parcel of real property on Garden Avenue is required to construct project improvements, and to route the trunk line into the Treatment Plant, and

WHEREAS, Angelina R. Arriaga, the property owner, has agreed to sell the real property containing approximately 6,625 square feet to the City for this purpose , and

WHEREAS, an Agreement is needed for the acquisition of the property, and

WHEREAS, an appraisal of the property was completed by Cogdill & Associates to determine the fair market value for acquisition of the residential property and the owner has agreed to the acquisition. The property was appraised at \$150,000 and the final sale price was arrived at by negotiation following a fair market value appraisal.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Purchase and Sale Agreement with Angelina R. Arriaga, for a 6,625 square feet parcel, located at 1426 Garden Avenue in Modesto (APN 037-035-046), in the amount of \$159,044 for the River Trunk Rehabilitation Project.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, the Grant Deed, and all related documents required to close escrow.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-198**

RESOLUTION APPROVING AN OPTION FOR A LEASE AGREEMENT WITH ANGELINA R. ARRIAGA, FOR REAL PROPERTY OF APPROXIMATELY 6,625 SQUARE FEET, LOCATED AT 1426 GARDEN AVENUE IN MODESTO (APN: 037-035-046), IN THE AMOUNT OF \$500 PER MONTH FOR A PERIOD OF UP TO SIXTY (60) DAYS FOLLOWING THE CLOSE OF SALE, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE LEASE AGREEMENT

WHEREAS, the City is making improvements to the River Trunk Sewer Collection System, and

WHEREAS, the project is known as the River Trunk Rehabilitation Project, and

WHEREAS, a part of the rehabilitation work will acquire real property, and

WHEREAS, the owner of the property desires the option to leaseback the residential property, and

WHEREAS, staff recommends approving the property acquisition of 1426 Garden Avenue, in Modesto (APN: 037-035-046) for this project along with the option by the property owner to leaseback in the amount of \$500 per month for a period of up to sixty days, and

WHEREAS, the owner will lease the property for a period up to sixty (60) days following the close of sale.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an option for a Lease Agreement with Angelina R. Arriaga, for a 6,625 square foot parcel, located at 1426 Garden Avenue in Modesto (APN 037-035-046), in the amount of \$500 per month for the leaseback for a period of up to sixty days following the close of sale.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Lease Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-199**

**RESOLUTION AUTHORIZING THE INTERIM CITY MANAGER, OR HIS
DESIGNEE, TO SIGN THE CERTIFICATE OF ACCEPTANCE FOR THE
GRANT DEED FOR THE ACQUISITION OF REAL PROPERTY LOCATED AT
1426 GARDEN AVENUE, IN MODESTO (APN: 037-035-046), OWNED BY
ANGELINA R. ARRIAGA, TO BE PURCHASED BY THE CITY OF MODESTO
FOR THE RIVER TRUNK REHABILITATION PROJECT**

WHEREAS, Section 27281 of the Government Code requires a public agency to accept real property prior to the recordation of a deed or adopt a resolution accepting real property, and

WHEREAS, the City of Modesto desires to acquire a 6,625 square feet parcel of real property located at 1426 Garden Avenue in Modesto, owned by Angelina R. Arriaga (APN 037-035-046), for the River Trunk Rehabilitation Project.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that the Interim City Manager, or his designee, is hereby authorized to sign the Certificate of Acceptance for the Grant Deed for the acquisition of property located at 1426 Garden Avenue owned by Angelina R. Arriaga, (APN 037-035-046) to be purchased by the City of Modesto for the River Trunk Rehabilitation Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

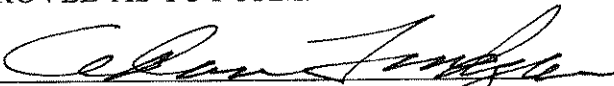
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-200**

RESOLUTION REJECTING ALL BIDS RECEIVED TO REQUEST FOR BID NO. 1718-38 FOR TRANSPORT OF WASTEWATER DEBRIS TO DISPOSAL SITE AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO REISSUE THE RFB AT A FUTURE DATE, WITH AN AMENDED SCOPE OF WORK

WHEREAS, as part of the wastewater treatment process, debris from the Sutter Wastewater Treatment Plant are collected in special bins and transported to Forward Landfill in Manteca, CA, and

WHEREAS, the City has a blanket purchase order with Bertolotti Disposal to transport the debris; however over the years, costs for this work have reached over \$20,000 per year, and

WHEREAS, as a Blanket Purchase Order, the City is not receiving a set price for the work and staff reached out to Purchasing and requested a competitive bid be sent out for this work, and

WHEREAS, the Interim City Manager authorized the Purchasing Department to issue Request for Bid (RFB) No. 1718-38 for Transport of Wastewater Debris to Disposal Site on March 9, 2018 and the bid opening was on April 10, 2018, and one company provided a bid, and

WHEREAS, the Purchasing Department sent this RFB out requiring prevailing wage, however, after reviewing the only bid received and through further consultation with the City Attorney's office, it was determined that prevailing wage is not required for the services requested since this is not a public work, as it only involves removing debris from the wastewater, and

WHEREAS, it was then determined that staff needed to amend the scope of work and exclude the requirement of prevailing wages, and

WHEREAS, should the City Council reject the bid, it is staff's intention to issue a new RFB with the amended scope of work, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received to Request for Bid No. 1718-38 for Transport of Wastewater Debris to Disposal Site.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is authorized to reissue the RFB at a future date, with an amended Scope of Work.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Mayor Brandvold

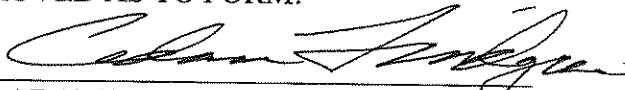
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-201**

RESOLUTION APPROVING THE AWARD OF BID AND THE PURCHASE AGREEMENT FOR THE FURNISHING OF STATE REQUIRED REGULATORY ANALYTICAL LABORATORY TESTING SERVICES FOR THE UTILITIES DEPARTMENT, WATER SERVICES DIVISION, TO ALPHA ANALYTICAL LABORATORIES, LIVERMORE, CA, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY, FOR AN ESTIMATED ANNUAL COST NOT TO EXCEED \$233,310, AND AN AMOUNT NOT TO EXCEED \$1,166,550 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the Interim City Manager authorizes the Purchasing Manager to issue formal Request for Bids (RFB) for analytical laboratory testing services, and

WHEREAS, on February 2, 2018, the Purchasing Division issued RFB No. 1718-32 for analytical laboratory testing services on the City's website, and prospective bidders were notified online of the bid opportunity, and

WHEREAS, bids were formally opened in the City Clerk's Office. Two companies chose to respond, neither of which were local vendors, and

WHEREAS, based on providing the best value to the City, staff recommends the award of bids for the furnishing of analytical laboratory testing services to Alpha Analytical Laboratories, Livermore, CA, for a two-year agreement with three one-year extension options, at the sole discretion of the City, for an estimated annual cost not to exceed \$233,310 and an amount not to exceed \$1,166,550 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of a purchase order for analytical laboratory testing services for the Utilities Department, Water Services Division to Alpha Analytical

Laboratories, Livermore, CA, and conforms to the Modesto Municipal Code 8-3.203 and the award of bid for the furnishing of UCMR 4 analytical testing to BSK Associates, Fresno, CA, conforms to the Modesto Municipal Code 8-3.204 where the Purchasing Manager in her discretion, determines that a process other than the formal bid procedure will result in a procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, due to the increased scope of work for analytical laboratory testing required by the State, current pricing per RFB 1718-32, and accounting for potential Consumer Price Index increases, staff estimates an annual cost not to exceed \$233,310 for the agreement with Alpha Analytical Laboratories in the amount not to exceed \$1,166,650 over five years and the agreement with BSK Associates in the amount not to exceed \$79,112, and

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves awarding the bid and the Purchase Agreement for the furnishing of State required regulatory analytical laboratory testing services for the Utilities Department Water Services Division, to Alpha Analytical Laboratories, Livermore, CA, for a two-year agreement with three one-year extension options at the sole discretion of the City, for an estimated annual cost not to exceed \$233,310, and an amount not to exceed \$1,166,550 over five years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-202**

RESOLUTION APPROVING THE PURCHASE AGREEMENT FOR THE FURNISHING OF ENVIRONMENTAL PROTECTION AGENCY (EPA) UNREGULATED CONTAMINANT MONITORING RULE (UCMR 4) LABORATORY TESTING FOR THE UTILITIES DEPARTMENT, WATER SERVICES DIVISION, TO BSK ASSOCIATES, FRESNO, CA, FOR A THREE-YEAR AGREEMENT FOR A TOTAL COST NOT TO EXCEED \$79,112 OVER THREE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the Interim City Manager authorizes the Purchasing Manager to issue formal Request for Bids (RFB) for analytical laboratory testing services, and

WHEREAS, on February 2, 2018, the Purchasing Division issued RFB No. 1718-32 for analytical laboratory testing services on the City's website, and prospective bidders were notified online of the bid opportunity, and

WHEREAS, bids were formally opened in the City Clerk's Office. Two companies chose to respond, neither of which were local vendors, and

WHEREAS, due to the stringent requirements in timing with sampling and completing the analysis for UCMR 4 analytical laboratory testing, it was a requirement in the RFP that the Laboratory be located within 150 miles from the City's facility and did not allow for sub-contracting to another laboratory, and

WHEREAS, both companies were deemed non-responsive due to these restrictions, and at the discretion of the Purchasing Manager, the Purchasing Department reached out to a previously contracted laboratory and gained a competitive quote for moving forward, and

WHEREAS, staff recommends the award of bids for the furnishing of UCMR 4 analytical testing to BSK Associates, Fresno, CA, for a three-year agreement for a total

cost not to exceed \$79,112. UCMR 4 testing commences in June 2018 and will meet the EPA five-year cycle mandate, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of a purchase order for analytical laboratory testing services to Alpha Analytical Laboratories, Livermore, CA, conforms to Modesto Municipal Code 8-203 and the award of bid for furnishing of UCMR 4 analytical testing to BSK Associates, Fresno, CA, conforms to the Modesto Municipal Code 8-3.204(d) where the Purchasing Manager in her discretion, determines that a process other than the formal bid procedure will result in a procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, funds are budgeted in Water Fund 4100-45055-53335 and 53336 Water Quality Testing and Sampling.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Purchase Agreement for the furnishing of Environmental Protection Agency (EPA) Unregulated Contaminant Monitoring Rule (UCMR 4) laboratory testing for the Utilities Department, Water Services Division, to BSK Associates, Fresno, CA, for a three-year agreement for a total cost not to exceed \$79,112 over three years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

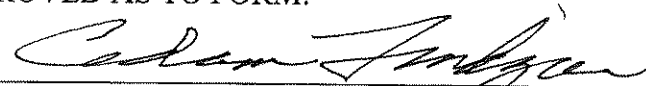
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-203**

RESOLUTION REJECTING ALL BIDS RECEIVED FOR RFB NO. 1718-43 FOR VARIABLE FREQUENCY DRIVES AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO REISSUE A RFB AT A FUTURE DATE, WITH AN AMENDED SCOPE OF SERVICES TO INCLUDE SOLE BRAND OF ABB, ACS550 MODEL

WHEREAS, Variable Frequency Drive (VFD) is a type of adjustable speed drive used in electro-mechanical drive systems to control the motor speed of water well and sewer pump stations, and

WHEREAS, the Interim City Manager authorizes the Purchasing Manager to issue formal Request for Bids (RFB) for Variable Frequency Drives, and

WHEREAS, on March 22, 2018, the Purchasing Division issued RFB 1718-43 for VFDs under commodity code electrical equipment supplies and electrical equipment, and posted the RFB on the City's website and formally advertised as required by law, and

WHEREAS, ten companies downloaded the bid document, and

WHEREAS, on April 10, 2018, bids closed and were formally opened in the City Clerk's office, and

WHEREAS, two companies chose to respond and both were local vendors, and

WHEREAS, after reviewing the bids, one product will not work in our existing equipment due to the incompatible product configuration and the other bid did not meet the ambient temperature requirements, and

WHEREAS, staff is amending the Scope of Services to request Sole Brand of ABB, ACS550 Model Brand for its VFDs. The ABB, ACS550 Model Brand will meet ambient temperature requirements and compatible product configuration. The ambient temperature rating of 140 degrees Fahrenheit is needed to survive the extreme heat that

develops in the electrical enclosures during the summer. The ABB, ACS550 Brand also was chosen due to the proven reliability of the VFDs based on how well they have outlasted other drives in the past at the City of Modesto Water and Wastewater equipment locations, and

WHEREAS, staff will work with the Purchasing Division to amend the Scope of Services to include Sole Brand of ABB, ACS550 Model for the VFDs, and

WHEREAS, sole brand of ABB, ACS550 Model will reduce training costs, as staff already has expertise and training with ABB, ACS550 VFDs. Also, there is additional savings in not having to purchase software that is used to program the VFDs, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. However, there are exceptions to the rule set forth in the Modesto Municipal Code. One exception, MMC Section 8-3.204(b), is available where the Purchasing Agency's requirements can be met solely by a single article or process. The Purchasing Manager invoked that exception for this purchase due to ambient temperature requirements, product compatibility, reliability, and cost savings. The sole brand of ABB, ACS550 Model, for VFDs will conform to Modesto Municipal Code 8-3.204(b), and

WHEREAS, funds are available in the Water Fund and will be available when the revised Scope of Work has been completed, and Sole Brand of ABB, ACS550 Model will reduce training costs because staff already has expertise and training with ABB, ACS550

VFDs. There is an additional savings in not having to purchase software that is used to program the VFDs.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves rejecting all bids received for RFB No. 1718-43 for Variable Frequency Drives.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to reissue the RFB at a future date, with an amended Scope of Services to include Sole Brand of ABB, ACS550 Model.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-204**

RESOLUTION APPROVING THE AWARD OF BID FOR THE FURNISHING OF ANALYTICAL LABORATORY TESTING SERVICES FOR THE UTILITIES DEPARTMENT, WASTEWATER DIVISION, TO ALPHA ANALYTICAL LABORATORIES, DUBLIN, CA, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$170,000 AND NOT TO EXCEED \$850,000 OVER FIVE YEARS; AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the City's Water Quality Control (WQC) Laboratory is tasked with ensuring that all analytical testing required by the California State Water Recourse Control Board and Environmental Protection Agency is completed by California Environmental Laboratory Accreditation Program certified laboratories, and

WHEREAS, the WQC Laboratory requested the Purchasing Division issue formal Requests for Bids (RFB) for the furnishing of analytical laboratory testing services outside of the WQC Laboratory scope of work or as a backup if needed, and

WHEREAS, the Purchasing Division issued RFB No. 1718-36 Analytical Laboratory Testing Services on Planetbids.com and bids were formally opened in the City Clerk's office and two companies chose to respond, neither of which were local vendors, and

WHEREAS, on February 12, 2013, by Resolution No. 2013-66, Council approved the award of bids for the furnishing of analytical laboratory testing services to Alpha Analytical Laboratories, Dublin, CA; BSK Analytical Laboratories, Fresno, CA; FGL Environmental, Santa Paula, CA; Sierra Analytical, Laguna Hills, CA; and TestAmerica Laboratories, Inc., Irvine, CA, for a two-year agreement with three one-year extension

options at the sole discretion of the City, for an estimated annual cost not to exceed \$333,160 and over five years not to exceed \$1,665,800, and

WHEREAS, the agreements for analytical laboratory testing services will expire in June, 2018, and

WHEREAS, the Interim City Manager authorized the Purchasing Division to issue a formal RFB for analytical laboratory testing services, and

WHEREAS, on February 2, 2018, the Purchasing Division issued RFB No. 1718-36 for analytical laboratory testing services on the City's website and prospective bidders were notified online of the bid opportunity with seventeen companies choosing to download the RFB document, and

WHEREAS, on March 6, 2018, bids were formally opened in the City Clerk's Office with two companies (Alpha Analytical Laboratories (Alpha) and McCampbell Analytical Inc. (McCampbell)) choosing to respond and both providing responsive and responsible bids; there were no local responders, and

WHEREAS, Alpha bid on all items included in the RFB and McCampbell bid only on the toxicity testing, and

WHEREAS, the toxicity testing is being awarded to McCampbell only, as Alpha requires splitting the sample between Alpha and McCampbell (Alpha's sub-contractor), leading to a greater likelihood of failure; failure would require multiple rounds of repeat testing, possible fines due to violations with the State Water Recourse Control Board, and failed hold times, as these particular tests are required to be started within 36 hours of sampling, and

WHEREAS, Alpha is not available 7 days a week whereas McCampbell is, allowing more flexibility in scheduling sampling, and

WHEREAS, based on providing responsive and responsible bids, staff recommends the award of bids for the furnishing of analytical laboratory testing services, excluding the toxicity testing to Alpha Analytical Laboratories (Alpha), Ukiah, CA, for a two-year agreement with three one-year extension options at the sole discretion of the City, for an estimated annual cost not to exceed \$170,000, and not to exceed \$850,000 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, the award of a purchase order for analytical laboratory testing services for the Utilities Department to Alpha Analytical Laboratories, Ukiah, CA conforms to the Modesto Municipal Code, 8-3.203.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the award of bid for the services for the Utilities Department, Wastewater Division, to Alpha Analytical Laboratories, Dublin, CA, for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$170,000 and not to exceed \$850,000 over five years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Mayor Brandvold

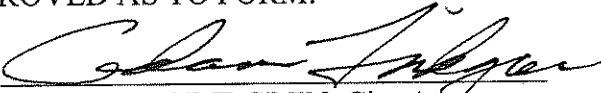
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-205**

RESOLUTION APPROVING THE AWARD OF BID FOR THE FURNISHING OF ANALYTICAL LABORATORY TESTING SERVICES FOR THE UTILITIES DEPARTMENT, WASTEWATER DIVISION, TO MCCAMPBELL ANALYTICAL, INC., PITTSBURG, CA, FOR TOXICITY TESTING ONLY, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$70,000, AND NOT TO EXCEED \$350,000 OVER FIVE YEARS AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the City's Water Quality Control (WQC) Laboratory is tasked with ensuring that all analytical testing required by the California State Water Recourse Control Board and Environmental Protection Agency is completed by California Environmental Laboratory Accreditation Program certified laboratories, and

WHEREAS, the WQC Laboratory requested the Purchasing Division issue formal Requests for Bids (RFB) for the furnishing of analytical laboratory testing services outside of the WQC Laboratory scope of work or as a backup if needed, and

WHEREAS, the Purchasing Division issued RFB No. 1718-36 Analytical Laboratory Testing Services on Planetbids.com and bids were formally opened in the City Clerk's office and two companies chose to respond, neither of which were local vendors, and

WHEREAS, on February 12, 2013, by Resolution No. 2013-66, Council approved the award of bids for the furnishing of analytical laboratory testing services to Alpha Analytical Laboratories, Dublin, CA; BSK Analytical Laboratories, Fresno, CA; FGL Environmental, Santa Paula, CA; Sierra Analytical, Laguna Hills, CA; and TestAmerica Laboratories, Inc., Irvine, CA, for a two-year agreement with three one-year extension

options at the sole discretion of the City, for an estimated annual cost not to exceed \$333,160 and over five years not to exceed \$1,665,800, and

WHEREAS, the agreements for analytical laboratory testing services will expire in June, 2018, and

WHEREAS, the Interim City Manager authorized the Purchasing Division to issue a formal RFB for analytical laboratory testing services, and

WHEREAS, on February 2, 2018, the Purchasing Division issued RFB No. 1718-36 for analytical laboratory testing services on the City's website and prospective bidders were notified online of the bid opportunity with seventeen companies choosing to download the RFB document, and

WHEREAS, on March 6, 2018, bids were formally opened in the City Clerk's Office with two companies (Alpha Analytical Laboratories (Alpha) and McCampbell Analytical Inc. (McCampbell)) choosing to respond and both providing responsive and responsible bids; there were no local responders, and

WHEREAS, the toxicity testing is being awarded to McCampbell only as Alpha requires splitting the sample between Alpha and McCampbell (Alpha's sub-contractor), leading to a greater likelihood of failure, and failure would require multiple rounds of repeat testing, possible fines due to violations with the State Water Recourse Control Board, and failed hold times, as these particular tests are required to be started within 36 hours of sampling, and

WHEREAS, Alpha is not available 7 days a week whereas McCampbell is, allowing more flexibility in scheduling sampling, and

WHEREAS, stormwater sampling is governed by the weather and having a lab that is available to receive 7 days a week will allow sampling events whenever necessary, and not contribute to lost opportunities because the lab isn't available, and

WHEREAS, therefore, staff is requesting that McCampbell be directly awarded the toxicity tests, and

WHEREAS, based on providing responsive and responsible bids, staff recommends the award of bids for the furnishing of analytical laboratory testing services, for toxicity testing only to McCampbell Analytical, Inc, Pittsburg, CA, for a two-year agreement with three one-year extension options, at the sole discretion of the City, for an estimated annual cost not to exceed \$70,000, and not to exceed \$350,000 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, the award of a purchase order for analytical laboratory testing services for the Utilities Department to McCampbell Analytical, Inc., Pittsburg, CA, conforms to the Modesto Municipal Code, 8-3.203.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the award of bid for the furnishing of analytical laboratory testing services for the Utilities Department, Wastewater Division, to McCampbell Analytical, Inc., Pittsburg, CA, for toxicity testing only, for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$70,000, and not to exceed \$350,000 over five years.


BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue a purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

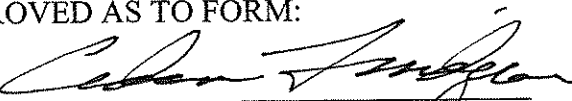
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-206**

RESOLUTION APPROVING AN AGREEMENT WITH PIRES, LIPOMI & NAVARRO ARCHITECTS, MODESTO, CA, FOR ARCHITECTURAL AND ENGINEERING DESIGN SERVICES FOR THE TRANSPORTATION CENTER IMPROVEMENTS PROJECT IN THE AMOUNT OF \$136,820, PLUS \$13,682 FOR ADDITIONAL SERVICES IF NEEDED, FOR AN AGREEMENT TOTAL OF \$150,502 AND AUTHORIZING THE INTERMIN CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on February 21, 2018, the Stanislaus Council of Governments (StanCOG) Policy Board approved design funds from the FY 2016-17 Transportation Development Act, and

WHEREAS, Phase 1 improvements focus on the interior/exterior part of the station and the Transportation Center grounds, and

WHEREAS, Phase 1 improvements will also focus on improving safety and security at the Transportation Center, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204(a) Exceptions to Formal Bidding Requirements, this agreement is for professional services and, therefore, exempt from the bid requirement, However, staff proceeded through a RFP process pursuant to Administrative Directive 3.1, and

WHEREAS, on October 4, 2016, by Resolution No. 2016-396, Council approved a prequalified list of architectural consultants for Capital Improvement Program (CIP) projects, allowing staff to proceed in issuing a Request for Proposal (RFP) to prequalified firms for Architectural Services for the Downtown Modesto Transportation Center Project, and

WHEREAS, two proposals were received and reviewed by a selection committee that consisted of the Utilities Engineering Design Division staff, and

WHEREAS, the selection committee determined that Pires, Lipomi and Navarro (PLN) Architects were responsive and qualified to provide architectural design services for the Downtown Modesto Transportation Center Project, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Pires, Lipomi & Navarro Architects, Modesto, CA, for architectural and engineering design services for the Transportation Center Improvements Project in the amount of \$136,820, plus \$13,682 for additional services if needed, for an agreement total of \$150,502.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-207**

RESOLUTION DIRECTING THE CITY CLERK TO PLACE A MEASURE ON THE NOVEMBER 2018 BALLOT FOR VOTER APPROVAL THAT WOULD PROPOSE CHARTER AMENDMENTS SUFFICIENT TO CHANGE THE DATE OF THE CITY'S REGULAR MUNICIPAL ELECTIONS TO THE DATE OF STATEWIDE GENERAL ELECTIONS HELD IN NOVEMBER OF EVEN-NUMBERED YEARS, AND PROVIDE A ONE-TIME EXTENSION OF EXISTING FOUR-YEAR COUNCIL AND MAYORAL TERMS TO FIVE YEARS

WHEREAS, Article III, Section 300 of the Charter of the City of Modesto establishes that the regular municipal election for the election of officers shall be held on the first Tuesday after the first Monday in November of each odd-numbered year, and

WHEREAS, the City's Charter also provides that the Office of Mayor and all members of Council shall hold office for a term of four years (Art. VI, § 600; Art. VII, § 700.), and

WHEREAS, in 2015, the California Legislature adopted and the Governor signed Senate Bill 415, the California Voter Participation Rights Act ("CVPRA"), and

WHEREAS, the CVPRA prohibits a city from holding a regular election other than on a statewide election date, if holding an election on an odd-numbered year has previously resulted in voter turnout being at least twenty-five (25%) less than the average voter turnout for the previous four statewide general elections, and

WHEREAS, voter turnout data for the City of Modesto showed that average voter turnout at statewide general elections in November is between 56.3 and 56.9 percent, while average voter turnout at regularly scheduled municipal elections in odd-numbered years is between 25.6 and 26 percent. This equates to an average of 30.3 to 31.3 percent difference in voter turnout, which means that the City has experienced a "significant decrease in voter turnout" as defined under the CVPRA, and

WHEREAS, the CVPRA requires that at least one regular municipal election coincide with a statewide election no later than November 2022, and

WHEREAS, a recent California Attorney General opinion found that charter cities must comply with the CVPRA, and

WHEREAS, municipal elections held in November of odd-numbered years may be challenged as violating the California Voting Rights Act and the City could be responsible for attorney's fees for a successful challenge, and

WHEREAS, at the December 12, 2017 regular meeting, the City Council approved Resolution 2017-527, directing City Staff to prepare a ballot measure that would, if successful, amend the City Charter to require regular municipal elections be held in November of even-numbered years to coincide with statewide elections and comply with the CVPRA, and

WHEREAS, Article XI, Section 3 of the California Constitution and Government Code Section 34458 provide that the governing body of a city, on its own motion, may submit a proposal to amend its charter to voters, and

WHEREAS, pursuant to Elections Code Section 1415(a)(2), the City, on its own motion, may submit to voters a proposal to amend the Charter to comply with federal or state voting rights laws at the next statewide general election, and

WHEREAS, while Section 1604 of the Charter requires the City to review the Charter at least every ten (10) years, and while the City has established a charter review committee to assist it with such review, the City is authorized by Article XI, Section 3 of the California Constitution and Government Code Section 34458 to propose amendments to the Charter without convening a charter review committee, and

WHEREAS, if approved by the voters, this ballot measure would bring the City's regular municipal elections into compliance with the CVPRA, and

WHEREAS, the City Council, pursuant to Resolution 2018-55, called for a general municipal election to be held on and consolidated with the November 6, 2018 statewide general election and for the Stanislaus County Elections Department to conduct such election on behalf of the City of Modesto and therefore the Council now desires to include this measure on the ballot at said election.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. Pursuant to Article XI, Section 3 of the California Constitution, California Government Code Section 34458, and California Elections Code Sections 1415(a)(2)(b) and 1200, the City Council of the City of Modesto proposes to and does hereby, by its own motion, submit to the qualified electors of the City, a proposal to amend Sections 300, 600, and 700 the Charter of the City of Modesto, at a municipal election to be held on November 6, 2018 as set forth below, and hereby designates and refers said proposal to be set forth in the form of a ballot measure as hereinafter prescribed for use at said municipal election:

PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF
MODESTO

General Municipal Election

November 6, 2018

The Council of the City of Modesto hereby proposes, on its own motion, to amend Sections of the Charter of the City of Modesto as follows:

MEASURE __

SECTION 300. REGULAR MUNICIPAL ELECTIONS

Regular Municipal Elections for the election of officers and for such other purposes as the Council may prescribe shall be held biennially on the first Tuesday after the first Monday in November of each ~~even~~~~odd~~-numbered year, to coincide with the statewide general election.

To transition to even-numbered year elections, the municipal election normally held in November 2019 shall be moved to November 2020 and the municipal election normally held in November 2021 shall be moved to November 2022. This transition results in a one-time, one-year extension of the terms of city council members elected in November 2015, the mayor elected in the November 2015 election which resulted in his election in the February 2016 run-off election, and the city council members elected in the November 2017 election.

If, at a regular municipal election held on the first Tuesday, after the first Monday in November of each ~~even~~~~odd~~-numbered year, no candidate for the elective office of Mayor for the City of Modesto receives a majority of the valid votes cast for said office at said regular municipal election, a ~~second regular municipal run-off~~ election shall be held for said office on the first Tuesday in February of each ~~odd~~~~even~~-numbered year commencing with the Mayoral election held in November 2020 the year 2012. At said ~~second regular municipal run-off~~ election, the two (2) candidates for the elective office of Mayor receiving the highest number of votes at the ~~first regular prior~~ municipal election shall have their names placed on the ballot for election to said office.

SECTION 600. – TERM OF OFFICE

The Mayor shall hold office for a term of four (4) years, less any time required between a November election and a February run-off election, from and after the first Tuesday following the Mayor's election and until the Mayor's successor is qualified and elected. To allow for a transition to even-numbered year elections as required by state law, the term for the Mayor elected in the November 2015 election which resulted in his election in February 2016 shall be extended by one year to accommodate moving the November 2019 election to November 2020.

SECTION 700. – COUNCILMEMBERS, TERM OF OFFICE.

Except as otherwise provided in this Charter, the members of the Council shall hold office for a term of four (4) years from and after the first Tuesday following their election. The members of the Council in office at the time this Charter takes effect shall continue in office until the expiration of their terms or until their successors are elected and qualified. To accommodate the City's transition to even-numbered year elections, Councilmembers elected in the November 2015 and November 2017 elections shall have their terms extended by one year; meaning they will serve a term of five (5) years and their Council seats will be up for election in November 2020 and November 2022, respectively.

If a tie vote makes it impossible to determine which of two (2) or more candidates has been elected, said tie shall be settled by the drawing of lots, the procedure for which shall be determined by the Council. Each member of the Council shall have the right to vote on all matters coming before the Council.

No candidate shall file for more than one (1) elective office; and no incumbent member of the Council shall run for a seat other than that which the member holds, except that any incumbent member of the Council may run for the seat of Mayor, and an incumbent Mayor may run for the seat of Mayor or for any other seat on the Council, all subject to the limitations of terms of office in Section 503 of this Charter.

Note: Any wording stricken would be deleted by this measure. All of the above wording which is underlined would be added by this measure.

2. On the ballots to be used at said election, in addition to any other matter required by law to be printed thereon, shall be printed the following question:

MEASURE __

To increase voter participation in City of Modesto elections and to conform with state law, shall the City of Modesto Charter be amended to: (1) change the date for the City's future, regular elections to November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one time, one-year extension of the terms of City Council members and the Mayor?	Yes	o
	No	o

3. The City Council hereby orders the City Clerk to submit the proposed charter amendment to the voters of the City of Modesto at a Municipal Election on November 6,

2018.

4. Pursuant to Elections Code section 12101 et seq., the City Clerk of the City of Modesto is hereby authorized to prepare all required notices related to the ballot measures and to publish such notices as required by law in *The Modesto Bee*, the official newspaper of said City and a newspaper of general circulation printed and published in said City.

5. The Stanislaus County Elections Department is hereby authorized to canvass the returns of the Municipal Election.

6. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Elections Department of the County of Stanislaus, and the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

7. Pursuant to Elections Code Section 9280, the City Clerk is hereby directed to transmit a copy of the ballot measure to the City Attorney, who is hereby directed to prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Grewal, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal,
Mayor Brandvold

NOES: Councilmembers: Ridenour

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-208**

**RESOLUTION ACCEPTING THE MID-YEAR BUDGET UPDATE REPORT
FOR FISCAL YEAR 2017-18 FOR THE CITY OF MODESTO GENERAL FUND**

WHEREAS, the Budget Division within the City Manager's Office has prepared an informational report to be presented to the City Council on the state of the General Fund at mid-year of Fiscal Year 2017-18, and

WHEREAS, the Mid-Year Budget Update Report contains the following documents which are **attached** hereto and referenced as "**Exhibit A**" the Mid-Year Budget Update Report FY 2017-18, and

WHEREAS, the informational Mid-Year Budget Update Report contains recommended mid-year adjustments to the General Fund operating budget for Fiscal Year 2017-18 **attached** to the item as "**Exhibit B**", and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the informational Mid-Year Budget Update Report for the City of Modesto's General Fund for Fiscal Year 2017-18.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour,
Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Madrigal, Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



2017-18 Mid-Year Budget Update Report

February 26

2018

This report contains information on the operating revenues and expenditures for the City of Modesto's General Fund through January 2018. The report contains updates on the major revenues and expenditures by departments as well as an update on the General Fund Reserves. Recommended adjustments to the current Fiscal Year 2017-18 Operating Budgets are explained throughout.

Prepared by
Steve
Christensen

General Fund Revenues

2017-18 Mid-Year Budget Report

General Fund revenues are classified into three categories: major revenues, construction revenues and other revenues. Just past mid-year (January 2018), the total operating revenue budget for Fiscal Year 2017-18 was \$119.7 million. Adding in the additional revenue received from transfers in to the General Fund from other City funds (\$746k), there is a total General Fund revenue operating budget of \$120.5 million as of January 2018.

Major revenues represent 83.9% of the total General Fund operating revenue budget at \$101.1 million of the total \$120.5 million revenue operating budget. Details about the major revenues collected to date can be seen in the chart below:

General Fund Major Revenues

Category	Current Budget	Actuals (January 2018)	Amount Outstanding
Business License/Mill Tax	\$ 11,603,520	\$ 4,963,312	\$ 6,640,208
Franchise Fees	\$ 4,605,794	\$ 1,093,061	\$ 3,512,733
Motor Vehicle Fees	\$ 177,020	\$ 102,273	\$ 74,747
Property Tax - Property	\$ 15,634,250	\$ 9,181,128	\$ 6,453,122
Property Tax - VLF Swap	\$ 15,711,010	\$ -	\$ 15,711,010
Sales Tax	\$ 30,440,650	\$ 12,954,143	\$ 17,486,507
Transient Occupancy Tax	\$ 2,450,000	\$ 1,316,095	\$ 1,133,905
Utility Users Tax	\$ 20,459,361	\$ 10,546,155	\$ 9,913,206
Totals	\$ 101,081,605	\$ 40,156,167	\$ 60,925,438

Analysis of Selected Major Revenues:

Sales Tax - Sales tax received to date is at approximately 42.5% of the budgeted amount. This is normal for this time of the year as sales tax revenue received is collected two months in arrears. Meaning, sales tax revenue received in January from the State Board of Equalization is actually for receipts in the month of November. For comparison, in Fiscal Year 2016-17 sales tax revenue received as of January 2017 was slightly behind the collection percentage (42.1%) than at the same in the current fiscal year.

The City will not receive a full six months of sales tax revenue until the end of February 2018. At that time a better projection will be able to be provided on how sales tax revenue will finish for Fiscal Year 2017-18 as the City will have received the holiday sales tax figures at that point.

Recommendation: No change to the budgeted amount for Sales Tax is recommended by Staff at this time.

Utility Users Tax - Utility users tax (UUT) received to date is at approximately 51.5% of the budgeted amount. UUT is doing somewhat better in terms of revenue received than in the previous fiscal year. In Fiscal Year 2016-17, revenue received from UUT at the same point in time (January 2017) was at approximately 49.4%. This increase has been a result of a few things of which the main reason is due to the increase in the water rates which has an impact on the UUT received by the City.

Recommendation: Staff is recommending a small increase of \$100,000 to this revenue source to account for the slight increase in revenues that the City is experiencing to date.

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Property Tax – Property - The first installments of secured and unsecured property tax revenue, which are the largest portions of property tax revenue, have been received by the City. These amounts have come in right on target with what has been estimated for the fiscal year. The first payment of current year secured property taxes is typically 55% of the total amount received for this portion of the total property tax revenue. At this point, the first payment received was 55% of the total budgeted amount (\$7.8 million of the \$14.2 million budgeted). The next payment for current year secured property taxes, which should be received in May/June, should be the remaining 45% of the budgeted amount or approximately \$6.4 million.

Recommendation: At this time, Staff is recommending an increase of Property Tax - Property revenues of \$350,284. This increase will cover estimated increases in the property tax revenues related to some of the other categories that are received in this area for things like, Delinquent Unsecured taxes, the Supplemental Roll, and RPTTF (Redevelopment Property Tax Trust Fund) Allocations.

Property Tax – VLF Swap - This first installment of the Vehicle License Fee (VLF) Swap has not yet been received by the City. This is slightly uncommon, but not a cause for concern at this point. This revenue is typically received in the months of December/January, but it is not unheard of for this first installment to be received as late as February. Once this revenue is received, Staff will provide an update on the actuals and estimates for year-end.

Recommendation: Staff cannot recommend any changes to this revenue source at this time as the first installment has not yet been received.

Business License/Mill Tax - Business License/Mill Tax (BL/MT) revenue received to date is at approximately 42.8% of the budgeted amount. BL/MT is slightly behind in terms of revenue received to date than it was in the prior fiscal year. In Fiscal Year 2017-18, BL/MT revenue received as of January 2017 was approximately 45.8% of the budget. In the current fiscal year, the City is underperforming the previous fiscal year by approximately 3%. This is one revenue area that had seen quite a bit of growth in the past 3 to 5 fiscal years, but it is also one that could begin to see a waning of that growth. There could be potential for more growth in the future as permits are issued for businesses as the economy continues to improve. Additionally, this could help increase the mill tax revenue received on the City's behalf as taxable gross receipts grow for businesses.

Recommendation: Staff is not recommending any change to this revenue source at this time.

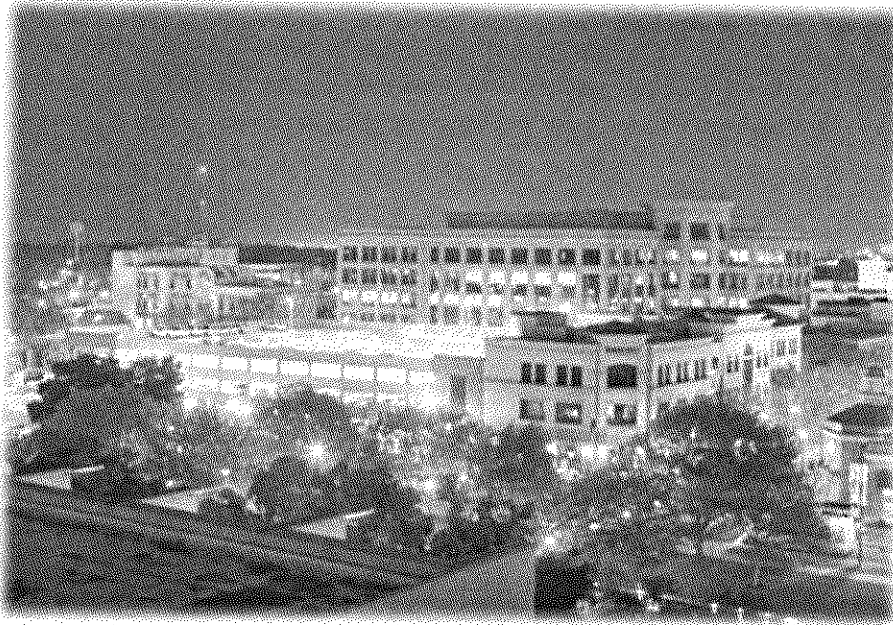
Transient Occupancy Tax - Transient Occupancy Tax (TOT) revenue received to date is at approximately 53.7% of the amount budgeted. TOT is performing slightly behind the revenues received at the same point in time in the prior fiscal year. In Fiscal Year 2016-17, TOT revenue received as of January 2017 was approximately 58.5% of the budgeted amount. The slightly higher amounts received in FY 2016-17 were mainly caused by some one-time revenues being received from some of the hotels.

TOT can be considered an economic indicator revenue for the City as its growth continues to show that people are visiting Modesto for various purposes and staying to buy goods or use the many

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services offered by the City's various businesses. Continued growth in this revenue is a positive for the City on multiple levels.

Recommendation: Staff is recommending an increase to this revenue source of approximately \$150,000. This will bring the budgeted revenue in line with what the City had received historically and is projected to be on pace to receive in FY 2017-18.



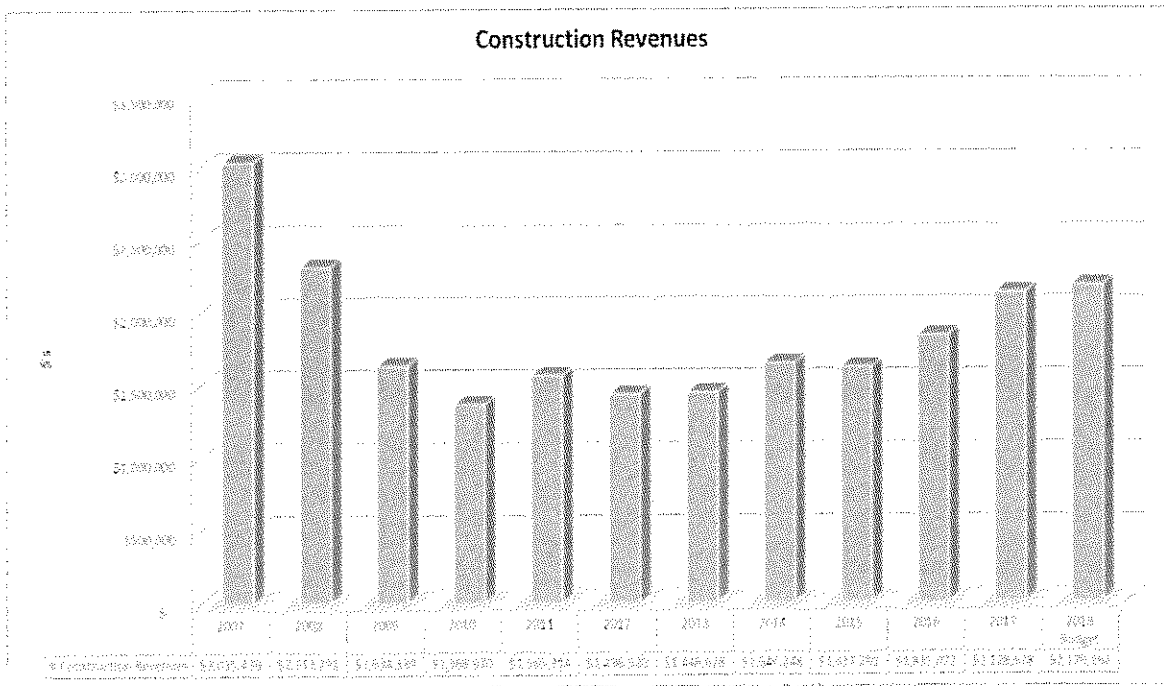
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Analysis of Construction Revenues:

Construction Revenues - Construction revenues include all revenue collected in the Building Safety Division and the Planning Division in the Community and Economic Development Department (CEDD). These revenues represent approximately 1.8% of the total budgeted General Fund operating revenues for Fiscal Year 2017-18. They are budgeted at \$2.18 million as of January 2018.

As of January 2018, construction revenues received to date are at approximately 62% of the amount budgeted. This is trending up from the previous fiscal year. In Fiscal Year 2016-17, construction revenues received as of January 2017 were only at approximately 56.9% of the budgeted amount. This is great news as increased construction revenues mean that there is improvement in the local economy as building is occurring. Granted a majority of the building will be related to permits and small developments but the signs are encouraging as this revenue was devastated during the recession.

Below is a chart showing the actual construction revenues through the years illustrating the decline through the recession as well as the recent improvements experienced in this revenue category.



Recommendation: Staff is recommended a slight increase to construction revenues of \$75,000 based upon the rate of revenues received to date.

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Analysis of Other Revenues:

Other Revenues - Other revenues include any revenue source that is received by departments and that is not included in the major revenue or construction revenues categories. This category of revenue represents 13.8% of the total budgeted General Fund operating revenues for Fiscal Year 2017-18. They are budgeted at a total amount of \$16.6 million and do not include the transfers in amount of \$746k.

These revenues are accounted for under the generating department and include a wide range of revenue sources such as direct charge revenue (all departments), parking fines (Police), league and facility rental fees (Parks, Recreation & Neighborhoods), and the McHenry Tax Sharing Agreement revenues (Non-Departmental).

Below is a chart showing the various revenue budgets and actuals received to date for each General Fund Department as well as what percentage of the total this amount represents.

General Fund Department Revenues

Category	Current Budget	Actuals (January 2018)	Amount Outstanding
City Attorney's Office	\$ 78,999	\$ 46,698	\$ 32,301
City Clerk's Office	\$ 175,000	\$ 1,143	\$ 173,857
City Council	\$ -	\$ 110	\$ (110)
City Manager's Office	\$ 199,350	\$ 99,037	\$ 100,313
Community & Economic Development	\$ 879,471	\$ 430,095	\$ 449,376
Finance Department	\$ 1,395,594	\$ 827,672	\$ 567,922
Fire Department	\$ 1,308,365	\$ 754,522	\$ 553,843
Human Resources	\$ 387,391	\$ 235,235	\$ 152,156
Motor Vehicle Fees	\$ 177,020	\$ 102,273	\$ 74,747
Non-Departmental	\$ 6,732,223	\$ 3,665,551	\$ 3,066,672
Parks, Recreation and Neighborhoods	\$ 1,182,597	\$ 638,634	\$ 543,963
Police Department	\$ 2,379,870	\$ 1,539,375	\$ 840,495
Public Works	\$ 1,732,195	\$ 933,413	\$ 798,782
Totals	\$ 16,628,075	\$ 9,273,758	\$ 7,354,317

Overall 56% of the budgeted revenues have been received in this revenue category as of January 2018. Looking at the chart above, nearly all of the department revenues are on track with their budgeted amounts. The one department that is behind in collection of revenue is the City Clerk's Office but this is largely due to the timing of the revenue that comes in for reimbursements from election costs. Once these revenues are received towards the end of the fiscal year, they will be closer to the budgeted amount.

Recommendation: Staff is recommending an increase to this revenue category of \$150,000 for the revenue received for the McHenry Tax Sharing Agreement. This revenue category is under the Non-Departmental area and as of January 2018, 80.8% of the budgeted amount has been received. This is about 9% higher than the same point in time in the prior fiscal year. Staff feels that the increase amount is justified due to the rate of receipt through January 2018.

General Fund Expenditures

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General Fund expenditures make up the total budgets where departments pay for costs related to one of four expenditure categories. These categories include salary and benefit costs, internal service fund costs, discretionary costs, and transfers out to other funds. In the General Fund, there are 12 Operating Departments, one Non-Departmental category and a category for Transfers Out of the General Fund to other Funds. The 12 Operating Departments and the one Non-Departmental category make up a total General Fund operating expenditure budget of \$124.2 million with the Transfers Out having a budget of \$7.1 million. Including all categories, the total General Fund operating expenditure budget in Fiscal Year 2017-18 is \$131.3 million.

Below is a chart that shows the total expenditure budgets by department as well as how much has been expended to date and what percent of the total budget remains as of January 2018:

General Fund Department Expenditures

Department	Current Budget	Actual (January 2018)	Budget Remaining	% of Budget Expended
City Attorney's Office	\$ 2,137,936	\$ 1,062,851	\$ 1,075,085	49.7%
City Clerk's Office	\$ 937,881	\$ 242,941	\$ 694,940	25.9%
City Council	\$ 420,514	\$ 231,431	\$ 189,083	55.0%
City Manager's Office	\$ 2,378,827	\$ 1,165,765	\$ 1,213,062	49.0%
Community & Economic Development	\$ 7,900,681	\$ 3,990,494	\$ 3,910,187	50.5%
Finance Department	\$ 4,666,358	\$ 2,644,905	\$ 2,021,454	56.7%
Fire Department	\$ 30,844,928	\$ 20,337,269	\$ 10,507,659	65.9%
Human Resources	\$ 1,462,766	\$ 785,052	\$ 677,714	53.7%
Non-Departmental	\$ 421,000	\$ 90,819	\$ 330,181	21.6%
Office of the City Auditor	\$ 327,769	\$ 24,325	\$ 303,444	7.4%
Parks, Recreation & Neighborhoods	\$ 3,903,426	\$ 1,897,301	\$ 2,006,125	48.6%
Police Department	\$ 62,280,572	\$ 34,576,526	\$ 27,704,046	55.5%
Public Works	\$ 6,506,588	\$ 3,779,795	\$ 2,726,793	58.1%
Transfers Out	\$ 7,097,869	\$ 828,075	\$ 6,269,794	11.7%
Totals	\$ 131,287,114	\$ 71,657,549	\$ 59,629,566	54.6%

The chart shows that overall the expenditures are doing marginally better than budget as of January 2018. This is shown by the fact that as of January 2018, with 41.7% of the year remaining, there is approximately 45.4% of the budget remaining for the balance of the fiscal year. Basically, this means that our spending is at 54.6% with 58.3% of the fiscal year gone by, meaning as of January 2018 the departments are showing a 3.8% rate of savings overall (including transfers out).

Analysis of Select Department Expenditures:

City Clerk's Office - The City Clerk's Office shows a high percentage of expenditure budget remaining of 74.1% as of January 2018. This is caused by the total budget for elections being housed in the City Clerk's Office. The expenditure budget for this area is \$500k of which only \$554 has been expended. If you look at only the City Clerk's Office main operating budget the "% of Budget Remaining" drops to 55.4% which is a more accurate portrayal of the department's operating expenditures. Note that election costs are usually paid out closer to the end of the fiscal year.

Fire Department - The Fire Department has a percentage of budget expended amount of 65.9% as of January 2018. This is a higher rate of expenditure that has been caused by a higher rate of overtime spending than has been seen in previous fiscal years. This is directly attributed to the

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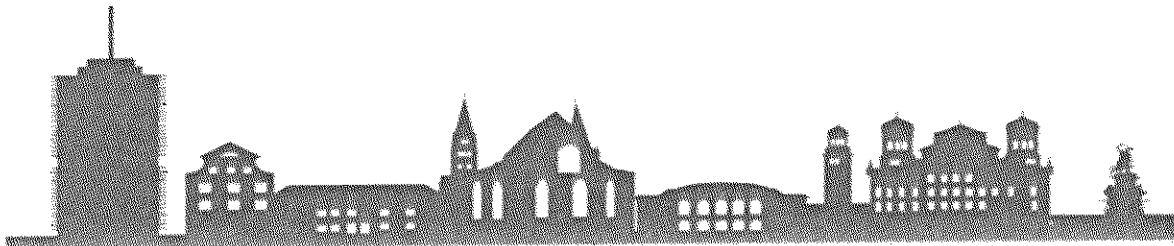
amount of wildfires that have been seen throughout California in the current fiscal year. The City of Modesto has a mutual aid agreement with CalFire in which it sends out City Fire personnel on wildfires throughout the state. This has increased the costs of overtime needed to backfill the positions out on call. While costs have increased, the Fire Department does receive reimbursement revenue for the positions sent out on call as well as the overtime for the backfilled positions and an apparatus fee for any engines or trucks that are sent out to assist with a wildfire. This revenue helps to offset the increased expenditures in the areas of overtime for the Fire Department when there is a particular abundant wildfire season.

Another contributing factor to the higher rate of expenditure has been the decrease in operating expenditure budgets that the Fire Department has incurred in order to fund some much needed station repairs at Station 1 (Roof Replacement Project) and Station 11 (Garage Door Replacement). These reduced the Fire Department budgets by nearly \$400k and could be a potential cause for a future request from General Fund reserves to avoid any potential expenditure shortfalls in this department's budget.

Non-Departmental - Non-Departmental expenditures have a very low percentage of budget expended to date (21.6%). This is mainly due to the largest expenditure from this budget being for the City's payment to Stanislaus County for the administrative fee for Property Tax collection. This is budgeted in the amount of \$300k and is not expended until closer to the end of the fiscal year.

Office of the City Auditor - The Office of the City Auditor expenditure budget has a percent of budget expended of 7.4% as of January 2018. This is caused by a combination of two things. The first is that billings for audit services from Moss Adams have not been expended for the current year audit work. The second reason is that budgeted amounts for the hiring of a City Auditor and one administrative staff have not been expended. These two factors have resulted in significant savings in this area to date.

Transfers Out - Transfers Out expenditures also have a very low percentage of budget expended to date at only 11.7%. The cause being that a majority of the transfers out of funds (General Fund included) occur at the end of the fiscal year. This is to ensure that the full transfer amounts are needed and that only the necessary/required amounts are moved to the appropriate receiving fund. By fiscal year end 2018, most likely 100% of this category's budget will be expended.



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Summary of General Fund Expenditures by Appropriation Unit:

Recall that earlier in this section it was mentioned that there are four types of categories for expenditures which include Salaries and Benefits, Internal Service Fund (ISF) Charges, Discretionary Expenses, and Transfers Out to other funds. There is a fifth category, Intrafund Labor, that acts as a contra-expenditure which essentially makes it a revenue category for direct charge services provided from one department to another department within the same fund. This category offsets expenses due to the nature of a contra-expenditure. All of these categories make up Appropriation Units. Below is a chart showing the various appropriation units and what is included in each:

Appropriation Unit	Category
A	Salary and Benefits
AA	Intrafund Labor
B	ISF Charges
C	Discretionary Expense
D	Transfers Out

This next chart will show you a breakdown of the General Fund Department Expenditures chart on page 8. The purpose is to display the General Fund department expenditures by appropriation unit at the mid-year point to illustrate how each department's spending is performing across the categories explained above.

General Fund Department Expenditures Summary by Appropriation Unit

Department Expense	Current Budget	Actual (JAN 2018)	Amount Remaining	% Remaining
City Council:				
Salary and Benefits (Appr Unit A)	\$ 308,598	\$ 174,464	\$ 134,134	43.5%
ISF Charges (Appr Unit B)	\$ 76,416	\$ 42,483	\$ 33,933	44.4%
Discretionary Expenses (Appr Unit C)	\$ 35,500	\$ 14,485	\$ 21,015	59.2%
City Council Total	\$ 420,514	\$ 231,432	\$ 189,082	45.0%
City Manager:				
Salary and Benefits (Appr Unit A)	\$ 1,750,091	\$ 824,127	\$ 925,964	52.9%
ISF Charges (Appr Unit B)	\$ 144,645	\$ 85,414	\$ 59,231	40.9%
Discretionary Expenses (Appr Unit C)	\$ 484,091	\$ 256,223	\$ 227,868	47.1%
City Manager Total	\$ 2,378,827	\$ 1,165,764	\$ 1,213,063	51.0%
Human Resources:				
Salary and Benefits (Appr Unit A)	\$ 1,236,098	\$ 684,361	\$ 551,737	44.6%
ISF Charges (Appr Unit B)	\$ 135,409	\$ 74,433	\$ 60,976	45.0%
Discretionary Expenses (Appr Unit C)	\$ 91,259	\$ 26,259	\$ 65,000	71.2%
Human Resources Total	\$ 1,462,766	\$ 785,053	\$ 677,713	46.3%
City Attorney:				
Salary and Benefits (Appr Unit A)	\$ 1,059,736	\$ 380,532	\$ 679,204	64.1%
ISF Charges (Appr Unit B)	\$ 165,462	\$ 95,287	\$ 70,175	42.4%
Discretionary Expenses (Appr Unit C)	\$ 912,738	\$ 587,031	\$ 325,707	35.7%
City Attorney Total	\$ 2,137,936	\$ 1,062,850	\$ 1,075,086	50.3%

2017-18 Mid-Year Budget Report

Department Expense	Current Budget	Actual (JAN 2018)	Amount Remaining	% Remaining
City Clerk:				
Salary and Benefits (Appr Unit A)	\$ 348,699	\$ 214,388	\$ 134,311	38.5%
ISF Charges (Appr Unit B)	\$ 33,379	\$ 18,487	\$ 14,892	44.6%
Discretionary Expenses (Appr Unit C)	\$ 555,803	\$ 10,066	\$ 545,737	98.2%
City Clerk Total	\$ 937,881	\$ 242,941	\$ 694,940	74.1%
Office of the City Auditor:				
Salary and Benefits (Appr Unit A)	\$ 259,049	\$ 14,010	\$ 245,039	94.6%
ISF Charges (Appr Unit B)	\$ 9,061	\$ 4,896	\$ 4,165	46.0%
Discretionary Expenses (Appr Unit C)	\$ 59,659	\$ 5,420	\$ 54,239	90.9%
City Auditor Total	\$ 327,769	\$ 24,326	\$ 303,443	92.6%
Finance:				
Salary and Benefits (Appr Unit A)	\$ 3,238,864	\$ 1,840,164	\$ 1,398,700	43.2%
Intrafund Labor (Appr Unit AA)	\$ (192,163)	\$ (113,213)	\$ (78,950)	
ISF Charges (Appr Unit B)	\$ 335,985	\$ 181,084	\$ 154,901	46.1%
Discretionary Expenses (Appr Unit C)	\$ 1,283,672	\$ 736,870	\$ 546,802	42.6%
Finance Total	\$ 4,666,358	\$ 2,644,905	\$ 2,021,453	43.3%
Community & Economic Development:				
Salary and Benefits (Appr Unit A)	\$ 5,286,071	\$ 2,975,512	\$ 2,310,559	43.7%
Intrafund Labor (Appr Unit AA)	\$ (458,980)	\$ (268,294)	\$ (190,686)	
ISF Charges (Appr Unit B)	\$ 787,805	\$ 448,746	\$ 339,059	43.0%
Discretionary Expenses (Appr Unit C)	\$ 2,285,785	\$ 834,531	\$ 1,451,254	63.5%
C&ED Total	\$ 7,900,681	\$ 3,990,495	\$ 3,910,186	49.5%
Fire:				
Salary and Benefits (Appr Unit A)	\$ 25,326,229	\$ 17,231,744	\$ 8,094,485	32.0%
ISF Charges (Appr Unit B)	\$ 780,097	\$ 452,679	\$ 327,418	42.0%
Discretionary Expenses (Appr Unit C)	\$ 4,738,602	\$ 2,652,846	\$ 2,085,756	44.0%
Fire Total	\$ 30,844,928	\$ 20,337,269	\$ 10,507,659	34.1%
Police:				
Salary and Benefits (Appr Unit A)	\$ 47,226,416	\$ 27,915,851	\$ 19,310,565	40.9%
Intrafund Labor (Appr Unit AA)	\$ (401,408)	\$ (294,099)	\$ (107,309)	
ISF Charges (Appr Unit B)	\$ 2,331,910	\$ 1,360,281	\$ 971,629	41.7%
Discretionary Expenses (Appr Unit C)	\$ 12,938,654	\$ 5,594,493	\$ 7,344,161	56.8%
Police Total	\$ 62,095,572	\$ 34,576,526	\$ 27,519,046	44.3%
Parks, Recreation & Neighborhoods:				
Salary and Benefits (Appr Unit A)	\$ 2,694,568	\$ 1,371,628	\$ 1,322,940	49.1%
Intrafund Labor (Appr Unit AA)	\$ (4,739)	\$ (46,990)	\$ 42,251	
ISF Charges (Appr Unit B)	\$ 461,120	\$ 263,340	\$ 197,780	42.9%
Discretionary Expenses (Appr Unit C)	\$ 752,477	\$ 309,323	\$ 443,154	58.9%
PR&N Total	\$ 3,903,426	\$ 1,897,301	\$ 2,006,125	51.4%
Public Works Department				
Salary and Benefits (Appr Unit A)	\$ 3,266,241	\$ 1,812,162	\$ 1,454,079	44.5%
Intrafund Labor (Appr Unit AA)	\$ (66,319)	\$ (66,760)	\$ 441	
ISF Charges (Appr Unit B)	\$ 276,817	\$ 158,606	\$ 118,211	42.7%
Discretionary Expenses (Appr Unit C)	\$ 3,029,849	\$ 1,875,786	\$ 1,154,063	38.1%
Public Works Total	\$ 6,506,588	\$ 3,779,794	\$ 2,726,794	41.9%
Non-Departmental				
Discretionary Expenses (Appr Unit C)	\$ 421,000	\$ 90,819	\$ 330,181	78.4%
Non-Departmental Total	\$ 421,000	\$ 90,819	\$ 330,181	78.4%
Transfers Out				
Transfers Out (Appr Unit D)	\$ 7,097,869	\$ 828,075	\$ 6,269,794	88.3%
Transfers Out Total	\$ 7,097,869	\$ 828,075	\$ 6,269,794	88.3%
General Fund Total	\$ 131,102,115	\$ 71,657,550	\$ 59,444,565	45.3%

General Fund Reserves

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General Fund reserves fall into a number of categories. At the end of Fiscal Year 2017, the reserve balances were as follows:

Fund Balances:	Amount
Nonspendable	\$ 2,515,146
Restricted	\$ 1,970,622
Committed	\$ 15,800,000
Assigned	\$ 4,854,307
Unassigned	\$ 4,509,693
Total Fund Balances	\$ 29,649,768

Of the categories above only the Unassigned amount of \$4,509,693 is available for use in the following fiscal year (2017-18). The other categories are placed into those pots of reserves for specific reasons, whether they are reserved for future encumbrances (Assigned), set-aside for Emergency Reserves (Committed), or held for advances from other funds (Nonspendable).

Of the Unassigned amount of \$4,509,693 some funds have been appropriated for expense via Council action. Below is a table that summarizes the appropriations from the Unassigned amount also known as the Carryover:

Description	Amount
Amendment to 10th Street JPA Budget	\$ 90,434
John Thurman Field Capital Improvement Project Budget	\$ 120,000
Repayment to Cal-Trans for Indirect Rate Audit	\$ 162,837
SB1 Maintenance of Effort	\$ 1,538,605
Totals	\$ 1,911,876

This brings down the actual Carryover to date balance from \$4,509,693 to \$2,597,817. This is the amount that would be available for discussion amongst Council as to what opportunities can be supported with this particular funding source. It also needs to be remembered that there are some other potential expenses that could occur in the remainder of the fiscal year. One of those potential expenses was mentioned earlier in this report as the Fire Department may need potential funds from the General Fund to avoid an expenditure shortfall.

This information can be used by Council to begin potential use discussions that could be brought back at a future date to Finance Committee or to a later Council meeting.

Revenue						
Account Number	Account Name	Department	Current Budget		Adjustment	Revised Budget
0100-90001-41101	Property Taxes - CY Secured	General	\$	679,250	\$ 75,000	\$ 754,250
0100-90001-41141	Property Taxes - Suppl Roll	General	\$	180,000	\$ 50,284	\$ 230,284
0100-90001-41161	Property Taxes - Transfer	General	\$	450,000	\$ 150,000	\$ 600,000
0100-90001-41162	Property Taxes - RPTTF Allocation	General	\$	100,000	\$ 75,000	\$ 175,000
0100-90001-41203	Utility Users Tax	General	\$	20,459,361	\$ 100,000	\$ 20,559,361
0100-90001-41204	Transient Occupancy Tax	General	\$	2,450,000	\$ 150,000	\$ 2,600,000
0100-90001-42420	Intergov - Local - McHenry Tax Sharing Agreement	General	\$	1,770,000	\$ 150,000	\$ 1,920,000
0100-14210-43265	CS - CD - Miscellaneous Permits	CEDD	\$	1,072,738	\$ 75,000	\$ 1,147,738
				Total Adjustments	\$ 825,284	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-209**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 ANNUAL
OPERATING BUDGET TO INCREASE GENERAL FUND REVENUES BY
\$825,284 PER THE DETAILS OUTLINED IN EXHIBIT B AND TO DESIGNATE
\$2,597,817 IN FY 2016-17 GENERAL FUND CARRYOVER AS GENERAL FUND
EMERGENCY RESERVES**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual Budgets of the City of Modesto for Fiscal Year 2017-2018, and

WHEREAS, this Mid-Year Budget Update Report contained information that showed revenue budgets for the General Fund need to be increased based upon said analysis, and

WHEREAS, the details of the recommended changes to the revenue budgets are outlined in **Exhibit B**, and

WHEREAS, the Finance Committee met on February 26th, 2018 and discussed the possible uses of FY 2016-17 General Fund Carryover and decided to move forward a recommendation that the funds in the amount of \$2,597,817 be designated as General Fund Emergency Reserves.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-2018 annual operating budget as shown in **Exhibit B**, which is **attached** hereto and incorporated by reference herein and that it also approves the designation of \$2,597,817 in FY 2016-17 Carryover as General Fund Emergency Reserves.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour,
Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Madrigal, Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Revenue						
Account Number	Account Name	Department	Current Budget		Adjustment	Revised Budget
0100-90001-41101	Property Taxes - CY Secured	General	\$ 679,250	\$	75,000	\$ 754,250
0100-90001-41141	Property Taxes - Suppl Roll	General	\$ 180,000	\$	50,284	\$ 230,284
0100-90001-41161	Property Taxes - Transfer	General	\$ 450,000	\$	150,000	\$ 600,000
0100-90001-41162	Property Taxes - RPTTF Allocation	General	\$ 100,000	\$	75,000	\$ 175,000
0100-90001-41203	Utility Users Tax	General	\$ 20,459,361	\$	100,000	\$ 20,559,361
0100-90001-41204	Transient Occupancy Tax	General	\$ 2,450,000	\$	150,000	\$ 2,600,000
0100-90001-42420	intergov - Local - McHenry Tax Sharing Agreement	General	\$ 1,770,000	\$	150,000	\$ 1,920,000
0100-14210-43265	CS - CD - Miscellaneous Permits	CEDD	\$ 1,072,738	\$	75,000	\$ 1,147,738
			Total Adjustments	\$	825,284	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-210**

**RESOLUTION APPROVING THE PAYMENT OF SOFTWARE
MAINTENANCE SUPPORT AGREEMENTS FOR THE REMAINDER OF
FISCAL YEAR 2017-18 FOR AN ESTIMATED ANNUAL COST NOT TO
EXCEED \$3,306,508**

WHEREAS, the City has an ongoing need for maintenance/support agreements for software assets utilized by the City of Modesto, and

WHEREAS, the expenditures for maintenance/support agreements have been approved by Council through the budget process, and

WHEREAS, staff requests the approval for payment of invoices presented for Fiscal Year 2017–2018 for an estimated annual cost not to exceed \$3,306,508.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves payment for invoices for various software maintenance/support agreements, set forth in **Exhibit A**, from software companies for the Information Technology Department, Human Resources Department, and the Modesto Police Department for the remainder of Fiscal Year 2017-2018 for an estimated annual cost not to exceed \$3,306,508.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
NeoGov Recruiting Software	NeoGov	Human Resources	Fund 0100 - General Fund			\$11,815
FTK - 2 Stand Alone Perpetual Lic and SMS - High Tech Crimes Unit investigatory tool.	ACCESS DATA GROUP	Police Department	Fund 0100 - General Fund	05/30/18	05/30/21	\$5,451
Annual Fee Officer Safety Plan - Evidence.com licensing	AXON ENTERPRISES INC	Police Department	Fund 0100 - General Fund	08/31/16	08/30/21	\$240,604
Blacklight Subscription Renewal; MacQuisition License Subscription Renewal. High Tech Crimes Unit Investigatory tool.	BLACK BAG TECHNOLOGIES	Police Department	Fund 0100 - General Fund	05/13/18	05/12/19	\$1,511
MediaStar Evolution Digital Content Management (DCM) Software SMS - Projection of real-time CAD status updates on calls for service, heat maps, subject and other crime stats and crime bulletin information throughout the Police Department.	CABLETIME USA - MEDIA STAR - for ISD Decoders	Police Department	Fund 0100 - General Fund	02/10/18	02/09/19	\$2,088
MediaStar Evolution Digital Content Management (DCM) Software SMS - Projection of real-time CAD status updates on calls for service, heat maps, subject and other crime stats and crime bulletin information throughout the Police Department.	CABLETIME USA - MEDIA STAR - for ISD Decoders	Police Department	Fund 0100 - General Fund	10/25/17	10/24/18	\$1,397
Genetec SDK Licenses for 10 concurrent cameras.	CELPLAN TECHNOLOGIES	Police Department	Fund 0100 - General Fund	09/25/17	09/24/18	\$2,487
Includes Genetec Software upgrades - Police Portion of PTZ and Downtown Cameras Annual Maintenance Plan	CELPLAN TECHNOLOGIES	Police Department	Fund 0100 - General Fund	04/03/18	04/02/19	\$41,549
Renewal of Annual Maintenance and Support of IAPro Software with CI Technologies, as the sole source manufacturer and distributor of this proprietary software utilized by MPD Internal Affairs.	CI TECHNOLOGIES INC	Police Department	Fund 0100 - General Fund	08/01/17	07/31/18	\$2,640
Renewal of Annual Maintenance and Support of BlueTeam Software with CI Technologies, as the sole source manufacturer and distributor of this proprietary software utilized by MPD Internal Affairs.	CI TECHNOLOGIES INC	Police Department	Fund 0100 - General Fund	08/01/17	07/31/18	\$1,449

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
California Peace Officers Legal Sourcebook Site License for 201-300 Sworn Officers. Provides sworn personnel with an on-line resource for accessing this information.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$2,385
California Peace Officers Legal Sourcebook and California Codes Mobile App License for 201-300 Sworn Officers. Provides sworn personnel with an app to connect to this resource on their cell phones.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$832
CopWare California Codes Site License for 201-300 Sworn Officers. Provides sworn personnel with an online resource for accessing California law enforcement codes.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$1,776
Annual Software Subscription to Crash Data Recorder (CDR). This is utilized by the Traffic Unit for imaging Air Bag Control Modulators in the event of a fatal accident.	CRASH DATA GROUP INC	Police Department	Fund 0100 - General Fund	08/22/17	08/22/18	\$1,066
Annual Software Subscription for Critical Reach APNet Crime Bulletin Services. Includes use of Critical Reach software, national servers, network and user support for maintenance term.	CRITICAL REACH	Police Department	Fund 0100 - General Fund	01/01/18	12/31/18	\$837
Annual Maintenance for Geoshield Annual Subscription renewal for 30 users at \$54,000/yr for five years.	CYBERTECH SYSTEMS AND SOFTWARE INC	Police Department	Fund 0100 - General Fund	02/14/17	02/13/22	\$100,485
Deepnet Dualshield Software licensing and annual support services - 300 licenses, plus 25 more (3/12/18). Dual factor authentication of key fobs in use by MPD personnel when signing on to the MDC's.	DEEPNET SECURITIES	Police Department	Fund 0100 - General Fund	08/27/17	08/27/18	\$3,832
Renewal of Digital Networks Group Annual Software Maintenance and Support. Video wall Software in the RTCC enables the output of video wall content via IP.	DIGITAL NETWORKS GROUP	Police Department	Fund 0100 - General Fund	12/08/15	12/07/20	\$119,107
AutoCite Annual Maintenance contract including devices and AutoIssue Citation Issuance Software. Utilized by officers issuing traffic citations.	DUNCAN SOLUTIONS	Police Department	Fund 0100 - General Fund	11/01/17	10/31/18	\$5,968

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Dynamic Design - Multi User Internal WEB Easy Tracking Software and Annual Subscription Renewal. Used to track crime free housing inspections and number and details of each complex.	DYNAMIC DESIGN	Police Department	Fund 0100 - General Fund	02/01/18	03/01/19	\$1,415
Annual Renewal of ESRI proprietary Small Public Safety Term Enterprise License Agreement. Year 2 of 5 @\$45,000/yr for a total of \$225,000 plus tax \$16,593.75 for a grand total of \$241,594.75. Used for GEO-Shield application in Real Time Crime Center (RTCC).	ESRI INC	Police Department	Fund 0100 - General Fund	05/22/17	05/21/22	\$245,219
Annual Maintenance and Support for Investigatory Tool.	GRAYSHIFT LLC	Police Department	Fund 0100 - General Fund	04/12/18	04/11/19	\$14,718
Annual Maintenance and Support Services for UFED 4 PC Ultimate (3 cellebrite devices); Annual SMS for UFED Touch Ultimate (1 device).	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/17	08/30/18	\$14,713
FEX Annual SMS Renewal for Forensic Explorer and Mount Image Pro. High Tech Crimes Unit Investigatory tool.	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/17	08/30/18	\$1,122
Annual Renewal for UFED Ultimate Support Services for Cellebrite Unit for SGU. Investigatory tool.	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/17	08/30/18	\$3,450
Annual Maintenance Renewal for GoAnywhere MFT Software. Utilized in the transfer of data from MPD Scheduling and Payroll software to Oracle Payroll system.	HELPSYSTEMS (LINOMA)	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$1,317
IBM Analyst's Notebook Concurrent User Annual Software Subscription and Support Renewal. Proprietary Software tool utilized by MPD Crime Analysts.	IBM ANALYSTS NOTEBOOK	Police Department	Fund 0100 - General Fund	11/01/17	10/31/18	\$1,070
Annual Software (\$6,562.12)and Hardware (\$1,973.24) Maintenance LE Renewal for Imageware. Imageware is a software and hardware system utilized in creating police department employee ID badges.	IMAGEWARE	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$8,663

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual Maintenance for InTime Solutions Software. Scheduling and payroll system for MPD allows for electronic capture and transfer of data to City's Oracle Payroll system. 21,272/yr. plus tax 1675.17 = \$22,947.17	IN TIME SOLUTIONS	Police Department	Fund 0100 - General Fund	05/17/18	05/16/19	\$23,291
Annual renewal of Lexipol LE Policy Manual Update Subscription; LE Procedures Manual On-Line; LE Management Services. Utilized by MPD to provide online version of Policy Manual, policy manual updates; electronic signature tracking for disbursal to staff and training bulletins.	LEXIPOL	Police Department	Fund 0100 - General Fund	10/01/17	09/30/18	\$34,522
Renewal of Annual Maintenance and Support for SMS Magnet IEF; SMS Magnet IEF Triage Module; SMS Magnet IEF Module Mobile Artifacts; SMS Magnet IEF Module Business Applications. Investigatory tool.	MAGNET FORENSICS	Police Department	Fund 0100 - General Fund	01/01/18	12/31/18	\$1,142
Annual Renewal of proprietary software license for XRY Logical and Physical. Investigatory tool.	MSAB	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$3,040
Renewal of Annual Maintenance and Support for the NEC AFIS (Automated Fingerprint Identification System) used by the Police Department to take and send fingerprints to DOJ as part of background process for new applicants.	NEC CORP OF AMERICA	Police Department	Fund 0100 - General Fund	12/26/18	12/25/19	\$7,413
Renewal of PenLink Ltd. proprietary software Annual Maintenance and Support Services Agreements for Collection Maintenance Premium and Analytical Maintenance premiums. This is an investigatory tool used by PD. \$16,010. plus tax	PENLINK LTD	Police Department	Fund 0100 - General Fund	01/01/18	12/31/18	\$17,530
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeMapping software. Crime Analyst crime mapping tool.	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	01/10/18	01/09/19	\$2,494
Renewal of Training Innovations TMS software annual maintenance and support. MPD utilizes this to track employee training and certification.	TRAINING INNOVATIONS INC	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$761

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual Maintenance and Support Services renewal for Veripic Software. MPD utilizes this software program for digital data storage.	VERIPIC INC	Police Department	Fund 0100 - General Fund	03/01/18	02/28/19	\$8,560
Annual renewal of software licensing certification. Allows MPD staff to access DOJ database application similar to COPLink. Purchased a 3-year renewal. Exp. on 11/13/2020.	DIGCERT, INC.	Police Department	Fund 0100 - General Fund	11/14/17	11/13/20	\$1,446
Annual Fee Officer Safety Plan - Evidence.com licensing	AXON ENTERPRISES INC	Police Department	Fund 0100 - General Fund	08/31/16	08/30/21	\$240,604
CLEAR Search Software utilized by Crime Analysts as an investigatory tool.	THOMSON-REUTERS	Police Department	Fund 0100 - General Fund	07/01/17	06/30/18	\$1,949
Deepnet Dualshield Software licensing and annual support services - 25 additional licenses and user support for same.(Purchased 3/12/18). Dual factor authentication of key fobs in use by MPD personnel when signing on to the MDC's.	DEEPNET SECURITIES	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$2,097
ESRI Small Enterprise Agreement for Small Public Safety Department Term Enterprise License Agreement - RTCC Yr. 3 of 5 @ \$45,000/yr. 241,593.75	ESRI INC	Police Department	Fund 0100 - General Fund	05/22/18	05/21/22	\$245,218
3D Scene Maintenance Software Licensing and Maintenance Agreement for the Faro Technologies Laser Scanner. This software is used to capture and process datapoints into diagrams and is used by both Traffic Officers for collision scenes and ISD Detectives and ID Techs for homicide scenes. Year 1 of a 3-Year Agreement.	FARO TECHNOLOGIES	Police Department	Fund 0100 - General Fund	07/01/18	06/30/21	\$2,578
Annual Renewal for Cellebrite UFED Cloud Analyzer Annual License Renewal. Investigatory Tool	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/17	08/30/18	\$2,664
SIRE XML-M Loader/Batch Import Maintenance @ \$399.99; Sire Maintenance @ \$11,090. MPD share of SIRE System	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$11,661
OnBase Annual Maintenance and Support for Local Government Web Server. RMS for MPD.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$18,128

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
OnBase Local Government Workflow Concurrent Client SL (20 count) and Annual Maintenance on Workflow Licenses. Additional Lic for MPD RMS.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$24,360
IQRMS Interface Annual Maintenance - MPD share of SIRE System.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$2,313
COPLogic DORS Annual Maintenance. On-line reporting system allowing citizens to file police reports online.	LEXIS NEXIS RISK SOLUTIONS	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$13,989
Renewal of NetMotion Software with two-year premium maintenance for two mobility XE Server SW Licenses for mobile devices (127 MDC's and 1 additional server Police Module. Allows for network communications with the MDC units installed in police vehicles.	Mobile Wireless (for NetMotion Software)	Police Department	Fund 0100 - General Fund	04/01/18	03/30/20	\$12,870
Annual Maintenance on PLX Software upgrade. Investigatory tool used by PD.	PENLINK LTD	Police Department	Fund 0100 - General Fund	06/15/18	06/14/19	\$10,150
Renewal of Predictive Policing Agreement for proprietary software program PREDPOL utilized by MPD Field Operations in identifying hot spots for crime for targeted enforcement operations. Current Agreement will expire on 10/14/2018. Entering into a 3 year Agreement to take advantage of 10% cost savings.	PREDPOL	Police Department	Fund 0100 - General Fund	10/15/15	10/14/18	\$95,918
Renewal for two (2) WaveStore Video Management Software Premium Licenses and Annual Maintenance and Support. Used by MPD Pod camera digital data management - RTCC.	QPCS	Police Department	Fund 0100 - General Fund	04/05/18	04/04/19	\$181
2019-20 CAD System Maintenance - \$98,981.00; IQ/RMS Interface - \$2,393. Total: 101,374. MPD share of 911 Communications Center	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$102,895
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeView software. Crime Analyst crime mapping tool.	Omega Group now TriTech Software Systems	Police Department	Fund 0100 - General Fund	12/17/13	12/18/18	\$78,006

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual renewal of Proprietary COPLINK Software licensing and Data Source Integration Maintenance with Forensic Logic. MPD will front costs and invoice Sheriff's Department for 50% of costs. Total Cost to MPD is \$34,489.50.	FORENSIC LOGIC LLC	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$70,014
Annual renewal of Tiburon System Annual Maintenance. Stanislaus Regional 911 fronts the full cost and then invoices MPD for its share of costs for the 9-1-1 Communications Center. \$98,981.00	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	05/01/18	05/02/19	\$100,466
Annual Renewal of IQ/RMS Interface utilized at the 9-1-1 Communications Center	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	05/01/18	05/02/19	\$2,429
Purchase of INFORM RMS - MPD's new Records Management System including annual maintenance and licensing fees. Year One	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/17	05/01/18	\$590,934
Annual Maintenance Fees for Inform RMS	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$93,171
Renewal of IQ Search (251-500) Users One Year Subscription. MPD's Records Management System Licensing	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$9,744
Renewal of TRITECH.COM IQ ANALYTICS 5 Concurrent User Bundle One Year Subscription	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$2,538
TLO Annual Fees Subscription to database. Utilized by Crime Analysts as an investigatory tool.	TRANS UNION RISK AND DATA SOLUTIONS	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$1,654
Annual renewal of Visual Statement software subscription.	VA VISUAL STATEMENT INC	Police Department	Fund 0100 - General Fund	07/13/17	07/12/18	\$1,278
Annual Renewal of Two (2) License Subscriptions for X-Ways Forensics BYOD Software. Forensics investigatory tool.	X-WAYS SOFTWARE TECHNOLOGY	Police Department	Fund 0100 - General Fund	03/05/18	03/04/19	\$2,567

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual Licensing for ArcGIS Geo-Event Server (Windows) Up to four cores, 365-day Term License @ \$6,000/yr; plus ArcGIS Geo-Event Additional Core (up to 32 per server) @\$1,500/yr for a total annual cost of \$7,500/yr. for 5 years for a grand total of \$40,265.62 w/ tax. This is Year 2 of 5. Real Time Crime Center (RTCC); 5-Year Agreement @7,500/yr for a total with tax of \$40,265.63	ESRI INC	Police Department	Fund 1342 - Grants Police	07/28/17	07/27/22	\$32,658
Genetec Enterprise Camera Licensing and Genetec Camera Advantage for 32 cameras. These camera licenses will integrate 32 cameras into the existing Genetec Video Management System owned by the PD	CELPLAN TECHNOLOGIES	Police Department	Fund 1342 - Grants Police	05/01/18	04/30/19	\$9,251
Oracle Enterprise Resource Planning System (ERP)	Oracle America, Inc.	Information Technology	Fund 5230 - Information Technology			\$259,369
Oracle Database License	Oracle America, Inc.	Information Technology	Fund 5230 - Information Technology			\$119,490
Oracle Financials Expansion	Oracle America, Inc.	Information Technology	Fund 5230 - Information Technology			\$59,337
Tidemark Advantage Software	Accela, Inc.	Information Technology	Fund 5230 - Information Technology	01/01/18	12/31/18	\$36,337
Geographic Information Services Software	ESRI, Inc.	Information Technology	Fund 5230 - Information Technology	05/31/18	05/30/19	\$33,444
Adobe Cloud Subscriptions	Adobe Systems Inc.	Information Technology	Fund 5230 - Information Technology			\$7,714
Commvault - Data Backup	Commvault	Information Technology	Fund 5230 - Information Technology	06/08/17	06/07/18	\$23,424

Exhibit A - Software Maintenance Support Agreements FY 2017-18

Software Name, Description	Vendor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Toad for Oracle - Database Management Tool	Quest Software, Inc.	Information Technology	Fund 5230 - Information Technology	04/30/18	04/30/19	\$5,742
ManageEngine Desktop Management	Zoho, Corp	Information Technology	Fund 5230 - Information Technology	04/20/18	04/20/19	\$8,508
ManageEngine Password Manager	Zoho, Corp	Information Technology	Fund 5230 - Information Technology	04/26/18	04/26/19	\$2,715
McAfee - Anti-Virus Software	McAfee	Information Technology	Fund 5230 - Information Technology	06/06/17	06/05/18	\$10,759
JDI - Claims management software and software support for management of general liability claims	JDI	Human Resources	Fund 5330 - Liability Insurance Fund	08/18/17	08/01/20	\$18,219
Total						\$3,306,508

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-211**

**RESOLUTION ACCEPTING THE CALIFORNIA URBAN GREENING GRANT
PROGRAM FUNDS IN AN AMOUNT OF \$3,193,401 TO FUND
CONSTRUCTION OF THE VIRGINIA CORRIDOR PHASE 7 TRAIL PROJECT**

WHEREAS, the Virginia Corridor Trailway is a conversion of the original Tidewater Southern/Union Pacific Railroad corridor into a Class 1 bicycle and pedestrian trail, and

WHEREAS, the Virginia Corridor Trailway currently extends from College Avenue to Woodrow Avenue, and

WHEREAS, the Virginia Corridor Phase 7 Trail project is an essential piece of the City of Modesto Trail System, and

WHEREAS, the Virginia Corridor Phase 7 Trail will add approximately 0.75 miles of trail to connect the northern portion of the City to downtown via the Hetch-Hetchy Trail, and

WHEREAS, the Virginia Corridor Phase 7 Trail will have many environmental benefits such as reducing carbon emissions, and collecting storm water, and

WHEREAS, the grant funding requires a deed restriction that ensures that the park stay open to the public and is properly maintained for at least 25 years, and

WHEREAS, on May 23, 2017, by Resolution No. 2017-196, Council approved authorizing the submittal of an application to the California Urban Greening Grant Funding Program to fund construction of Virginia Corridor Phase 7 Trail which also authorized the City Manager to execute the agreement should the grant be awarded , and

WHEREAS, the City has received notice of a grant award from the California Urban Greening Grant Funding Program in an amount of \$3,193,401 to fund construction of the Virginia Corridor Phase 7 Trail.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it accepts the California Urban Greening Grant Program funds in an amount of \$3,193,401 to fund construction of the Virginia Corridor Phase 7 Trail Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-212**

RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL IMPROVEMENT PROGRAM BUDGET IN AN AMOUNT NOT TO EXCEED \$3,331,649 IN REVENUE AND TO BUDGET EXPENDITURES AS OUTLINED IN ATTACHMENT A TO FUND CONSTRUCTION OF THE VIRGINIA CORRIDOR PHASE 7 TRAIL PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE BUDGET ADJUSTMENT

WHEREAS, a grant was awarded from the California Urban Greening Grant Funding Program in an amount of \$780,000 to fund the Virginia Corridor Phase 7 Trail Project, and

WHEREAS, the Virginia Corridor Phase 7 Trail Project is an integral part of the conversion of the original Tidewater Southern/Union Pacific Railroad to Class 1 Bicycle and pedestrian trail system, and

WHEREAS, on May 23, 2017, by Resolution No. 2017-196, Council approved authorizing the submittal of an application to the California Urban Greening Grant Funding Program. City Staff submitted an application for this grant program, and

WHEREAS, the City has received notice of a grant award from the California Urban Greening Grant Funding Program in an amount of \$3,193,401 to fund construction of a portion of the Virginia Corridor Phase 7 Trail Project, and

WHEREAS, the Council shall consider amending the 2017-2018 Capital Improvement Program Budget to establish a new Capital project with the grant award to fund the development and construction of the Virginia Corridor Phase 7 Trail Project in an amount not to exceed \$3,331,649 as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends the Fiscal Year 2017-2018 Capital Improvement Program Budget

in an amount not to exceed \$3,331,649 in revenue and budgets expenditures as outlined in **Attachment A**.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to implement the budget adjustment as outlined in **Attachment A** to fund the construction of the Virginia Corridor Phase 7 Trail Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 5th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

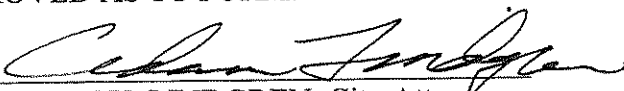
ABSENT: Councilmembers: Zoslocki

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A

Budget Adjustment for Capital Project 100813 (Virginia Corridor Ph 7)

Fund 3140 – Capital Grants CIP Projects:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
3140-89999-100813 – Construction	\$2,976,649
3140-89999-100813 – Construction Admin	\$177,500
3140-89999-100813 – Contingency -CIP	\$177,500
	Total: \$3,331,649

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
3140-89999-42201-100813	\$ 3,193,401	Intergov - State – Natural Resources Agency

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-213**

RESOLUTION APPROVING A SECOND AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH MUNICIPAL RESOURCE GROUP, IN THE AMOUNT OF \$40,000, TO PROVIDE CONTINUED ASSISTANCE WITH COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT PROJECTS, FOR A TOTAL AGREEMENT AMOUNT OF \$153,000 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, Municipal Resource Group is a governmental consulting firm which has an extensive background providing support services to municipalities throughout Northern California; and

WHEREAS, in February of 2018, the City entered into a Professional Services Agreement with Municipal Resources Group (MRG) to provide assistance with special projects in the City Manager's Office; and

WHEREAS, on March 6, 2018, by Resolution No. 2018-97, Council approved a First Amendment to the Professional Services Agreement with Municipal Resource Group, in the amount of \$68,000, to provide assistance with Community & Economic Development Department projects, for a total agreement amount of \$113,000; and

WHEREAS, continued assistance is needed with Community & Economic Development Department projects; and

WHEREAS, the extension is necessary until such time the Director of Community & Economic Development position is filled. The recruitment for this position closes on June 18, 2018; and

WHEREAS, providing continued assistance is necessary to continue to meet the goals and objectives of Council and the Community & Economic Development Department.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves a Second Amendment to the Professional Services Agreement with Municipal Resource Group, in the amount of \$40,000, to provide continued assistance with Community & Economic Development Department projects, for a total agreement amount of \$153,000.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to sign the amendment to the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

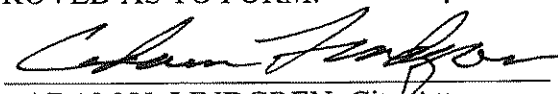
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-214**

**RESOLUTION ACCEPTING THE HOMELESS MANAGEMENT
INFORMATION SYSTEM GRANT (HMIS) IN THE AMOUNT OF \$173,533 AND
AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE, TO
EXECUTE ALL NECESSARY FUNDING AND GRANT DOCUMENTS**

WHEREAS, in 1988, the Stanislaus County Housing and Support Services Collaborative (StanCSOC) /Continuum of Care was formed (Continuum of Care), and

WHEREAS, a Continuum of Care is an integrated system of care that guides and tracks homeless individuals & families through a comprehensive array of housing & services designed to prevent and end homelessness, and

WHEREAS, since inception, this volunteer body has secured millions in grants from the U.S. Department of Housing & Urban Development to combat the impact of homelessness in our community, and

WHEREAS, the City took over the Collaborative Applicant role on July 2017, by Resolution No. 2017-289, and

WHEREAS, as the Collaborative Applicant, the City is responsible to collect and submit the required Continuum of Care application information for all projects the StanCSOC selects for funding, and

WHEREAS, the City is also responsible for monitoring activities and providing technical assistance to the non-profit organizations receiving Continuum of Care funds, and

WHEREAS, additionally, the City is responsible for administration and oversight of the HMIS for StanCSOC, and

WHEREAS, HMIS enables homeless service providers to collect uniform client information over time, and

WHEREAS, through HMIS, homeless program clients benefit from improved coordination in and between agencies, informed advocacy efforts, and policies that result in targeted services, and

WHEREAS, analysis of information gathered through HMIS is critical to accurately calculate the size, characteristics, and needs of the homeless population, and

WHEREAS, HMIS is an integrated network of homeless and other service providers that use a central database to collect, track and report uniform information on client needs and services, and

WHEREAS, the system meets Federal requirements, collaborates and enhances homeless prevention services delivery, and

WHEREAS, the City was awarded \$173,533 from U.S. Department of Housing and Urban Development to support the HMIS, and

WHEREAS, the award includes funding for salary and benefits, oversight, computer software, training, and licenses for the client management software, and

WHEREAS, the grant requires a 20% match that will be made up of fees for additional reporting support and user licenses for agencies who request it, and

- HMIS Support Fee: \$1,200 (per year, excluding non-profits, for under 2 activities)
- HMIS Support Fee: \$2,400 (per year, excluding non-profits, for over 2 activities)
- Additional User License: \$930.00 (per user per year, does not apply for non-profit's who are voluntarily adding non-mandated data)

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the HMIS in the amount of \$173,533.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee, is hereby authorized to execute all necessary funding and grant documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

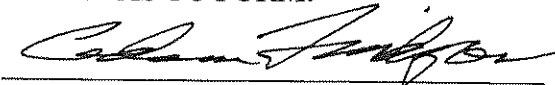
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-215**

**RESOLUTION AMENDING SECTION 3 (COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAMS), AND SECTION 6 (HOUSING
REHABILITATION PROGRAM), OF THE HOUSING AND URBAN
DEVELOPMENT POLICIES & PROCEDURES MANUAL**

WHEREAS, the City has been a participating jurisdiction in the Community Development Block Grant (CDBG) Program of the U.S. Department of Housing and Urban Development (HUD) since the program was established by Congress in 1974, and

WHEREAS, HUD distributes federal CDBG funds to states, counties and urban cities to provide decent, safe, and sanitary housing; to provide suitable living environments, and to expand economic opportunities principally for low and moderate-income persons, and

WHEREAS, the City, as an entitlement community, receives approximately \$1.8 million in CDBG funds annually to support a range of eligible activities, from public services to public infrastructure improvements that benefit low- and moderate-income individuals, families and neighborhoods. Federal regulations governing the CDBG program are in Title 24 of the Code of Federal Regulations Part 570 (24 CFR 570), and

WHEREAS, in October 2016, the Council, by Resolution No. 2016-245, adopted a Housing & Urban Development Policies & Procedures Manual (HUD Manual), and

WHEREAS, Housing & Urban Development Policies & Procedures Manual were last updated on November 8, 2017 by Resolution 2017-427, and

WHEREAS, in order to align with current program guidelines and replace older program policies Section 3 (Community Development Block Grant Programs), and Section 6 (Housing Rehabilitation Program) needed to be updated, and

WHEREAS, The Citizen's Housing and Community Development Committee reviewed, approved and forwarded the proposed amended Section 3 and Section 6 of the HUD Policies and Procedures to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends Section 3 (Community Development Block Grant Programs) and Section 6 (Housing Rehabilitation Program), of the Housing and Urban Development Policies & Procedures Manual.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

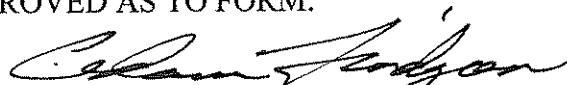
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-216**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND RIO DE SUENOS, A CALIFORNIA LIMITED LIABILITY COMPANY TO CONNECT TO THE CITY OF MODESTO'S EXISTING WATER SYSTEM FOR THE PROPERTY LOCATED AT 7427 RIVER NINE DRIVE IN MODESTO (APN 004-092-008) AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE, TO APPROVE THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, Rio De Suenos, a California Limited Liability Company, owns property located at 7427 River Nine Drive, and

WHEREAS, the property located at 7427 River Nine Drive is not connected to the City's water system and a representative of the property owner has requested water service, and

WHEREAS, on May 22, 2012, Council approved Resolution No. 2012-202 that amended City Council Policy 5.001, and

WHEREAS, on June 5, 2012, Council approved final adoption of Ordinance No. 3566-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS, both of these amendments included language which required that the City Manager, upon the recommendation of the Director responsible for utility system planning, request City Council approval for all extensions of water services into unincorporated areas, and

WHEREAS, on November 25, 2014, Council approved Resolution No. 2014-472 that amended City Council Policy 5.001, and

WHEREAS, on December 9, 2014, the City Council approved adoption of Ordinance No. 3611-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS, both of these amendments included language allowing the City Manager upon the recommendation of the Director responsible for utility system planning, to approve standard agreements of service for extension of water services into certain unincorporated areas that are located within the former Del Este Water Service Area without City Council approval, and

WHEREAS, the property located at 7427 River Nine Drive is not located within the former Del Este Water Service area and therefore requires City Council approval prior to allowing the new water service connection, and

WHEREAS, it has been determined that a sufficient quantity of potable water is available for normal usage by the proposed development, and

WHEREAS, the water connection fees will be paid and associated permits be obtained prior to beginning any on site construction, and

WHEREAS, the property owner has executed an Outside Service Agreement for Water Service as required to receive water service outside of City limits.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for Water Service for the property located at 7427 River Nine Drive in Modesto (APN: 004-092-008).

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to approve the Will Serve Letter and execute the Outside Service Agreement for Water Service.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-217**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

COMMUNITY AND ECONOMIC DEVELOPMENT

A budget adjustment is necessary to increase the FY 2017-18 10th Street JPA Allocation from various City funds for the amendment with Cypress Security for \$75,002 that was approved by the 10th Street JPA Board on October 31, 2017 of which the additional City's portion is \$26,313, of which \$16,251 relates to the General Fund. This assessment of \$26,313 has been split amongst a number of funds of which the breakdown can be seen below:

Fund Name	Fund	Increase
General Fund	0100	\$16,251
Grants - CDBG Direct Program	1130	\$205
Capital Improvement Support	1300	\$349
Surface Transportation Fund	1700	\$827
Water Fund	4100	\$3,110
Sewer Operations Fund	4210	\$2,139
Bus Fixed Route Max Operations Fund	4540	\$791
Solid Waste Fund	4891	\$685
Mail Services ISF	5120	\$68
Information Technology Fund	5230	\$1,658
Insurance - Administration Fund	5310	\$131
Employee Benefits Management Fund	5520	\$99
	Grand Total	\$26,313

This adjustment will also increase the revenue and expenses in the 10th Street JPA Fund by the amounts below in the following accounts:

<u>Account</u>	<u>Amount</u>
5810-52310-42405 (City of Modesto Contribution)	\$26,313
5810-52310-53505 (Intergovernmental Services – Other)	\$26,313

A budget adjustment is necessary to recognize \$75,000 of unbudgeted revenue in the Capital Grants Capital Improvement Project Fund, Fund 3160, to the SB Dale Road Bus Turnout Capital Improvement Project, #100727, and reallocates funding to Construction, Construction Administration and Contingency in expense as approved by Caltrans per the E-76. Included in this adjustment is a decrease of \$6,000 to the Land Acquisition expense budget and reallocates it the Preliminary Engineering phase, as the land purchase is complete.

FINANCE/POLICE DEPARTMENT

A budget adjustment is necessary to 1) recognize \$185,000 in unbudgeted revenue in the Citation Processing Cost Center (19440) - Parking Fines account within the Modesto Police Department, and, reallocate \$55,000 to their Services City Forces Non Labor expense account for increased costs related to a Direct Charge Agreement between Finance and the Modesto Police Department; 2) Increase the Finance Department Citation Processing Cost Center (12450) Interfund - Admin Cost Non-Labor Direct Charge Agreement revenue and Criminal Justice Mandatory Fees expense account by \$55,000. The increase in expense and revenue is result of an increase in Parking Citation issuance.

PARKS, RECREATION AND NEIGHBORHOODS

A budget adjustment is necessary to reflect the updated budget that the Tuolumne Regional River Park (TRRP) Joint Powers Agreement Board adopted on 2/14/18 as well as the approved transfer to the TRRP CIP Fund. TRRP Revenues will be reduced by \$29,250 and expenses will be reduced by \$8,934 to match the updated budget. There is also increase of \$22,400 to the Transfer Out of the TRRP Fund and the Transfer in to the TRRP CIP Fund.

POLICE DEPARTMENT

A budget adjustment is necessary to amend the revenue and expense budget for Project #100969 – 2016-17 SLESF. The adjustment will recognize additional revenue from the State Law Enforcement Supplemental Funds (SLESF) in the amount of \$103,632 and interest income in the amount of \$1,172. Additionally, the Appropriation Unit C expense budget is being increased by \$335,977 so that it matches all revenue received to date in the project. Previous adjustments recognized revenue received, but did not appropriate it to the project expense budget.

PUBLIC WORKS

A budget adjustment is necessary to transfer \$133,503 from the Inventory Purchases Fleet Replacement Fund (5119) to the funds listed below. With the dissolution of the Inventory Purchase Fund, the equipment/fleet tied to the fund was moved to new departments. The cash in the fund now needs to be moved so that it follows each piece of equipment/fleets new location as it was collected for replacement of those pieces of equipment/fleet.

	<u>Amount</u>
<u>Transfer Out</u>	
Fund 5119 (Inventory Purchases Fleet Replacement)	\$133,503
 <u>Transfer In</u>	
Fund 5400 (Fleet Management Fund)	\$ 3,428
Fund 5409 (Fleet Management Fleet Replacement)	\$25,000
Fund 5809 (P/R Building Services Fleet Replacement)	\$75,075
Fund 1709 (Surface Transportation Fleet Replacement)	\$30,000

UTILITIES

A budget adjustment in the amount of \$1,550,000 is needed to establish a new Capital Improvement Program (CIP) and amend the FY17-18 CIP Budget in the Water CIP Fund, 4180, for Spencer Avenue Main Replacements. (CIP#101110). The project will replace existing water mains within the Spencer Avenue Area which is generally bounded by Maze Blvd. (SR132) on the North, Martin Luther King Dr. to the East and California Ave. to the South. Replacement of the existing old, undersized steel water mains, valves, and hydrants is required to improve water system reliability, flows and pressures. It is anticipated that this project will begin in June 2018 with construction planned for the winter of 2018.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-218**

**RESOLUTION APPROVING PAYMENT OF VARIOUS EQUIPMENT
MAINTENANCE AGREEMENTS FOR FISCAL YEAR 2018-2019 WITH
MULTIPLE EQUIPMENT MANUFACTURERS FOR ALL CITY
DEPARTMENTS, FOR AN ANNUAL COST NOT TO EXCEED \$492,490; AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO
EXECUTE EQUIPMENT MAINTENANCE AGREEMENTS ASSOCIATED
WITH THE ITEMS IN EXHIBIT B – FISCAL YEAR 2018-2019 EQUIPMENT
MAINTENANCE AGREEMENTS (MORE THAN \$50,000)**

WHEREAS, the City purchases office and operational equipment through the purchasing bidding process based on the requirements of the City of Modesto Municipal Code Title 8 Chapter 3, and

WHEREAS, as part of the bidding process for the office equipment, for purchases such as copiers, the City has frequently selected a local vendor to provide maintenance service due to the quick turnaround in service that can be provided with a local vendor compared to a vendor located outside of the Modesto area, and

WHEREAS, as part of preparation of the annual fiscal year budget, the annual costs for this maintenance service has been historically approved by Council through the annual budget adoption process, and

WHEREAS, the Purchasing Division will bring an item to Council every fiscal year to provide transparency for all maintenance agreements being utilized by City Departments; The Purchasing Division will continue to evaluate the cost-effective use of these maintenance agreements especially as the equipment ages over the depreciated life of the asset, and

WHEREAS, **Exhibit A** is an itemized list of the equipment maintenance agreements being utilized by City departments for agreements less than \$50,000 under the Interim City Manager's approval authority, and

WHEREAS, **Exhibit B** provides the itemized equipment maintenance agreements utilized by the City departments greater than \$50,000 requiring authorization by City Council, and

WHEREAS, an evaluation committee comprised of five (5) City staff members evaluated the proposals and Mayor Ted Brandvold (Chair of Audit Committee) was chosen to observe the RFP process. Based on being ranked highest in total evaluation criteria, the evaluation committee recommends the award of proposal for the auditing services to Hudson and Henderson Inc., and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager, in his or her discretion, may determine that calling for bids on a competitive basis as set forth in Modesto Municipal Code section 8-3.203 is undesirable due to exigent circumstances, and

WHEREAS, per MMC 8-3.204(d) states that where the Purchasing Manager, in his or her discretion, determines that a process other than the formal proposal procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality, the purchase may be exempt from the formal bid process.

NOW, THEREFORE, BE IT RESOLVED, by the Council of City of Modesto that it hereby authorizes the approving of payment for various equipment maintenance

agreements for Fiscal Year 2018-2019 with multiple equipment manufacturers for all City Departments,

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the equipment maintenance agreements for an annual cost of \$492,490.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000)			
Vendor/Contractor Name	Business Purpose of Equipment	FY 18-19 Maintenance Cost	Funding Source
3SI SECURITY SYSTEMS	Investigatory Tool	\$ 1,080.00	General Fund
ACTION TARGET, INC.	Target shooting system at the Tactical Training Center	\$ 3,900.00	General Fund
ADT	Alarm monitoring	\$ 2,712.00	Building Services
AIR WEST FILTRATION / BENZ AIR	Station Facilities	\$ 3,000.00	General Fund
AIRGAS	Life saving equipment	\$ 500.00	General Fund
AMERICAN CHILLER CO	Heating and Cooling of the Modesto Centre Plaza for its Events and patrons	\$ 20,000.00	Center Plaza
ARC IMAGING RESOURCES	Printing for day-to-day work activities	\$ 800.00	Capital Improvement Fund
ARC IMAGING RESOURCES	Copier for day-to-day	\$ 3,300.00	General Fund
ARC IMAGING RESOURCES	Plotter is used to print large size maps of job sites, etc	\$ 700.00	Water Fund
ARC IMAGING RESOURCES	Printing of Maps for Planning division	\$ 2,000.00	General Fund
ASAP TECHNICAL SOLUTIONS	Copy documents for program use in camps, business, after school programs, etc.	\$ 900.00	General Fund
BARTON OVERHEAD	Station facility	\$ 30,000.00	General Fund
BMI IMAGING	Fujitsu scanner is used by Records to scan and store electronic records for storage.	\$ 1,000.00	General Fund
BOSS BUSINESS SYSTEMS	Copier for Jennings WWTP - Training Center	\$ 486.50	Wastewater Fund
CA REDING	Department Copier/Printer/Scanner	\$ 4,200.00	General Fund
CALLYO	Investigatory Tool	\$ 2,480.00	General Fund
CELPLAN TECHNOLOGIES	Security cameras downtown; police compound, etc.	\$ 40,935.00	General Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 520.00	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 600.00	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 600.00	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 525.00	Water Fund
CYBERNETIC	Tape Library Backup/Utility Billing System	\$ 4,000.00	Water Fund
DELTA WIRELESS	Radio Communications equipment	\$ 8,500.00	General Fund
EXCEL FITNESS	Fitness equipment	\$ 1,000.00	General Fund
FARO TECHNOLOGIES	Annual Calibration and Certification of 3-D Laser Scanner to Diagram traffic collisions and homicide scenes	\$ 4,900.00	General Fund
FIRE SERVICE SPECIFICATION & SUPPLY	Life saving equipment	\$ 3,000.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machies, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machies, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machies, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machies, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000)			
Vendor/Contractor Name	Business Purpose of Equipment	FY 18-19 Maintenance Cost	Funding Source
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250.00	General Fund
HOT TANK SUPPLY	Parts cleaner for fire fighting equipment	\$ 3,000.00	General Fund
IT SOLUTIONS CURRIE	Printer	\$ 1,500.00	Wastewater Fund
KODAK ALARIS	Check Printer	\$ 1,500.00	General Fund
LUCAS BUSINESS SYSTEMS	Printing for day-to-day work activities	\$ 400.00	General Fund
LUCAS BUSINESS SYSTEMS	Printing for day-to-day work activities	\$ 3,000.00	Capital Improvement Fund
LUCAS BUSINESS SYSTEMS	Scan documents, limited color copy use	\$ 400.00	General Fund
LUCAS BUSINESS SYSTEMS	Department Copier/Printer/Scanner -not currently using	\$ 915.00	General Fund
LUCAS BUSINESS SYSTEMS	Copier for Sutter WWTP - Buildign 3 - Maintenance	\$ 321.00	Wastewater Fund
LUCAS BUSINESS SYSTEMS	Printer	\$ 898.00	Building Services
MO-CAL OFFICE SOLUTIONS	Printer/Copier/Scanner	\$ 2,000.00	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Printer/Copier/Scanner	\$ 2,000.00	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500.00	Housing Development Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500.00	Housing Development Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500.00	Community Facilities Districts
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500.00	Community Facilities Districts
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 1,116.00	Capital Improvement Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 400.00	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 4,000.00	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 175.00	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 175.00	General Fund
MO-CAL OFFICE SOLUTIONS	Copier/Printer/Scanner	\$ 7,500.00	General Fund
MO-CAL OFFICE SOLUTIONS	Copier for Jennings WWTP - Administration	\$ 499.27	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Copier for Sutter WWTP - Building 1 - Administration	\$ 2,370.64	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Copier is used to make copies, scan, fax	\$ 3,000.00	Water Fund

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000)			
Vendor/Contractor Name	Business Purpose of Equipment	FY 18-19 Maintenance Cost	Funding Source
MO-CAL OFFICE SOLUTIONS	Printer	\$ 552.00	General Fund
MO-CAL OFFICE SOLUTIONS	Printer	\$ 1,698.40	Solid Waste
NEC CORPORATION OF AMERICA	Automated Fingerprint Identification System - fingerprinting	\$ 7,304.00	General Fund
NEO POST	Mail Room Postage & Label Machine	\$ 10,000.00	General Fund
OPEX	Mail Opener & sorter	\$ 2,700.00	Water Fund
OPEX	Envelope Opener - opens mixed sized envelopes	\$ 480.00	Water Fund
PHYSIO CONTROL	Life saving equipment	\$ 8,500.00	General Fund
PROTECTION ONE	Alarm monitoring	\$ 29,155.00	Building Services
PUENTES TECHNOLOGIES	Pressure sealer machine	\$ 775.00	General Fund
QPCS	Stationary LPR Service Warranties	\$ 1,000.00	General Fund
RAPID COPY	Make copies for in-house programs and public on an as needed basis	\$ 350.00	General Fund
RAPID COPY EQUIPMENT	Printing and making copies for in-house programs and public on an as needed basis	\$ 500.00	General Fund
RAY MORGAN COMPANY	Large Format Printer/Scanner	\$ 3,000.00	Wastewater Fund
RAY MORGAN COMPANY	Make Copies, scan docs	\$ 2,060.00	Water Fund
RICOH USA	Printing for day-to-day work activities	\$ 2,312.00	General Fund
SCANNER ONE	Check Scanner - uploads to RemitPlus for Electronic check file to bank	\$ 600.00	Water Fund
SCANTRON	Scantron Reader for Recruitment Tests	\$ 311.00	General Fund
SPECIAL SERVICES GROUP LLC	Investigatory Tool	\$ 5,400.00	General Fund
SSD SYSTEMS	Alarm service	\$ 1,500.00	General Fund
THE RADAR SHOP	Annual Calibration and Certification and repair of Radar and Lidar Guns for mitigating traffic safety.	\$ 3,000.00	General Fund
USBANK - LEASE OF EQUIPMENT	Printing for day-to-day work activities	\$ 1,700.00	General Fund
		\$ 264,205.81	

Exhibit B - Fiscal Year 2018-2019 Equipment Maintenance Agreements (More than \$50,000)			
Vendor/Contractor Name	Business Purpose of Equipment	FY 18-19 Maintenance Cost	Funding Source
NEOLOGY FORMERLY 3M COMPANY	Annual Maintenance on mobile LPR Camera systems - to locate lost/stolen cars.	\$ 173,125.69	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier/Printer/Scanner	\$ 1,200.00	General Fund
ZOOM IMAGING SOLUTIONS INC	High volume Copier	\$ 1,493.31	General Fund
ZOOM IMAGING SOLUTIONS INC	To print agendas for Council Meetings, and to make copies of various items.	\$ 1,244.42	General Fund
ZOOM IMAGING SOLUTIONS INC	Purchasing Copier	\$ 1,550.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier	\$ 650.00	Water Fund
ZOOM IMAGING SOLUTIONS INC	Copier for Sutter WWTP - Building 2 - Crew Leader Office	\$ 833.10	Wastewater Fund
ZOOM IMAGING SOLUTIONS INC	Copier is used to make copies	\$ 750.00	Water Fund
ZOOM IMAGING SOLUTIONS INC	Copier for day-to-day	\$ 2,000.00	Information Technology Fund
ZOOM IMAGING SOLUTIONS INC	Printing and making copies for in-house programs and public on an as needed basis	\$ 5,000.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Printing and making copies for in-house programs and public on an as needed basis	\$ 5,000.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier for day-to-day	\$ 692.00	Fleet Fund
ZOOM IMAGING SOLUTIONS INC	Copier for day-to-day	\$ 560.00	Surface Transportation Fund
ZOOM IMAGING SOLUTIONS INC	Copier for day-to-day	\$ 606.00	Fleet Fund
ZOOM IMAGING SOLUTIONS INC	Copier for day-to-day	\$ 519.00	Airport Fund
ZOOM IMAGING SOLUTIONS INC	Accounting Copier	\$ 725.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Printing for day-to-day work activities	\$ 700.00	Center Plaza
ZOOM IMAGING SOLUTIONS INC	Printing for day-to-day work activities	\$ 4,825.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Printing for day-to-day work activities	\$ 4,922.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Printer/Copier	\$ 1,500.00	Wastewater Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 840.49	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 1,287.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 4,050.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 2,152.96	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 3,150.50	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 4,252.10	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 1,110.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 303.00	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier, Fax, Scanner	\$ 842.46	General Fund
ZOOM IMAGING SOLUTIONS INC	Copier and Scanner	\$ 2,400.00	Water Fund
		\$ 228,284.03	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-219**

RESOLUTION APPROVING THE ANNUAL INVESTMENT POLICY

WHEREAS, staff has identified the need to update the City's Annual Investment Policy in order to continue to effectively invest funds in accordance with the principles of sound treasury management and applicable laws, and

WHEREAS, the City desires to adopt the Annual Investment Policy, and

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto, that it hereby adopts the Annual Investment Policy,

BE IT FURTHER RESOLVED, that City staff is hereby authorized and directed to proceed with any and all actions deemed necessary or advisable, following the adopted policy guidelines pursuant to this Resolution, in connection with the future investments of funds, for future consideration by this City Council.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

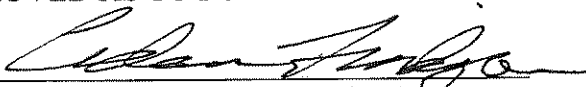
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-220**

RESOLUTION APPROVING THE REVISED DEBT MANAGEMENT POLICY

WHEREAS, pursuant to the City of Modesto Debt Management Policy, last adopted on April 25, 2017, the City of Modesto is required to periodically review and update its Debt Management Policy to address changes to the primary objectives related to the City's debt and financing related activities, and

WHEREAS, staff has identified the need to update the City's Debt Management Policy in order to continue to maintain cost-effective access to capital markets through prudent yet flexible policies; moderate debt principal and debt service payments through effective planning and project cash management; and achieve the highest practical credit ratings.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto, that it hereby approves the revised Debt Management Policy,

BE IT FURTHER RESOLVED, that City staff is hereby authorized and directed to proceed with any and all actions deemed necessary or advisable, following the adopted policy guidelines pursuant to this Resolution, in connection with the future issuances of the City Debt, for future consideration by this City Council.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-221**

**RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING (MOU)
WITH STANISLAUS COUNTY, STANISLAUS CONSOLIDATED FIRE
PROTECTION DISTRICT AND CERES FIRE DEPARTMENT TO CONTINUE
PROVIDING COUNTY-WIDE FIRE INVESTIGATION SERVICES, AND
AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AMENDED MOU**

WHEREAS, in 2015, by Resolution No. 2015-366, Council entered into an initial Memorandum of Understanding to participate in a county-wide fire investigation task force, and

WHEREAS, the goal of the Regional Fire Investigation Unit is to improve fire investigation services for the City and the fire departments and districts in Stanislaus County and this goal has been attained and maintained, and

WHEREAS, this MOU authorizes the City of Modesto Fire Department to participate in a county-wide fire investigation task force, and

WHEREAS, the City of Modesto Fire Department contributes two (2) fire investigators to the Unit, and

WHEREAS, the funds for the City of Modesto's provision of resources equal to the Less Than County Wide contribution not to exceed \$412,659 are included in the department's annual operating budget, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Memorandum of Understanding (MOU) with Stanislaus County, Stanislaus Consolidated Fire Protection District and Ceres Fire Department to provide County-wide fire investigation services.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is

hereby authorized to execute the Memorandum of Understanding (MOU).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-222**

RESOLUTION AWARDING THE BID AND CONTRACT WITH TELCION INC, OF TURLOCK, CA FOR THE PROCUREMENT OF CISCO COMMUNICATIONS EQUIPMENT AND DEPLOYMENT SERVICES WITH A THREE-YEAR MAINTENANCE AGREEMENT FOR AN ESTIMATED COST OF \$1,540,000 WITH A 5% CONTINGENCY IN THE AMOUNT OF \$77,000, FOR A TOTAL AMOUNT NOT TO EXCEED \$1,617,000, AND AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City's Cisco network infrastructure supports the City's data, voice and video systems; and

WHEREAS, the Cisco network infrastructure equipment is no longer supported and requires replacement; and

WHEREAS, the City Manager authorized the distribution of formal Request for Proposals for the furnishing of Cisco network infrastructure equipment; and

WHEREAS, the City issued RFP 1718-17 Cisco Communications Equipment and Deployment Services and three-year maintenance agreement on the City's website under the commodity code for computer hardware; and

WHEREAS, proposals were formally opened in the City Clerk's office. Two (2) companies chose to respond, one of which was a local company; and

WHEREAS, an evaluation committee comprised of five (5) City staff members evaluated and graded the proposals; and

WHEREAS, Telcion Inc., was ranked highest in total evaluation criteria and most responsive bidder at \$1,540,000; and

WHEREAS, a project contingency amount of \$77,000 will be utilized for unexpected project costs; and

WHEREAS, the expenditures for project have been budgeted in the FY 2017-18 operating budget in the Information Technology Fund.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves awarding the bid and contract with Telcion Inc., Turlock, California for the Cisco Network upgrade project in the amount of \$1,540,000, with \$77,000 in project contingency for a total amount not to exceed \$1,617,000.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to execute the agreement, in form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-223**

**RESOLUTION AUTHORIZING THE PROJECT BUDGET ADJUSTMENT
101105 IT IN THE AMOUNT OF \$1,617,000 AND AUTHORIZING THE CITY
MANAGER OR HIS DESIGNEE TO MAKE THE APPROPRIATE
ADJUSTMENTS**

WHEREAS, the City's Cisco network infrastructure supports the City's data, voice and video systems; and

WHEREAS, the Cisco network infrastructure equipment is no longer supported and requires replacement; and

WHEREAS, the City issued RFP 1718-17 Cisco Communications Equipment and Deployment Services and three-year maintenance agreement on the City's website under the commodity code for computer hardware; and

WHEREAS, Telcion Inc., was ranked highest in total evaluation criteria and most responsive bidder at \$1,540,000; and

WHEREAS, a project contingency amount of \$77,000 will be utilized for unexpected project costs; and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget will be amended in the amount of \$1,617,000 as identified in **Exhibit D**.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it authorized the project budget adjustment 101105 IT in the amount of \$1,617,000.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to make the appropriate adjustments.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

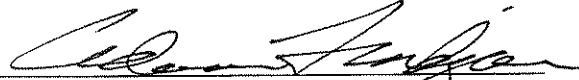
By: 
ADAM U. LINDGREN, City Attorney

Exhibit D

To Fully Fund CIP project 101105 – Cisco Communications Upgrade Project the following budget adjustments are necessary:

Operating Budget Adjustment:

5230-17810-57005 (\$1,617,000) IT Equipment > \$5,000

Project Budget Adjustment: 101105 – Cisco Communications Upgrade Project (resides within Fund 5230)

Consultant Charges	\$1,540,000
<u>Contingency CIP 5%</u>	<u>\$77,000</u>
Total	\$1,617,000

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-224**

**RESOLUTION APPROVING A FUNDING AGREEMENT WITH THE
TUOLUMNE RIVER PRESERVATION TRUST FOR REMOVAL OF THE
REMNANT DENNETT DAM AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, the City of Modesto and Tuolumne River Preservation Trust (TRT) have been involved with public relations and fund raising for the removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016 by Resolution No. 2016-245, the City Council approved a Memorandum of Understanding (MOU) with TRT to remove the Remnant Dennett Dam, and

WHEREAS, TRT has received an additional \$1,237,103 in grant funding from three additional sources, and

WHEREAS, an agreement is needed to ensure the City provides the necessary documentation for TRT to request payment of grant proceeds and ensure that the City is reimbursed for any expenses that would be covered by the grants, and

WHEREAS, the City will be the financial agent that houses the grant funding obtained by the TRT staff to remove the Remnant Dennett Dam.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it approves a funding agreement with the Tuolumne River Preservation Trust to fund removal of the Remnant Dennett Dam.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to execute Tuolumne River Preservation Trust funding agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-225**

RESOLUTION AMENDING THE FISCAL YEAR 2017/2018 MULTI-YEAR OPERATING BUDGET TO ADJUST THE NON-CAPITAL PROJECT #100993 FOR THE REMOVAL OF THE REMNANT DENNETT DAM IN AN AMOUNT NOT TO EXCEED \$1,247,103 IN REVENUE AND TO BUDGET EXPENDITURES AS OUTLINED IN ATTACHMENT A TO FUND THE PROJECT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO AMEND THE BUDGET

WHEREAS, the City of Modesto and Tuolumne River Preservation Trust (TRT) have received grant awards for removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016, by Resolution No. 2016-245, the City Council approved a Memorandum of Understanding (MOU) with TRT to remove the Remnant Dennett Dam, and

WHEREAS, the TRT staff has successfully been awarded additional grant funding of approximately \$1.3 million for removal of the Remnant Dennett Dam which is anticipated to begin Summer 2018, and

WHEREAS, the City will be reimbursed for expenses covered by the grant funding obtained by the TRT staff to remove the Remnant Dennett Dam, and

WHEREAS, the Council shall consider amending the 2017/2018 Multi-Year Operating Budget to adjust the non-capital project #100993 with the grant award to fund removal of the Remnant Dennett Dam in an amount not to exceed \$1,247,103 as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it amends the Fiscal Year 2017/2018 Multi-Year Operating Budget to adjust the capital project #100993 in an amount not to exceed \$1,247,103 in revenue.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to budget expenditures as outlined in **Attachment A** to fund the removal of the Remnant Dennett Dam.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A – Budget Adjustment for Non-Capital Project 100993 (Removal of Remnant Dennett Dam)

Fund 1341 – Grants – Operation Grants Reimbursed:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
MY-100993-Appr. C CA State Lands – Construction	\$ 367,000
MY-100993-Appr. C CDFW – Construction	\$ 840,103
MY-100993-Appr. C Long Foundation – Construction	\$ 40,000

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
MY-1341-39998-XXXXX-100993	\$367,000	California State Lands
MY-1341-39998-XXXXX-100993	\$840,103	California Department of Fish and Wildlife
MY-1341-39998-XXXXX-100993	\$ 40,000	Long Foundation

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-226**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE
TUOLUMNE RIVER SHEET PILE AND DAM DEBRIS REMOVAL PROJECT,
ACCEPTING THE BID AND AWARDING THE CONSTRUCTION CONTRACT
TO INNOVATIVE CONSTRUCTION SOLUTIONS OF DUBLIN, CA IN AN
AMOUNT NOT TO EXCEED \$968,260 AND AUTHORIZING THE INTERIM
CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT**

WHEREAS, Construction documents were prepared for the removal of the
Remnant Dennett Dam in early 2017, and

WHEREAS, the project was advertised and bid May 2017, and

WHEREAS, there was only one respondent bidder, and

WHEREAS, Council rejected all bids for the project by Resolution 2017-299, and

WHEREAS, Staff revised the drawing and re-advertised the project in January
2018, and

WHEREAS, bids were publicly opened on February 27, 2018, and

WHEREAS, Innovative Construction Solutions of Dublin, CA was the apparent
lowest responsive and responsible bidder, and

WHEREAS, staff revised the drawings and retitled the project “Tuolumne River
Sheet Pile and Dam Debris Removal Project” to better reflect the actual work being done.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto
that it hereby approves the plans and specifications of the Tuolumne River Sheet Pile and
Dam Debris Removal Project, accepts the bid and awards the construction contract to
Innovative Construction Solutions of Dublin, CA, in the amount not to exceed \$968,260.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee is hereby authorized to execute the construction contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-227**

**RESOLUTION AUTHORIZING AN INCREASE IN THE DIRECTOR'S
AUTHORITY TO ISSUE CHANGE ORDERS FOR THE TUOLUMNE RIVER
SHEET PILE AND DAN DEBRIS REMOVAL PROJECT FROM 10 PERCENT
(\$96,826) TO 20 PERCENT (\$193,652) OF THE CONSTRUCTION CONTRACT
AMOUNT**

WHEREAS, on June 12, 2018, the City Council is concurrently awarding a \$968,260 contract to Innovative Construction Solutions of Dublin, CA for the construction of the Tuolumne River Sheet Pile and Dan Debris Removal Project, and

WHEREAS, the Dennett Dam was first constructed in the 1930's, damaged by high flood waters twice and in 1947 was condemned by the State of California, and

WHEREAS, the Tuolumne River Preservation Trust (TRT) has been involved with public relations and fund raising efforts for the removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016, by Resolution 2016-245, Council approved a Memorandum of Understanding with the TRT regarding the removal of the Remnant Dennett Dam, and

WHEREAS, given the nature of the project, additional work may be needed to address unexpected conditions that require changes in project scope that may exceed the Director's change order authority of 10 percent, as established by the Council's Change Order Approval Policy adopted by Resolution No. 94-443, and

WHEREAS, the Director of Utilities currently has authority to approve change orders up to a cumulative amount of \$968,260, and

WHEREAS, staff recommends that the Director's change order authority be increased to 20 percent,

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Director of Utilities to issue change orders for the Tuolumne River Sheet Pile and Dan Debris Removal Project from 10 percent (\$96,826) to 20 percent (\$193,652) of the construction contract price of \$968,260 with to Innovative Construction Solutions of Dublin, CA.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-228**

RESOLUTION APPROVING THE REVISION TO THE SCOPE OF WORK AND PROJECT SUMMARY FOR THE PUBLIC TRANSIT MODERNIZATION, IMPROVEMENT AND SERVICE ENHANCEMENT ACCOUNT (PTMISEA) GRANT PROGRAM UNDER PROPOSITION 1B, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT DOCUMENTS

WHEREAS, Caltrans administered the Public Transportation Modernization, Improvement, and Services Enhancement Account (PTMISEA) as a part of the comprehensive transportation bond investment package approved by the voters as Proposition 1B in the November 7, 2006 general election, and

WHEREAS, on August 24, 2007, Senate Bill 88 (SB 88), enabling legislation for PTMISEA, was signed by the Governor and chaptered into law, and

WHEREAS, on March 27, 2012, by Resolution No. 2012-115, Council accepted funds for the PTMISEA grant program under Proposition 1B in the amount of \$1,500,000, and

WHEREAS, Stanislaus Council of Governments (StanCOG) is the designated recipient for regional funds under GC 8879.55 (a)(2), and

WHEREAS, the Transit Division has proposed expanding the project scope to include the purchase and installation of computers, communication systems, software, and/or hardware elements such as intelligent transportation systems, a two-way radio system replacement, automatic vehicle location systems, real-time passenger information, applications used for gathering/reporting the financial and statistical information, and other information technology items that are needed for transit staff and bus operations, and

WHEREAS, the project to be undertaken with this funding is the replacement of the two-way radio system for the Modesto Area Express (MAX) fleet in the amount of \$224,427, and

WHEREAS, the current system is an older analog system that does not allow for direct and private communication between dispatcher and driver and upgrading to a newer digital system will allow more flexibility for supervisory staff to communicate with the appropriate group of people instead of everyone listening with a radio, and

WHEREAS, on May 9, 2018, this item was presented to the Economic Development Committee for their acceptance, and was recommended forwarding to Council for consideration of approval.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby authorizes revision to the scope of work and project summary for the Public Transportation Modernization, Improvement and Service Enhancement Account grant program under Proposition 1B to Caltrans.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute all necessary grant documents with the California Emergency Management Agency on behalf of the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-229**

RESOLUTION APPROVING THE AWARD FROM THE CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES UNDER PROPOSITION 1B FOR THE CALIFORNIA TRANSIT SECURITY GRANT PROGRAM – CALIFORNIA TRANSIT ASSISTANCE FUND FOR A COMBINED TOTAL OF \$546,091 FOR TRANSIT SECURITY PROJECTS , AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT DOCUMENTS

WHEREAS, the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 authorized the issuance of general obligation bonds for specified purposes, including, but not limited to, funding made available for capital projects that provide increased protection against security and safety threats, and for capital expenditures to increase the capacity of transit operators to develop disaster response transportation systems, and

WHEREAS, on August 2, 2017, by Resolution 2017-301 and Resolution 2017-302, Council approved the applications of these grant funds, and

WHEREAS, funds for Project 1 will be spent on security features and equipment that will be purchased and installed on all buses in the Modesto Area Express (MAX) bus fleet, and

WHEREAS, funds for Project 2 will be spent on security features and equipment that will be purchased and installed at the Transit Center in downtown Modesto, and

WHEREAS, these projects will improve access and quality of the video surveillance system by providing a better quality image, adding sound, allowing easy access to footage and adding live look-in capability.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the award from the California Governor's Office of Emergency

Services under Proposition 1B for the California Transit Security Grant Program – California Transit Assistance Fund for a combined total of \$546,091 for transit security projects.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute all necessary grant documents with the California Governor’s Office of Emergency Services on behalf of the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-230**

RESOLUTION APPROVING THE SUBMISSION OF A GRANT APPLICATION FOR THE FEDERAL TRANSIT ADMINISTRATION SECTION 5339(C) LOW OR NO EMISSION VEHICLE PROGRAM, IN THE AMOUNT OF \$2,500,000 FOR ELECTRIC BUSES, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT DOCUMENTS

WHEREAS, on April 23, 2018, the Federal Transit Administration (FTA) announced the availability of \$84.45 million of Fiscal Year (FY) 2018 funds for the purchase or lease of low or no emission vehicles as well as related equipment or facilities, and

WHEREAS, the Low or No Emission Competitive program provides funding to state and local governmental authorities for the purchase or lease of zero-emission and low-emission transit buses as well as acquisition, construction, and leasing of required supporting facilities, and

WHEREAS, funding is allocated to projects on a competitive basis, from proposals submitted to FTA in response to a Notice of Funding Opportunity, and

WHEREAS, Modesto plans to apply for the purchase of two battery electric buses at approximately \$1,000,000 per bus, and

WHEREAS, local matching funds will not be needed for this purchase because the required local match will be provided under the Transportation Development Credit program.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the submission of a grant application for the Federal Transit Administration Section 5339(c) Low or No Emission Vehicle Program in the amount of \$2,500,000 for electric buses.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute all necessary grant documents with the Federal Transit Administration on behalf of the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-231**

RESOLUTION ACCEPTING THE PRELIMINARY AWARD, AUTHORIZING A FUNDING AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD AND AUTHORIZING AND DESIGNATING A REPRESENTATIVE FOR THE DESTRUCTION OF WELLS PROJECT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS OR CHANGES THERETO

WHEREAS, in November 2014, Proposition 1 was passed by voters and provided \$900 million for a Groundwater Sustainability Program (Assembly Bill 1471, Chapter 10), and the State Water Resources Control Board will administer \$800 million to prevent and cleanup contamination of groundwater that serves (or has served) as a source of drinking water, and

WHEREAS, on September 13, 2016, by Resolution 2016-364, Council authorized the submittal of applications to the State Water Resources Control Board (SWRCB) and other agencies for groundwater quality funding program grants and other Proposition 1 funding and authorized the City Manager or his designee to execute all grant-related documents and enter into agreements to receive grant funds, if awarded, and

WHEREAS, in July 2016, the Utilities Department submitted a Pre-application to the SWRCB Division of Drinking Water (DDW) for the Modesto Wellfield Nitrate/Arsenic/Uranium Remedial Investigation/Feasibility Study for consideration of funding through the Groundwater Grant Program, and

WHEREAS, on February 21, 2017, the Utilities Department received an invitation from the SWRCB DDW to submit a Final Application for the project, and

WHEREAS, on May 5, 2017, the Utilities Department submitted Final Applications for three study areas, and

WHEREAS, on January 9, 2018, the Utilities Department received a Proposition 1 Groundwater Grant Funding Preliminary Award of up to \$2,029,749, and

WHEREAS, the City would be required to enter into Grant Agreements with the DDW, if the City chooses to accept the grant, and

WHEREAS, on March 29, 2018, the City received a Draft Agreement from the SWRCB DDW (Grant Agreement No. D1712514), and

WHEREAS, the City may manage grant administration tasks in-house or may decide to hire a consultant (by future Council action) for grant administration tasks.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the preliminary award and entering into a funding agreement with the State Water Resources Control Board for Proposition 1 Groundwater Grant funding for the Destruction of Water Supply Wells Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to represent the City in carrying out the City of Modesto's responsibilities under the funding agreement, and directed to execute all grant-related documents, and any amendments or changes thereto, and enter into an agreement to receive the grant funds, if awarded; and signatory of grant invoice forms during requests for reimbursements and to certify disbursement requests.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-232**

RESOLUTION APPROVING AN AGREEMENT WITH JACOBSON JAMES & ASSOCIATES, ROSEVILLE, CA FOR MODESTO WELLFIELD NITRATE/ARSENIC/URANIUM REMEDIAL INVESTIGATION/FEASIBILITY STUDY TECHNICAL AND ADMINISTRATIVE SUPPORT SERVICES, IN AN AMOUNT NOT TO EXCEED \$2,136,398 FOR THE IDENTIFIED SCOPE OF SERVICES, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, in November 2014, Proposition 1 was passed by voters and provided \$900 million for a Groundwater Sustainability Program (Assembly Bill 1471, Chapter 10), and the State Water Resources Control Board will administer \$800 million to prevent and cleanup contamination of groundwater that serves (or has served) as a source of drinking water, and

WHEREAS, on September 13, 2016, by Resolution 2016-364, the City of Modesto authorized the submittal of applications to the State Water Resources Control Board (SWRCB) and other agencies for groundwater quality funding program grants and other Proposition 1 funding and authorized the City Manager or his designee to execute all grant-related documents and enter into agreements to receive grant funds, if awarded, and

WHEREAS, in July 2016, the Utilities Department submitted a Pre-application to the SWRCB Division of Drinking Water (DDW) for the Modesto Wellfield Nitrate/Arsenic/Uranium Remedial Investigation/Feasibility Study for consideration of funding through the Groundwater Grant Program, and

WHEREAS, on February 21, 2017, the Utilities Department received an invitation from the SWRCB DDW to submit a Final Application for the project, and

WHEREAS, on May 5, 2017, the Utilities Department submitted Final Applications for three study areas, and

WHEREAS, on January 9, 2018 the Utilities Department received a Proposition 1 Groundwater Grant Funding Preliminary Award of up to \$2,029,749, and

WHEREAS, the City of Modesto would be required to enter into Grant Agreements with the DDW, if the City chooses to accept the grant, and

WHEREAS, on March 29, 2018, the City received a Draft Agreement from the SWRCB DDW (Grant Agreement No. D1712514).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Jacobson James & Associates, Roseville, CA for Modesto Wellfield Nitrate/Arsenic/Uranium Remedial Investigation/Feasibility Study technical and administrative support services, in an amount not to exceed \$2,136,398 for the identified scope of services.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-233**

RESOLUTION AMENDING THE FISCAL YEAR 2017-18 CAPITAL IMPROVEMENT PROGRAM TO ESTABLISH A NEW PROJECT (#101112 – PROP 1 NITRATE/ARSENIC/URANIUM) AND ESTABLISH BUDGET IN THE AMOUNT OF \$2,221,480 (11% TO BE FUNDED BY THE WATER FUND AND 89% TO BE FUNDED BY THE GRANT) TO FULLY FUND THE MODESTO WELLFIELD NITRATE/ARSENIC/URANIUM REMEDIAL INVESTIGATION/FEASIBILITY STUDY AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, certain budgetary transactions are necessary in the amount of \$1,723,605, in order to fund the Modesto Wellfield Nitrate/Arsenic/Uranium Remedial Investigation/Feasibility Study, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2017-2018 Capital Improvement Program Budget as shown in **Exhibit A, attached** hereto.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

101112 – Prop 1 Nitrate/Arsenic/Uranium

Revenue:	
Grant Revenue	\$1,998,674
Water Fund Transfer In	\$222,806
Total:	\$2,221,480
Expense:	
Appr Unit C – Discretionary Expense	\$2,221,480

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-234**

**RESOLUTION ACCEPTING FEDERAL DEMONSTRATION PROJECT
GRANT FUNDS IN THE AMOUNT OF \$3,395,081 FROM CALTRANS
AND AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE
NECESSARY FEDERAL GRANT FUND DOCUMENTS**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017 , by Resolution No. 2017-175, Council authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-85, Council, authorized staff to engage in real property negotiation and acquisitions not to exceed \$3,540,000 Million, and

WHEREAS, on March 2, 2018 approval of the Project Environmental Document (ED) was received from the California Department of Transportation (Caltrans), and

WHEREAS, following ED approval, Caltrans authorized the City to use Federal Demonstration Grant Program (DEMO) grant funds for right of way acquisition, and

WHEREAS, on May 2, 2018, Caltrans authorized \$3,395,081 of Federal DEMO funds to be used for right of way acquisition, which requires a local match of \$848,770.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the Federal DEMO grant funds in the amount of \$3,395,081 and

provide the local match of \$848,770 from the previously authorized \$3,540,000 million in Capital Facilities Fee (CFF) funds for real property and acquisition.

BE IT FURTHER RESOLVED, the Interim City Manager or his designee, is authorized to execute the necessary DEMO grant funding documents and implement the acceptance and use of such funds for right of way acquisition.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-235**

**RESOLUTION ACCEPTING STANISLAUS COUNTY PUBLIC
FACILITIES FEES (PFF) FUNDS IN THE AMOUNT OF \$5,000,000 AND
AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE
NECESSARY DOCUMENTS WITH STANISLAUS COUNTY**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017, by Resolution No. 2017-175, Council authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-85, Council authorized staff to engage in real property negotiation and acquisitions not to exceed \$3,540,000 Million, and

WHEREAS, on May 22, 2018, the Stanislaus County Board of Supervisors approved \$5,000,000 in Stanislaus County Public Facilities Fees (PFF) Program funding to be used for the Project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Public Facilities Fees Program funds from Stanislaus County in the amount of \$5,000,000.

BE IT FURTHER RESOLVED, the Interim City Manager or his designee, is authorized to execute the necessary documents with Stanislaus County and implement the acceptance and use of such funds for right of way acquisition.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-236**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL
IMPROVEMENT PROJECT (CIP) BUDGET, PROJECT #100614 IN THE
AMOUNT OF \$8,395,081 FOR THE STATE ROUTE 132 WEST
FREEWAY/EXPRESSWAY PROJECT AND AUTHORIZING THE
INTERIM CITY MANAGER, OR HIS DESIGNEE TO IMPLEMENT THE
PROVISIONS TO THIS RESOLUTION**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017, by Resolution No. 2017-175, Council authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-85, Council authorized staff to engage in real property negotiation and acquisitions not to exceed \$3,540,000 Million, and

WHEREAS, on March 2, 2018 approval of the Project Environmental Document (ED) was received from the California Department of Transportation (Caltrans), and

WHEREAS, following ED approval, Caltrans authorized the City to use Federal Demonstration Grant Program (DEMO) grant funds for right of way acquisition, and

WHEREAS, on May 2, 2018, Caltrans authorized \$3,395,081 of Federal DEMO funds to be used for right of way acquisition, which requires a local match of \$848,770, and

WHEREAS, on May 22, 2018, the Stanislaus County Board of Supervisors approved \$5,000,000 in Stanislaus County Public Facilities Fees (PFF) Program funding to be used for the Project,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends the Fiscal Year 2017-2018 Capital Improvement Project (CIP) revenue and expense budget for project #100614 in the amount of \$8,395,081 to continue the process of right of way acquisition for the Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-237**

**RESOLUTION INCREASING STAFF AUTHORITY TO MAKE OFFERS,
ENGAGE IN REAL PROPERTY PURCHASE NEGOTIATIONS, AND
PURCHASE PROPERTY NECESSARY FOR RIGHT OF WAY TO
SUPPORT THE CONSTRUCTION OF THE STATE ROUTE 132 WEST
FREEWAY/EXPRESSWAY PHASE 1 PROJECT IN A TOTAL
AMOUNT NOT TO EXCEED \$11,935,081**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-085, Council authorized staff to make offers, engage in real property negotiations and to purchase property in a total amount not to exceed \$3.54 Million, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the Project Manager to recommend the amounts of just compensation for properties to be acquired for the Project, and authorized the Interim City Manager to establish the amounts of just compensation for such properties, based on approved appraisals, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the Interim City Manager to execute Purchase and Sale Agreements for properties that are acquired pursuant to the authority granted under said Resolution, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council directed that Offer Letters and Purchase and Sale Agreements presented to property owners prior to Environmental Document (ED) approval include language notifying the property owner that the purchase and sale negotiations are voluntary, and not subject

to eminent domain actions, and that staff withdraw Pre-ED approval offers that do not result in an agreement to purchase the property, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council delegated settlement authority for the purchase of properties for the Project to the following designated City of Modesto staff up to the following specified amounts above the appraised values:

Staff Person	Appraised Value	Settlement Authority
Project Manager	Up to \$125,000	Up to \$5,000 in excess of appraised value and for properties valued up to \$125,000 the lesser of 20% of the appraised value or \$25,000
City Engineer	Up to \$200,000	The lesser of 20% of the appraised value or \$40,000
City Manager	Up to \$300,000	The lesser of 20% of the appraised value or \$60,000
City Council	Greater than \$300,000 or settlements that exceed appraised value by more than \$60,000	City Council discretion

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the Interim City Manager to approve claims and invoices relating to Project right of way acquisition and relocation assistance in amounts up to \$50,000, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the City of Modesto City Engineer to execute Certificates of Acceptance accepting ownership of property for the Project pursuant to Government Code section 27281, and to have the transfer documents recorded, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized

the City of Modesto City Engineer to execute documents associated with property acquisitions and relocations necessary for the Project, which may include Escrow Instructions, Amended Escrow Instructions, Relocation eligibility and entitlement documents, and similar documents which are necessary for such purposes, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council directed that acquisitions and relocations will follow State and Federal law, including the provisions of the Uniform Act and regulations in 49 CFR part 24, and the requirements of title VI of the Civil Rights Act of 1964 (42 USC §§ 2000d-2000d-4), so as not to jeopardize State and Federal funding for the project, and

WHEREAS, the ED was approved by the California Department of Transportation (Caltrans) on March 2, 2018, and

WHEREAS, Caltrans selected Alternative 2 as the Project Alternative, and

WHEREAS, there is \$11,935,081 in available funds for right of way acquisition.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that the settlement authority for the purchase of properties for the Project as delegated to designated City of Modesto staff is amended to the following specified amounts above the appraised values:

Staff Person	Appraised Value	Purchase/Settlement Authority
Project Manager	Up to \$25,000	Up to \$5,000 above appraised value
	From \$25,001 to \$125,000	Up to 20% above the appraised value
City Engineer	Up to \$200,000	Up to 20% above the appraised value
City Manager	Greater than \$200,000	Up to 20% above the appraised

		value
City Council	Greater than \$200,000 and 20% above the appraised value	City Council discretion

BE IT FURTHER RESOLVED, that:

1. The Offer Letters and Purchase and Sale Agreements presented to property owners need not include language notifying the property owner that the purchase and sale negotiations are voluntary, and not subject to eminent domain actions, and Staff is authorized to follow standard Caltrans right of way acquisition protocol and proceed under the Eminent Domain Law when voluntary settlements cannot be achieved.
2. Purchase offers will be tendered, and property acquisitions will proceed under the reimbursement strategy following State and Federal guidelines and laws.
3. Staff is authorized to make offers to purchase properties in the amounts established as just compensation by the Interim City Manager, based on approved appraisals of such properties, engage in real property negotiations and to purchase property in a total amount not to exceed \$11,935,081.
4. Council authorizes the Interim City Manager to approve claims and invoices related to Project acquisition and relocation assistance in amounts approved by the appropriate delegation of authority.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-238**

RESOLUTION APPROVING THE CLOSURE OF THE 30 DAY PUBLIC COMMENT PERIOD AND CONDUCT A PUBLIC HEARING AND APPROVING THE CITY OF MODESTO PROGRAM YEAR 2018-2019 ANNUAL ACTION PLAN FOR USE OF COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS, EMERGENCY SOLUTIONS GRANT, AND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDING RECEIVED FROM THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO NEGOTIATE AND EXECUTE ANY RELATED PROGRAM AGREEMENTS, CONTRACTS OR OTHER DOCUMENTATION REQUIRED FOR IMPLEMENTATION OF THE PROGRAM YEAR 2018-2019 ANNUAL ACTION PLAN, AUTHORIZATION TO SUBMIT APPLICABLE DOCUMENTATION AND PROVIDE TECHNICAL ALTERATIONS, AS REQUIRED BY HUD, INCORPORATE COMMENTS RECEIVED PRIOR TO THE CLOSE OF THE PUBLIC COMMENT PERIOD, AND TO MAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISION OF THIS RESOLUTION

WHEREAS, as a U.S. Department of Housing and Urban Development (HUD) entitlement community, the City of Modesto is required to develop an Annual Action Plan that describes proposed activities funded with Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds, and

WHEREAS, each year, up to 15% of the City's CDBG allocation may be used to fund public services allocated to local nonprofits and faith based organizations. CDBG Public Services funds are available for a variety of direct assistance activities that primarily benefit low- and moderate-income persons, and

WHEREAS, ESG funds can be used to engage homeless individuals and families living on the street, improve the quality of emergency shelters for homeless individuals and families, help operate shelters, provide essential services to shelter residents, rapidly re-house homeless individuals and families, prevent families and individuals from

becoming homeless, and to provide funding directly related to the timely entry of data into the Homeless Management Information System (HMIS), and

WHEREAS, HOME funds, in partnership with local nonprofit groups, fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership to low income citizens, and

WHEREAS, HUD requires the City of Modesto develop, in consultation with its citizens and community-based service providers, a funding strategy that furthers its housing and community development goals as described in the City's Five-Year Consolidated Plan for FY 2015-2020, and

WHEREAS, citizen participation is a key component of the Annual Action Plan process, and

WHEREAS, HUD regulations require the City provide ample opportunity and means for the populations served by the grants, as well as the general citizenry, to provide input on the goals and priorities and the specific type of activities to be funded in the City's Program Year 2018-2019 Annual Action Plan, and

WHEREAS, staff held ten community meetings to two hundred individuals to assess local needs and priorities related to community services, economic development, community facilities and infrastructure, housing and fair housing, and

WHEREAS, the information obtained from the community meetings was used to prepare the Program Year 2018-2019 Annual Action Plan, and

WHEREAS, the 30-day public review period to review and comment on the draft documents opened on March 8, 2018 and will close the 30-day public comment period with a public hearing at the City Council meeting on June 12, 2018, and

WHEREAS, any comments received during the public review period or during the June 12, 2018, City Council meeting will be incorporated into the Program Year 2018-2019 Annual Action Plan that is submitted to HUD, and

WHEREAS, the estimated amount of funding anticipated for Program Year 2018-2019 is approximately \$3.1 million, and

WHEREAS, there is no impact to the General Fund and these funds are received from HUD for activities specified with the Program Year 2018-2019 Annual Action Plan, and

WHEREAS, on May, 24, 2018, the City's Citizens Housing and Community Development Committee recommended forwarding the Program Year 2018-2019 Annual Action Plan to the City Council for consideration and approval, and

WHEREAS, all HUD-assisted projects are required to undergo an environmental review to evaluate environmental impacts, and

WHEREAS, the analysis includes both how the project can affect the environment and how the environment can the project, site and end users, and

WHEREAS, an environmental review must be performed before any funds, regardless of source, are committed to a project, and

WHEREAS, on May 24, 2018, the CH&CDC reviewed, approved and forwarded the proposed Program Year 2018-2019 Annual Action Plan to Council for review and approval forwarded the proposal to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the City of Modesto Program Year 2018-2019 U.S. Department of Housing and Urban Development Department (HUD) Annual Action Plan for use of the

Community Development Block Grant, HOME Investment Partnerships Program, and Emergency Solutions Grant funds.

BE IT FURTHER RESOLVED, by the Council of the City of Modesto that the Interim City Manager, or his designee, is hereby authorized to submit applicable documentation and provide technical alterations, as required by HUD, negotiate and execute any related program agreements, contracts or other documents required for implementation of the "Program Year 2018-2019 Annual Action Plan", **attached** hereto as **Exhibit A** and incorporated herein by reference, and to make the necessary steps to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

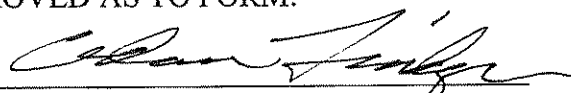
NOES: Councilmembers: None

ABSENT: Councilmembers: None

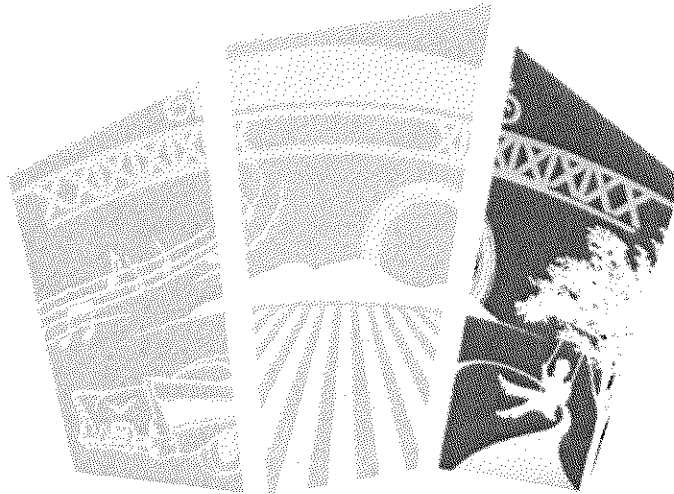
ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Annual Action Plan Program Year 2018-2019



CITY OF
MODESTO
CALIFORNIA

City Of Modesto
Community and Economic Development Department
1010 10th Street, Suite 3100
Modesto, CA 95354
www.modestogov.com
housing@modestogov.com

Committee: Citizens Housing and Community Development Committee
City Council: June 12, 2018

Approved:
Approved:

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2018-2019 Annual Action Plan is a component of the City of Modesto's 2015-2020 Consolidated Plan. The Consolidated Plan serves as the City of Modesto's strategic plan for leveraging the United States Department of Housing and Urban Development's (HUD) annual entitlement allocations of three key federal grant programs: (1) Community Development Block Grant (CDBG); (2) Emergency Solutions Grant (ESG); and (3) HOME Investment Partnerships Program (HOME). The Consolidated Plan and Annual Action Plans are multi-purpose documents which serve as: 1) planning documents, 2) an application for federal funds under HUD's formula grants programs, 3) an implementation strategy, and 4) a method to allocate funds to specific projects and activities.

The City of Modesto's Program Year (PY) 2018-2019 Annual Action Plan represents the fourth (4th) year plan of the City of Modesto's 2015-2020 Consolidated Plan. The PY 2018-2019 AAP identifies activities to be undertaken during the program year to address community priority needs. Further, the PY 2018-2019 AAP identifies the expected resources to be available and the activities to be funded along with related activity accomplishments.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Modesto has identified the following areas on which to focus funds:

- Affordable Housing
- Fair Housing
- Ending Chronic Homelessness
- Public Services
- Public Facilities Improvements
- Public Improvements

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Modesto funded a number of activities in the PY 2017-2018 Annual Action Plan in an attempt to address the community needs as identified in the Consolidated Plan. Through

these activities, the City of Modesto continued to take an active role in promoting and producing affordable housing, addressing the social and economic needs of low- and moderate-income individuals, and serving the special needs populations within the City of Modesto.

Program Year 2017-2018 continued to be year of transition for the City of Modesto, specifically within the Community Development Division. In PY 2017-2018 the City of Modesto's HUD Division began with a new team to administer the City's HUD programs. With the new team, the Division positioned itself to better support the community in its focus towards furthering efforts such as affordable housing, fair housing outreach and education, ending Chronic Homelessness, expanding public services, strategic infrastructure and eligible public facility improvements. During PY 2017-2018, HUD Division staff made great strides in addressing past performance related monitoring findings and concerns, meeting CDBG, ESG, and HOME timeliness expenditure deadlines; and more effectively administering the CDBG, ESG, and HOME projects in a manner that addresses the complex regulatory requirements of the activities provided by entitlement funds.

The PY 2017-2018 AAP identified housing programs funded through the CDBG and HOME activities to assist in stabilizing neighborhoods by supporting affordable housing rehabilitation and homebuyer assistance. A total of 21 households received housing rehabilitation assistance and 3 first time homebuyers were provided homebuyer loans to assist in the purchase of their first home.

Under the City of Modesto's 2017-2018 CDBG and ESG Public Service program, the City provided a total of \$361,000 to 14 non-profit agencies to deliver essential emergency and public services to extremely low to moderate income families and individuals. Collectively, it is projected that these organizations will have served over 10,000 unduplicated individuals in PY 2017-2018.

The City of Modesto monitors all sub-recipients on a regular basis through written correspondence, phone conversations, electronic information transfers, face-to-face monitoring visits (up to once per quarter), and ongoing project file reviews. Monitoring is conducted to ensure statutory and regulatory requirements are being met and that information submitted to City staff is accurate and complete.

An agreement is executed with every sub-recipient which clearly states all contractual obligations, including but not limited to, the project scope of work, performance measurement standards, reporting requirements, drawdown requirements, and applicable federal rules and regulations. This monitoring process emphasizes on-site field visits, desk audits, technical assistance, and assistance to sub-recipients to ensure a good data collection and reporting system is in place. Performance of all sub-recipient activities are tracked in various categories from appropriate use of administrative funds to verifying that outputs (numbers served) and

outcomes (how those served are better off after receiving the service) are being met for all awarded public service related activities and City projects.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan

The City of Modesto has traditionally held a minimum of two neighborhood meetings each year in low-income census tract areas to encourage participation of low- and moderate-income persons in conjunction with the development of its Annual Action Plan and, every five years, for the development of its Consolidated Plan.

For the 2018-2019 Annual Action Plan Cycle, continued the Citizen Participation Process approach adopted in PY 2017 by targeting a minimum of one low income Census Tract Block Group within eligible City Council Districts and holding community meetings within the targeted Census Tract Block Group areas. This year, a total of ten (10) community meetings were held, and approximately 200 people attended. The meetings were held at different times and locations in an effort to accommodate the needs of low-income residents, particularly persons with Limited English Proficiency community needs (e.g. – Spanish speaking translation services were provided at four (4) of the site locations based upon need). Persons with disabilities and protected classes were also considered when choosing public meeting opportunities throughout the community.

Spanish-speaking translators were made available at all meetings. If a request for another language(s) translator was made at least five (5) working days prior to a public meeting, a translator for the requested language(s) would be provided. All community input meetings were held at public buildings accessible to disabled individuals.

To obtain community input on the development of the 2018-2019 Action Plan, staff attended meetings with local focus groups and forums discussing health services, social and fair housing services, including those focusing on services to children, elderly persons, persons with disabilities, and their families, the homeless and the chronically homeless persons. Presentations to these groups outlined the eligible uses of these funds, how the funds are currently utilized, and proposed uses.

The following is a list of community meetings that were held in low income census tract block groups and the number of attendees at each meeting:

Date	Time	Location	District/Census Track	Approximate Number of Attendees
January 11, 2018	12:00 p.m.	Citizens' Housing & Community Development Committee City/Council Administration Building 1010 Tenth Street, Room	Citywide (District 2)/Block Group 2/ Census Tract 18	6

		B300		
February 21, 2018	5:30 p.m.	West Modesto King Kennedy Collaborative Location: 601 S. Martin Luther King Drive Modesto, CA. 95350	District 2/Block Group 1/Census Tract 16.01	15
February 22, 2018	7:00 p.m.	Orchard Park Neighborhood Alliance Meeting Location: St Joseph's Catholic Church 1813 Oakdale Rd Modesto, Ca 95355	District 6/Block Group 4, Census Tract 9.10	15
February 23, 2018	9:00 a.m.	Robertson Road Elementary Location: 1821 Robertson Road, Modesto, CA 95351	District 6/ Block Group 3/ Census Tract 16.04	17
March 8, 2018	12:00 p.m.	Citizens' Housing & Community Development Committee City/Council Administration Building 1010 Tenth Street, Room 3001 Modesto, Ca 95354	Citywide (District 2)/Block Group 2/ Census Tract 18	3
March 12, 2018	3:30 p.m.	Airport Neighborhood Collaborative Location: 801 Empire Ave. Modesto, Ca 95354	District 4/Block Group 3 /Census Tract 16.04	20
March 26, 2018	6:30 p.m.	Delwood Neighborhood Alliance Meeting Location: Trinity United Presbyterian Church 1600 Carver Rd Modesto, Ca 95350	District 3/Block Group 2/ Census Tract 14/	18
April 13, 2018	9:00 a.m.	Airport Neighborhood Community Chats Location: 805 Empire Ave. Modesto, Ca 95354	District 4/Block Group 3 /Census Tract 16.04	19
April 27, 2018	8:45 a.m.	Shackelford Elementary School Location: 100 School Avenue Modesto, CA 95351	District 2/ Block Group 4/ Census Tract 23.01	16
May 17, 2018	2:30 p.m.	Stanislaus County System of Care Location: 1500 I Street Modesto, CA 95351	Citywide (District 2)/Block Group 2/ Census Tract 18	60

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See AP-12-Participation for a summary of comments received throughout the public comment period.

6. Summary of comments or views not accepted and the reasons for not accepting them

The City of Modesto considered and accepted all comments.

7. Summary

See AP-12-Participation for a summary of comments received throughout the public comment period.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MODESTO	Community & Economic Development Department
HOME Administrator	MODESTO	Community & Economic Development Department
ESG Administrator	MODESTO	Community & Economic Development Department

Table 1 – Responsible Agencies

Narrative

The City of Modesto is the lead agency responsible for preparation of the 2015-2020 Consolidated Plan and related Annual Action Plans and for administration of each grant program and its associated funding source(s). Primary oversight of the City of Modesto’s HUD entitlement grant programs comes from the Citizens’ Housing and Community Development Committee (CH&CDC). The CH&CDC is an 11-member committee appointed by the Modesto City Council and is comprised of representatives from the Modesto City Council, Planning Commission, Housing Rehabilitation Loan Committee, Human Relations Commission and several citizens-at-large. Generally, the citizens-at-large represent low-income and racial minority groups. The CH&CDC makes funding recommendations to the City of Modesto Council regarding CDBG, ESG and HOME grant programs as well as other one-time HUD-funded programs.

To avoid a perceived conflict of interest, any individual who is a member of a board of directors or is employed by an agency that applies for or receives CDBG, ESG, HOME, or other HUD funding, is ineligible to vote on funding decisions involving their respective agencies.

Generally, the CH&CDC meets once a month. These meetings are publicly noticed, open to the public and are typically held at Tenth Street Place, 1010 Tenth Street, Modesto, California. Public comments are both encouraged and welcomed. At least one (1) meeting is scheduled during the public comment period for the development of, or substantial amendment to, the City of Modesto's Annual Action Plan, Consolidated Plan, Annual Action Plan and Analysis of Impediments as well as the City of Modesto's Consolidated Annual Performance and Evaluation Report (CAPER).

Consolidated Plan Public Contact Information

The following are several ways in which an interested party can contact the City of Modesto staff with comments regarding the City of Modesto's PY 2018-2019 Annual Action Plan:

- Telephone: (209) 577-5211
- Hearing Impaired Dial the California Relay Service Number: Dial 711, and then ask for 209-577-5211
- Email: housing@modestogov.com
- In person: City of Modesto, Community & Economic Development Department 1010 Tenth Street, 3rd Floor, Modesto, California, 95354
- Mail: City of Modesto, Community & Economic Development Department Community Development Division, P.O. Box 642, Modesto, California 95353

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Two objectives of the City of Modesto's 2015-2020 Consolidated Plan are to 1) promote citizen participation in the development of local priority needs and objectives and 2) encourage consultation with public and private agencies to identify shared needs and solutions to persistent community problems.

The City of Modesto invites the community to provide input on the ways in which grant funds received from HUD are spent. The City of Modesto Citizen's Participation Plan outlines the ways the City of Modesto communicates with residents regarding the use and expenditure of HUD funds.

The City of Modesto continues to review and improve its delivery system by streamlining internal processes, enhancing coordination among departments and fostering collaborative working relationships with its sub-recipients and Community Housing Development Organizations (CHDOs). A few examples include:

- Memorandums of Understanding (MOUs). Staff and participating departments enter into MOUs to clearly delineate program goals and reporting requirements for each of the participating departments.
- Bi-weekly Meetings. The Housing and Urban Development Supervisor and key staff members meet bi-weekly to discuss the status of existing and future HUD-funded projects develop work plans and reporting requirements and plan for upcoming meetings.
- Intra/Interdepartmental Coordination. The Housing and Urban Development Supervisor works with the Planning Division to assist with the update of the City of Modesto's Housing Element, specifically focusing on the sections dealing with multi-family housing, affordable housing and HUD-funded housing programs and their effectiveness. Also, staff and Finance Department staff meets monthly to review various financial and reporting matters related to HUD-funded programs. Additionally, staff coordinates with various departments to ensure that capital improvement projects are on schedule and that invoices are paid in a timely manner.
- Community/Stanislaus Community System of Care (CSOC)/Continuum of Care (CoC). On a regular basis, staff collaborates with the following organizations: the CSOC; the Airport Neighborhood Collaborative, the West Modesto/King-Kennedy Neighborhood Collaborative; United Way Impact Councils on Building Strong Neighborhoods.
- Sub-recipient and CHDO Outreach staff is proactively contacting its sub-recipients and CHDOs to keep them apprised of upcoming training opportunities, changes in HUD requirements, etc. Staff is also looking to schedule regular meetings with its CHDOs to discuss the status of existing and future projects.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The PY 2018-2019 Annual Action Plan was prepared with oversight and direction from the CH&CDC. The City of Modesto conducted the following consultation efforts during the development of the PY 2018-2019 AAP:

- Consulted with key stakeholders, including representatives of the Housing Authority of Stanislaus County; non-profit organizations that provide housing services, facilities, and/or services to low- and moderate-income residents, the Focus on Prevention Stewardship Council, and neighborhood organizations.
- Consulted with the general public through workshops and public hearings.
- Attended and participated in monthly meetings held by the CSOC. Attended and participated in ongoing meetings related to the Focus on Prevention Initiative to coordinate services throughout the County.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

HUD charges communities that receive funds under the Continuum of Care (CoC) Program of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) with specific responsibilities. Until 2017, the Housing Authority of the County of Stanislaus had been the "lead applicant" for the local CoC and the coordinating body recognized by HUD and, in its 20-year history, as the CoC's lead applicant brought in over \$100 million in resources to the region. On March 9, 2017, the CoC membership voted to have the City of Modesto become the "lead applicant"; starting with Fiscal Year 2017-2018 CoC funding.

As of 2017, the CoC is locally recognized as the Stanislaus County Community System of Care (CSOC). The CoC continues to meet on a monthly basis to identify gaps and issues for the homeless and those at risk of becoming homeless. The CoC meetings are public meetings in which the community's service providers and stakeholders are welcome to attend and to provide emergency shelter and rapid re-housing service providers an opportunity to provide comment and feedback. City staff regularly attends and participates in the CoC meetings, the City consults with the CoC to develop coordinated plans and strategies to leverage resource and align local goals, objectives, and performance measures. Announcements of CDBG and ESG funding opportunities are routinely advertised at the CoC meetings and distributed via e-mail to CoC participants.

A stakeholders meeting was held on May 17, 2018, at a regularly scheduled CSOC. The meeting was held at the Modesto Library 1500 I Street, Modesto, CA 95354. The CSOC membership is consulted every year during the preparation of the Annual Action Plan. The following is a non-exhaustive list of members of the CSOC:

- Housing Authority of the County of Stanislaus (HACS);
- Haven's Women's Center;
- Behavioral Health and Recovery Services (BHRS);
- St. Vincent DePaul;
- Stanislaus County;
- Community Impact Central Valley (CICV);
- West Modesto King Kennedy Neighborhood Collaborative;
- Community Volunteers;
- Turning Point Community Programs;
- One Church Modesto;
- TPCP Housing;

We Care Program;
San Joaquin Valley Veterans;
Health Plan of San Joaquin (HPSJ);
Disability Resource Agency for Independent Living (DRAIL);
City of Modesto;
City of Turlock;
Salvation Army Berberian Shelter;
Community Services Agency (CSA);
Parent Resource Center;
United Way/211;
Ceres Unified School District;
United Samaritans Foundation;
Project Sentinel;
Stanislaus County Probation;
Modesto Gospel Mission;
Sherriff Department;
Children's Crisis Center;
Opportunity Stanislaus;
Telecare;
NAMI – National Alliance on Mental Illness;
Homeless Community Member;
Family Promise;
Center for Human Services;
Aegis Treatment Center;
Habitat for Humanity.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Consultation with the Stanislaus Community System of Care (CSOC) assists the City of Modesto in allocating and coordinating the prioritization and use of ESG funds with local

needs. Through this process the City of Modesto is able to design programs and activities that are consistent with applicable federal and local standards and to distribute its funds efficiently.

The CSOC contributes by setting up the criteria for homeless programs outcomes during its contract period. The City of Modesto’s consultations with the CSOC allows an open discussion on how to establish performance measures that benefit the City of Modesto. This allows the City of Modesto’s CH&CDC and its City Council to be informed of the standards that ESG funds demand and best practice outcomes. These goals are then incorporated when contracting with sub-recipients. The City of Modesto and the CoC, in collaboration with other local HUD entitlement jurisdictions, work together to operate the Homeless Management Information System (HMIS). The HMIS is mandated by HUD and is essential for the coordination of services and the development of public policy. Analysis of information gathered through the HMIS is critical to the preparation of periodic reporting on homelessness and identifies the needs for services in the City of Modesto.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 1 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Housing Authority of the County of Stanislaus
	Agency/Group/Organization Type	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted via regular monitoring and TA visits and during CSOC (CoC) meetings. A new rental rehabilitation program component was added to the Home Rehabilitation program to assist affordable rental units in need of health and safety, energy efficiency, and ADA improvements.
2	Agency/Group/Organization	Haven Women's Center
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Needs - Victims of Domestic Violence

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
3	Agency/Group/Organization	STANISLAUS COUNTY
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
4	Agency/Group/Organization	THE SALVATION ARMY - MODESTO CA
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

5	Agency/Group/Organization	THE DISABILITY RESOURCE AGENCY FOR INDEPENDENT LIVING (DRAIL)
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
6	Agency/Group/Organization	Stanislaus County Community Services Agency
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-homeless Services-Health Other government - County
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
7	Agency/Group/Organization	Health Plan of San Joaquin
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Low Income Health Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
8	Agency/Group/Organization	Turning Point Community Programs
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
9	Agency/Group/Organization	Community Impact Central Valley
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

10	Agency/Group/Organization	STANISLAUS MULTI-CULTURAL COMMUNITY HEALTH COALITION WEST MODESTO
	Agency/Group/Organization Type	Services-Children Services-homeless Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
11	Agency/Group/Organization	We Care Program -Turlock
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
12	Agency/Group/Organization	San Joaquin Valley Veterans
	Agency/Group/Organization Type	Services - Veterans
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
13	Agency/Group/Organization	CITY OF TURLOCK
	Agency/Group/Organization Type	Other government - Local Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
14	Agency/Group/Organization	Parent Resource Center
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

15	Agency/Group/Organization	UNITED WAY
	Agency/Group/Organization Type	Services-Health Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
16	Agency/Group/Organization	United Samaritans Foundation
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
17	Agency/Group/Organization	PROJECT SENTINEL
	Agency/Group/Organization Type	Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Fair Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
18	Agency/Group/Organization	Modesto Gospel Mission
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the Stanislaus Housing and Support Services Collaborative. The Collaborative meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The Collaborative seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
19	Agency/Group/Organization	Stanislaus County Sheriff Department
	Agency/Group/Organization Type	Services - Victims Other government - Local Services - Law Enforcement
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy General Services

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
20	Agency/Group/Organization	CHILDREN'S CRISIS CENTER
	Agency/Group/Organization Type	Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
21	Agency/Group/Organization	Stanislaus Economic Development and Workforce Alliance
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
22	Agency/Group/Organization	Telecare
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
23	Agency/Group/Organization	National Alliance for the Mentally Ill
	Agency/Group/Organization Type	Services-Persons with Disabilities Services - Mentally Ill
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
24	Agency/Group/Organization	FAMILY PROMISE OF GREATER MODESTO
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
25	Agency/Group/Organization	Center For Human Services
	Agency/Group/Organization Type	Services-Children

	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth Homelessness Needs - Youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
26	Agency/Group/Organization	HABITAT FOR HUMANITY
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The public comment period was held from March 8, 2018 through June 12, 2018. Prior to the public comment period, a number of meetings were also held to inform community groups of the upcoming draft Annual Action Plan (AAP) and the programs offered by the various programs covered under the AAP. Comments received at meetings held prior and during the public comment period were considered for goal setting.

The following is a list of meetings that were held prior and during the public comment period. A summary any comments received during each meeting is included.

Citizen Participation Outreach						
	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	Attendees
1	West Modesto King Kennedy Collaborative 2/21/18			Community members requested for HOME funded infill projects, and for City staff to consider a rent-to-own option for low-income working residents; It was also requested that funds be continued at a Federal Level to be provided to local communities, so essential programs, such as HAVEN's Womens Center will still be available. Without these funds essential services will not be available for low-income residents living in Modesto (increasing instances of homelessness. The Community was interested in the EDA Grant and Opportunity Stanislaus partnership to provide electronic trade retooling opportunities for residents looking for a new line of work.	All comments were accepted.	15

2	Robertson Road Elementary Community Meeting – 2/23/18			Community members were receptive to the presentation; they requested that city staff should implement the rent-to- own option for the low income working residents. There were many questions asked regarding the First Time Homebuyers Program, Community Members were receptive to the information and were glad applications were made available for them.		17
4	CH&CDC Meeting – 3/8/2018			No comments received.		3
5	Airport Neighborhood Collaborative – 3/12/18			Staff provided a presentation related to the FY 2018-2019 Annual Action Plan and Amendment #1 to the FY 2017-2018 Annual Action Plan. No comments were received. Staff also provided an update related to the Airport Neighborhood Capacity Building partnership between the City of Modesto HUD Division and Center for Human Services. Meeting participants are excited about this project		20

6	Orchard Park Neighborhood Alliance Meeting – 2/22/18			<p>Community members asked about the federal impact to the CDBG budget. Staff informed community members that the preliminary federal budget did not include CDBG or HOME funding, but the final budget is subject to Congress approval. Staff will provide a follow up update to the Community in August. Staff also provided an update on the local Access Center project. One community member suggested an affordable housing idea related to the use of shipping containers as housing units; staff indicated we would check with the Planning Department for feasibility.</p>		15
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7	Delwood Neighborhood Alliance Meeting – 3/26/2018			Inquiry about eligibility of ADA Curb Cuts on the corner of Tully & Del Monte? Also, concerns about standing water in this area. Staff shared utilization of the Modesto Go Application to submit these inquiries to have them addressed. The group was encouraged by the work done by the Homeless Public Services providers in the community and how important the CDBG and HESG funds are to support these efforts.		18
8	Airport Neighborhood Community Chats 4/13/18			Staff provided a presentation related to the FY 2018-2019 Annual Action Plan. No comments were received. Staff also provided an update related to the Airport Neighborhood Capacity Building partnership between the City of Modesto HUD Division and Center for Human Services. Meeting participants are excited about this project.		19

9	Shackelford Elementary School 4/27/18			Inquiry about eligibility to the water and sewer Connection Program, as one particular member lived in a property that had no connection as of yet. Provided contact information to Yesenia Carrasco. Community members requested further clarification as to where the CDBG federal funding was allocated to and staff introduced some of the Public Services and reason for need. They were pleased that such needed help was tended to.		16
10	Stanislaus County System of Care (CoC)			No Comments Received		60

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

- Funds covered under the Consolidated Plan: CDBG, HOME and ESG;
- Funds provided under other HUD programs, the Department of Commerce, the Federal Emergency Management Agency, and other federal agencies;
- Funds provided under various programs of the California Department of Housing and Community Development and the California Housing Finance Agency;
- State and federal tax credits and mortgage credit certificates;
- Tax exempt bond proceeds;
- The City of Modesto's General Fund; and
- Private industry sources such as the Federal Home Loan Bank Board's Affordable Housing Program.

During Program Year 2018-2019, the City of Modesto will receive approximately \$2,003,752 of Community Development Block Grant (CDBG) program funds, \$992,925 of HOME Investment Partnerships (HOME) Program funds, and \$164,535 of Emergency Solutions Grant (ESG) funds. The table below is a summary of expected resources in PY 2018-2019.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition and Planning Economic Development Housing Public Improvements Public Services	\$2,003,752	\$809,655	\$2,786,284	\$5,599,691	\$1,825,650	Expected Uses: Program Administration ; Public Services; Housing Programs; Fair Housing Enforcement ;Public Facility Improvements Eligible ADA Improvements Homeless Services Activities

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$992,925	\$224,724	\$1,997,137	\$3,500,864	\$614,522	Expected Uses: Homebuyer Assistance Owner Occupied Housing Rehabilitation Rental Housing Rehabilitation Rental Housing New Construction
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$164,535	\$0.00	\$0.00	\$164,535	\$169,421	Expected Uses: Homeless Services Homeless Prevention Rapid Re-Housing

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Leverage, in the context of the City of Modesto's three HUD programs, means bringing local, state, and federal financial resources to maximize the impact of the City's HUD funded programs. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar scopes. HUD encourages the City of Modesto to demonstrate that efforts are being made to strategically leverage additional funds in order to achieve greater results. HUD funds will be considered leveraged if financial commitments toward the costs of a project from a source, other than the originating HUD source, are documented.

The City of Modesto tracks leverage amounts from all CDBG and ESG public service sub-recipients via the ZoomGrants software reporting/invoicing system. Public Service sub-recipients are required to submit leverage amounts with supporting documentation as part of the City of Modesto's quarterly monitoring reviews. The City of Modesto uses this data for its HUD reports in IDIS.

HOME – 25% Match Requirement

The 25% HOME match requirements are met through the contributions or layers of funds that the developers provide for each HOME -assisted project. The match includes private financing, waiver or deferral of development fees approved by the Modesto City Council, Tax Credit Allocations, and any other eligible source.

ESG – 100% Match Requirement

For the ESG program, the City of Modesto requires that ESG sub-recipients provide a dollar-for-dollar match for ESG funds received. Typically, the City of Modesto is able to generate significantly more match than the amount required for ESG activities primarily through the cash and non-cash contributions provided by ESG sub-recipients as a result of the generosity of their donors, supporters, and other funders. As part of the ESG monitoring process, ESG sub-recipients submit reimbursement requests; invoices and accompanying receipts are reviewed for reimbursement eligibility. Sub-recipients are required to submit dollar-for-dollar match verification with each reimbursement request and City of Modesto reimbursement is conducted after match verification documentation is satisfied.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Modesto is reviewing its inventory of City owned properties to determine best use for the coming AAP. The intent is to transfer eligible units to non-profit organizations that could, rent the units to low income households or rehabilitate the units and sell them to a low income households. Additionally, the City of Modesto, as the successor housing entity to the former Redevelopment Agency of the City of Modesto, owns a parcel that will be utilized to develop 74 affordable housing units for low and very low income households. The City is

currently partnering with EAH, an affordable housing non-profit developer, to support its efforts to leverage HOME funding dollars with tax credits, which will allow for project development in the coming years.

Discussion

No additional discussion.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

No Goals Found

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing Construction	2015	2019	Affordable Housing		H-1 Increase affordable rental housing		Rental units constructed: 4 Household Housing Unit
2	Homebuyers Assistance	2015	2019	Affordable Housing		H-2 Provide Homeownership Opportunities		Direct Financial Assistance to Homebuyers: 5 Households Assisted
3	Housing Preservation	2015	2019	Affordable Housing		H-3 Preserve Existing Affordable Housing		Rental units rehabilitated: 7 Household Housing Unit
4	Housing Rehabilitation Program	2015	2019	Affordable Housing		H-3 Preserve Existing Affordable Housing		Homeowner Housing Rehabilitated: 24 Household Housing Unit
5	Fair Housing Services and Education	2015	2019	Fair Housing		H-4 Continue to Support Fair Housing.		Other: 5 Other
6	Emergency Shelter Beds	2015	2019	Homeless		HM-1 Address Chronic Homelessness		Homeless Person Overnight Shelter: 650 Persons Assisted
7	Supportive Services - Homeless	2015	2019	Homeless		HM-4 Prevent Homelessness for those at Risk		Homelessness Prevention: 10 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Supportive Housing Services	2015	2019	Non-Housing Community Development		HM-4 Prevent Homelessness for those at Risk		Tenant-based rental assistance / Rapid Rehousing: 10 Households Assisted
9	HMIS Implementation	2015	2019	Homeless		HM-5 Coordinated case management		3 ESG sub-grantees conducting Coordinated Case Management
10	Services - Anti-poverty	2015	2019	Non-Housing Community Development		CD-2 Promote Economic Development Activity		Jobs created/retained: 2 Jobs
11	Independent Living Services	2015	2019	Non-Housing Community Development		CD-3 Provide Public Services for Residents		Other: 10 Other
12	Public Improvements - Accessibility	2015	2019	Non-Housing Community Development		CD-4 Fund ADA Improvement in the City		Other: 5 Other
13	Street Paving	2015	2019	Non-Housing Community Development		CD-5 Arrest the Physical Decline of LMA's		Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2 Persons Assisted

Table 3 – Goals Summary

Goal Description

1	Goal Name	Rental Housing Construction
	Goal Description	Construction of 4 rental housing units (STANCO, CICV, GVHDC).
2	Goal Name	Homebuyer Assistance
	Goal Description	Provide direct financial assistance 5 households through the Homebuyer Assistance Program.
3	Goal Name	Housing Preservation
	Goal Description	Provide financial assistance to local affordable housing developers (STANCO, CICV, GVHDC) to preserve rental housing units via rehabilitation of such units.
4	Goal Name	Housing Rehabilitation Program
	Goal Description	Provide financial assistance to 24 owner occupied households for housing rehabilitation assistance for the purpose of preserving existing affordable housing.
5	Goal Name	Fair Housing Services and Education
	Goal Description	Contract with a fair housing service provider to provide fair housing services to City of Modesto residents. Number of Fair Housing Cases investigated: 5
6	Goal Name	Emergency Shelter Beds
	Goal Description	Provide ESG funds to non-profit homeless service providers: Assist 650 unduplicated individuals with emergency shelter.
7	Goal Name	Supportive Services - Homeless
	Goal Description	Homeless Prevention Services: Provide ESG funds to non-profit homeless service providers. Assist 10 households with homeless prevention services (CHSS/Family Promise).
8	Goal Name	Supportive Housing Services
	Goal Description	Rapid Rehousing Services: Provide ESG funds to non-profit service providers to provide rapid rehousing services (CHSS/Family Promise).
9	Goal Name	HMIS Implementation
	Goal Description	Continue enforcing HMIS program implementation by all ESG sub-recipients; coordinated entry/case management.

10	Goal Name	Services - Anti-poverty
	Goal Description	Section 3 jobs created. Minimum of 2 jobs created via CDBG/ESG public services and/or Economic Development programs.
11	Goal Name	Independent Living Services
	Goal Description	Provide independent living services to people with disabilities: 4 ADA compliant ramps or lifts.
12	Goal Name	Public Improvements - Accessibility
	Goal Description	Conduct public improvements to enhance ADA accessibility:
13	Goal Name	Street Paving
	Goal Description	Public Facilities/Infrastructure Improvements: Conduct infrastructure improvement projects within HUD designated low income block groups.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

All assistance will be provided to households at or below 80% of the AMI.

AP-35 Projects – 91.220(d)

Introduction

The activities to be undertaken during Program Year 2018-2019 are summarized below.

#	Project Name
1	CDBG: FY 2018-2019 CDBG PLANNING & ADMINISTRATION
2	CDBG: AFFORDABLE HOUSING – SMALL HOMES INFILL PROJECTS
3	CDBG: ADA RAMPS AND CURB CUTS PROJECTS
4	CDBG: 2018 HOUSING REHAB ADMINISTRATION/ACTIVITY DELIVERY (14H)
5	CDBG: ECONOMIC DEVELOPMENT – REAL PROPERTY EQUIPMENT/IMPROVEMENTS
6	CDBG: PROJECT BASED ACTIVITY DELIVERY – CDBG FUNDING FOR HOME ADMIN (21H)
7	CDBG: PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS
8	CDBG: AFFORDABLE HOUSING – RENTAL HOUSING REHABILITATION
9	CDBG: AFFORDABLE HOUSING – OWNER OCCUPIED HOUSING REHABILITATION
10	CDBG: SECTION 108 LOAN REPAYMENT FY 2018-2019
11	CDBG: PS-18 ADVOCATES FOR JUSTICE – SEAT
12	CDBG: PS-18 CENTER FOR HUMAN SERVICES – PATHWAYS
13	CDBG: PS-18 CHILDREN'S CRISIS CENTER – AUDREY'S HOUSE
14	CDBG: PS-18 COURT APPOINTED SPECIAL ADVOCATES – CASA DIRECT SERVICES
15	CDBG: PS-18 HAVEN WOMEN'S CENTER – DOMESTIC VIOLENCE SHELTER
16	CDBG: PS-18 PARENT RESOURCE CENTER – CONNECTING FAMILIES
17	CDBG: PS-18 UNITED SAMARITANS – DAILY BREAD MOBILE LUNCH PROGRAM
18	CDBG: PS/FH PROJECT SENTINEL – 2018-2019 FAIR HOUSING PROGRAM
19	FY 2018-2019 ESG PLANNING & ADMINISTRATION
20	ESG-18 CENTER FOR HUMAN SERVICES – HUTTON HOUSE
21	ESG-18 COMMUNITY HOUSING & SHELTER SERVICES – HOMELESS PREVENTION
22	ESG-18 THE SALVATION ARMY – BERBERIAN SHELTER
23	ESG-18 TURNING POINT – HOUSING ASSESSMENT TEAM
24	2018-2019 HOME PROGRAM PLANNING & ADMINISTRATION
25	HOME: 2018 AFFORDABLE HOUSING - HOMEBUYER ASSISTANCE
26	HOME: AFFORDABLE HOUSING – SMALL HOMES INFILL PROJECTS
27	HOME: 2018 CHDO OPERATING SUPPORT
28	HOME: 2018 CHDO SET ASIDE
29	CDBG: PS-18 THE SALVATION ARMY – BERBERIAN SHELTER
30	CDBG: CENTER FOR HUMAN SERVICES – CAPACITY BUILDING
	PRIOR YEAR ACTIVITIES
	CDBG: ACCESS CENTER*
	CDBG: CROWS LANDING NEIGHBORHOOD PROJECT*
	CDBG: WATER/SEWER CONNECTION*
	CDBG: FRESNO CDFI – ECONOMIC DEVELOPMENT SMALL BUSINESS LOANS*
	CDBG: SENIOR PLAYGROUND*
	CDBG: CENTER FOR HUMAN SERVICES – CAPACITY BUILDING*
	HOME: ARCHWAY COMMONS PHASE 2*
	HOME: 522 E. GRANGER AVE, MODESTO CA*

#	Project Name
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Table 8 – Project Information

* Prior Year Activity (funded with prior year funds). Activity description listed in prior year Annual Action Plan. May include additional 2018 funds.

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of Modesto is located within Stanislaus County, in Northern California. The attached maps show the census tracts that will be the focus of assistance during the program year and subsequent Consolidated Plan program years. The first map (Map #1) shows the low-income Census Block Groups within the City of Modesto where median household incomes are below 80% of the area’s median income. The second map (Map #2) shows the areas of minority concentration for those who identified themselves as Hispanic, Black-African/American, Asian, and American Indian/Alaskan Native.

The Census Tract is defined as an area of minority concentration if 51 percent (51%) or more of the households in a given Census Tract qualify as low- or moderate-income, or 51 percent or more of the population are members of minority groups. Nine Census Tracts mainly located along Highway 99 and surrounding downtown Modesto, have low- or moderate-income concentrations. Fourteen Census Tracts, including most of the Census Tracts west of Highway 99 and a couple other tracts on the edges of the City of Modesto limits, have minority concentrations.

In the funding of all projects, and in providing assistance to all beneficiaries, the City of Modesto will ensure that:

- * Documentation of the low- and moderate-income status of individuals/households is collected, or
- * The project designated as a “project area benefit” has a population of at least 51% of the residents are low-and moderate-income, or
- * A slum and blight project meets the criteria for such projects.

The availability of funding from both federal and State sources is a key determinant of the City of Modesto’s ability to address identified needs. To make the most of limited resources, the City of Modesto has formed partnerships with a variety of governmental, non-profit, and service agencies to combine resources to implement programs related to housing and community development needs.

There is also a tremendous need for affordable housing including rental and homeownership units. In an attempt to address affordable housing needs, the City of Modesto utilizes HOME funds for the development of housing units, and CDBG funds for homebuyer assistance loans as well as to assist existing eligible homeowners with housing rehabilitation loans.

A major local obstacle to low-income residents is the lack of affordable housing. The average assistance needed to provide low-income families the opportunity to become a homeowner is

\$136,870; for rental housing development the average amount of total development costs needed to create an affordable rental unit is \$149,038. The average rehabilitation cost per unit of \$50,311 is necessary to prevent homelessness for low-income individuals currently maintaining housing.

Projects

AP-38 Projects Summary

Project Summary Information

1	Project Name	CDBG: FY 2018-2019 CDBG PLANNING & ADMINISTRATION
	Target Area	N/A
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	CDBG: \$400,750 (2018)
	Description	This project will fund administrative expenses related to the planning and administration of CDBG projects and activities including but not limited to development of HUD plans, contract development, project monitoring, and enforcement of federal regulations.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10th Street, Modesto CA 95354
	Planned Activities	Program Administration.
2	Project Name	CDBG: AFFORDABLE HOUSING - SMALL HOMES INFILL PROJECTS
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing HM-3 Provide permanent supportive housing HM-4 Prevent Homelessness for those at Risk
	Funding	CDBG: \$300,000 (Projected Program Income)
	Description	Small modular home scattered site infill projects. Units will be approximately 620 square feet in size. Funds will assist with unit acquisition and subsequent lease for residential purposes 24 CFR 570.201 (a) and (b).

	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	1 person below 80% AMI.
	Location Description	Scattered Site.
	Planned Activities	Affordable housing / Infill projects
3	Project Name	CDBG: ADA RAMPS AND CURB CUTS PROJECTS
	Target Area	
	Goals Supported	Public Improvements - Accessibility
	Needs Addressed	CD-4 Fund ADA Improvement in the City
	Funding	CDBG: \$181,665
	Description	Conduct ADA ramps, curb cut, and sidewalk improvement projects in eligible low/mod areas.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	100 persons at or below 80% AMI.
	Location Description	
	Planned Activities	ADA ramps, curb cut, and sidewalk improvement projects
4	Project Name	CDBG: 2018 HOUSING REHAB ADMINISTRATION/ACTIVITY DELIVERY (14H)
	Target Area	
	Goals Supported	Housing Rehabilitation Program
	Needs Addressed	H-3 Preserve Existing Affordable Housing
	Funding	CDBG: \$553,590 (\$147,210 = Projected Program Income)
	Description	Activity delivery costs related to carrying out housing rehabilitation activities (rental and owner occupied). Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site and utility plans; application processing; and other fees.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	City staff will facilitate housing rehabilitation projects for 24 eligible households at or below 80% of the Area Median Income.
	Location Description	Citywide/Low Income Census Tracts.
	Planned Activities	Owner Occupied Housing Rehabilitation Activity Delivery.
5	Project Name	CDBG: ECONOMIC DEVELOPMENT - REAL PROPERTY EQUIPMENT/IMPROVEMENTS
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-2 Promote Economic Development Activit
	Funding	CDBG: \$50,000
	Description	The City of Modesto will provide CDBG funds to leverage an Economic Development Administration (EDA), U.S. Department of Commerce (DOC) grant in partnership with Opportunity Stanislaus Valley Occupational and Learning Technical Institute (VOLT) program. CDBG funds will be utilized for Real property equipment and improvements. VOLT offers fast paced training for high-wage in-demand careers.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	This activity will provide training opportunities to 2 individuals at or below 80% of the AMI.
	Location Description	1010 10th St, #1400, Modesto CA 95354
	Planned Activities	Economic Development Job Training
6	Project Name	CDBG: (21H) - PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN
	Target Area	
	Goals Supported	Rental Housing Construction Housing Preservation
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	CDBG: \$150,000
	Description	Activity delivery for HOME funded projects to be covered by CDBG funds when HOME admin/activity delivery amounts are exhausted.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10th ST, MODESTO CA 95354
	Planned Activities	PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN.
7	Project Name	CDBG: PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS
	Target Area	
	Goals Supported	Public Improvements - Accessibility
	Needs Addressed	CD-4 Fund ADA Improvement in the City
	Funding	CDBG: \$150,000
	Description	Infrastructure activities to include ADA curb cut and sidewalk improvements in LMA eligible areas that are primarily residential and are currently missing such improvements.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	50 persons at or below 80% AMI.
	Location Description	Scattered sites.
	Planned Activities	ADA curb cut and sidewalk improvements in LMA eligible areas
8	Project Name	CDBG: AFFORDABLE HOUSING - RENTAL HOUSING REHABILITATION
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	CDBG: \$761,342 (\$457,737 RLF funds; \$53,605 CDBG P.I.; \$250,000 NSP P.I.)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by partnering with local affordable housing developers to creating affordable housing opportunities for low income households. Refer to Goal #1 and #3. Rehabilitation of 4 rental housing units.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	4 Families at or below 80% of the AMI.

	Location Description	Citywide; Low Income Census Tracts
	Planned Activities	Rental Housing Rehabilitation
9	Project Name	CDBG: AFFORDABLE HOUSING - OWNER OCCUPIED HOUSING REHABILITATION
	Target Area	
	Goals Supported	Housing Rehabilitation Program
	Needs Addressed	H-3 Preserve Existing Affordable Housing
	Funding	CDBG: \$724,154 (\$505,314 RLF funds; \$26,395 CDBG P.I.; 12,445 NSP P.I.)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by providing direct financial assistance eligible households through the Housing Rehabilitation Program. Refer to Goal #4
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	24 households at or below 80% of the AMI.
	Location Description	Citywide; Low Income Census Tracts.
	Planned Activities	Owner Occupied Housing Rehabilitation.
	10	Project Name
Target Area		N/A
Goals Supported		N/A
Needs Addressed		N/A
Funding		CDBG: \$302,003
Description		Planned repayment of Section 108 Loan Principal.
Target Date		6/30/2019
Estimate the number and type of families that will benefit from the proposed activities		N/A
Location Description		N/A
Planned Activities		Repayment of Section 108 Loan
11	Project Name	PS-18 ADVOCATES FOR JUSTICE - SEAT
	Target Area	
	Goals Supported	Services - Anti-poverty

	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$22,899
	Description	The Student Education Advocacy Team is a unique one-of-a-kind program that ensures kids have a "seat" in the classroom rather than the courtroom. SEAT will consist of an advocacy team that adopts a mentoring and tutoring approach. The team consist of an expert team of volunteers and advocates. The team works directly with students and their families, may represent students at disciplinary proceedings and trains parents and family members and community members how to advocate effectively for their children. The purpose of SEAT is to substantially reduce suspensions and expulsions in Modesto City Schools, to eliminate disparities in education, and to put an end to the school to prison pipeline in our community through research and evidence based practices. A goal of SEAT is to improve educational outcomes for all students, especially those students in jeopardy of suspension or expulsion.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	50 unduplicated youth at or below 80% of AMI.
	Location Description	608 Spencer Ave, Modesto Ca. 95351
	Planned Activities	SEAT will consist of an advocacy team that adopts a mentoring and tutoring approach.
12	Project Name	PS-18 CENTER FOR HUMAN SERVICES - PATHWAYS
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$27,000

	Description	Pathways is a 16 bed transitional housing program that addresses the need for shelter and support services for homeless youth 18 to 21 years of age. Shelter is provided up to 21 months. This project addresses the City of Modesto Five-Year Consolidated Plan, 2015-2020 priority of transitional housing, particularly for an at- risk population. (HM 2 and 4).Using a positive youth development and trauma informed approach, Pathways promotes the social and emotional well being of the young people it serves. Program goals for youth served at Pathways are: obtaining employment, leaving to stable housing and having supportive relationships. Additional support services available to youth include: basic life, interpersonal and job acquisition and maintenance skills training, assistance with obtaining medical care and advancing educational opportunities, service learning opportunities, recreation, referral and after care services.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	25 low income youth at or below 80% AMI.
	Location Description	608 E. Granger Avenue, Unit 25, Modesto, CA 95350
	Planned Activities	Housing services for youth experiencing homelessness.
13	Project Name	PS-18 CHILDREN'S CRISIS CENTER - AUDREY'S HOUSE
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$23,100
	Description	Audrey's house provides emergency child care, shelter, meals, crisis intervention and specialized prevention services to a disadvantaged population of high-risk infants, toddlers, preschool and young school-age children living in Modesto. This project will provide essential care services to an impoverished population of children, growing up in families afflicted by generational abuse, domestic violence, extreme poverty, substance abuse, mental illness or homelessness. These children will be from high risk families living in very low to moderate low income households (below 80% of the area median income), enduring various social and economic difficulties. They will have experienced traumas stemming from exposure to family conflict and crisis.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	111 youth served at or below 80% AMI
	Location Description	141 Kimble Street Modesto CA
	Planned Activities	Crisis intervention, counseling, meals, crisis management, case services.
14	Project Name	PS-18 COURT APPOINTED SPECIAL ADVOCATES - CASA DIRECT SERVICES
	Target Area	
	Goals Supported	
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$28,200
	Description	This project will provide coordinated case management to address the needs of dependent youth in the foster care system. CASA is a program that significantly meets the needs of 'at-risk' youth. Our services directly benefit a vulnerable presumed benefit' population (children by definition are not in control of their resources and all of the youth in foster care, regardless of age, often live in very modest to poor conditions). The advocate works with everyone involved and makes independent, informed recommendations on the child's behalf directly to the Judge who makes all orders regarding the case. The dedication of CASA volunteers allows judges to ensure successful outcomes for children. For many abused children, their CASA volunteer will be the one constant adult presence in their lives. Independent research has demonstrated that children with a CASA volunteer who have a chance at either reunification with their family or an opportunity to be adopted are substantially less likely to spend time in long-term foster care and less likely to reenter care.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	30 foster youth at or below 80% AMI
	Location Description	801 11th Street, 3rd Floor, Modesto, CA 95354
	Planned Activities	
15	Project Name	PS-18 HAVEN WOMEN'S CENTER - DOMESTIC VIOLENCE SHELTER
	Target Area	
	Goals Supported	Independent Living Services
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$25,599

	Description	Haven Womens Center (Haven) offers a variety of supportive services to individuals and families impacted by domestic violence, sexual assault, and human trafficking. Haven operates the only confidential domestic violence shelter in Stanislaus County. Victims fleeing abuse, who are homeless or imminently homeless, are eligible for up to six weeks of shelter. Available services include 24 hour crisis intervention and safety planning, peer counseling, legal advocacy, and support groups for adults and children affected by trauma. Many survivors come to the shelter with little or no personal belongings. Haven uses a combination of grant funds and community donations to provide necessities for participants including food, clothing, bedding, toiletries, diapers and other baby care items.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	140 unduplicated individuals at or below 80% AMI.
	Location Description	Haven Women's Center Emergency Shelter is identified as a confidential domestic violence shelter as defined in the California's Welfare and Institutions Code 18301. The location of the shelter is confidential in accordance with California Penal Code 273.7.
	Planned Activities	Services to DV victims.
16	Project Name	PS-18 PARENT RESOURCE CENTER - CONNECTING FAMILIES
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$21,999
	Description	The Parent Resource Center (PRC) will offer Connecting Families, a 12-week co-ed parenting education program offered in multiple sessions throughout the year in English and Spanish, through partnership with the Modesto Gospel Mission, Community Housing and Shelter Services, and other partners. The program will utilize the Nurturing Parenting Program developed by Dr. Stephen J. Bavolek and will be enhanced with life skills education from partnering agencies. This program has been used successfully by PRC for over 12 years, and the life skills that supplement it have seen success with PRC's past implementation of the program. The core curriculum's goal is to stop the inter-generational cycle of child abuse and reduce recidivism in families receiving social services. The curriculum is trauma informed, evidence-based, centered on the family, and designed to build nurturing parenting skills.

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	140 individuals at or below 80% AMI
	Location Description	Parent Resource Center: 811 5th St. Modesto, CA 95350 Modesto Gospel Mission: 1400 Yosemite Blvd, Modesto, CA 95354 (part of collaborative effort)
	Planned Activities	Parenting education to young parents.
17	Project Name	PS-18 UNITED SAMARITANS - DAILY BREAD MOBILE LUNCH
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$25,700
	Description	Daily Bread Mobile Lunch Program delivers nutritious meals directly into the neighborhoods where extremely low, very low, low income, and, homeless individuals reside. The program ensures those individuals living in these neighborhoods have access to at least one nutritious meal a day, five days a week, 52 weeks a year. During the week we provide as many EXTRAS (milk, juice, bread, eggs, dairy, produce, etc) as we have available to supplement their diet with higher nutrition foods. Delivering these meals and extras directly into neighborhoods affords us the opportunity to provide information on supportive services available to these residents. These referrals, along with USF's outreach worker add to the long-term success of our clients.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	480 unduplicated individuals at or below 80% AMI.

	Location Description	<p>1416 Maze Blvd (Modesto kitchen facility)</p> <p>1st stop: Beardbrook Park</p> <p>2nd stop: Mono Park</p> <p>3rd stop: 9th and D Street - Berberian Shelter - Salvation Army</p> <p>4th stop: Oregon Park</p> <p>5th stop: 4th Street Park</p> <p>6th stop: James Marshall Park</p> <p>7th stop: Robertson Road Park</p> <p>8th stop: Riverdale Road (not within Modesto incorporated limits but is on the route)</p> <p>9th stop: Boys and Girls Club @ King-Kennedy Center in Mellis Park</p>
	Planned Activities	Mobile Lunch Program.
18	Project Name	PS/FH - PROJECT SENTINEL - 2018-2019 FAIR HOUSING PROGRAM
	Target Area	
	Goals Supported	Fair Housing Services and Education
	Needs Addressed	H-4 Continue to Support Fair Housing.
	Funding	CDBG: \$25,000

Description	<p>Project Sentinel will enable people to resolve housing problems. By providing fair housing services, the project will also assist the City of Modesto to affirmatively further fair housing by combating housing discrimination and promoting diverse and inclusive communities.</p> <p>Outreach: Project Sentinel will inform the general public of the available fair housing services through educational brochures, radio and TV PSA's, and print and social media. Education: Project Sentinel will provide one-on-one counseling and group workshops for housing providers, consumers and social service agencies to educate them about fair housing law. Project Sentinel will also provide specialized workshops low income veterans, immigrants especially those with limited English proficiency, those with disabilities, and families with children. Housing providers will learn how to comply with fair housing law while conducting residential rental business. Housing consumers will learn how to recognize fair housing violations and how to secure assistance. Social service agencies will learn to recognize and effectively refer fair housing violations. Audit and Complaint Investigations: Fair housing coordinators investigate complaints through testing, interviews, surveys, and document review. When there is evidence of a violation, the complainant is given a range of options: educate the person causing the violation, conciliate/mediate the complaint, refer the complainant to HUD, DFEH or to an attorney for enforcement. Project Sentinel will also conduct proactive audits, testing housing providers for compliance with fair housing law before an allegation of discrimination is made.</p>												
Target Date	6/30/2019												
Estimate the number and type of families that will benefit from the proposed activities	5 fair housing discrimination investigation cases; 350 persons will receive fair housing education via workshops, presentations, and information & referral.												
Location Description	1231 8th St., Ste 425, Modesto, CA 95354.												
Planned Activities	Fair housing discrimination investigation, Tenant/Landlord mediation, Fair Housing Education												
19	<table border="1"> <tr> <td data-bbox="269 1524 565 1577"> Project Name </td> <td data-bbox="565 1524 1507 1577"> ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION </td> </tr> <tr> <td data-bbox="269 1577 565 1629"> Target Area </td> <td data-bbox="565 1577 1507 1629"></td> </tr> <tr> <td data-bbox="269 1629 565 1682"> Goals Supported </td> <td data-bbox="565 1629 1507 1682"></td> </tr> <tr> <td data-bbox="269 1682 565 1734"> Needs Addressed </td> <td data-bbox="565 1682 1507 1734"></td> </tr> <tr> <td data-bbox="269 1734 565 1787"> Funding </td> <td data-bbox="565 1734 1507 1787"> ESG: \$12,340 </td> </tr> <tr> <td data-bbox="269 1787 565 1871"> Description </td> <td data-bbox="565 1787 1507 1871"> This project will fund administrative services related to the oversight and implementation of the ESG program. </td> </tr> </table>	Project Name	ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION	Target Area		Goals Supported		Needs Addressed		Funding	ESG: \$12,340	Description	This project will fund administrative services related to the oversight and implementation of the ESG program.
Project Name	ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION												
Target Area													
Goals Supported													
Needs Addressed													
Funding	ESG: \$12,340												
Description	This project will fund administrative services related to the oversight and implementation of the ESG program.												

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10TH ST. MODESTO CA 95354
	Planned Activities	ESG ADMINISTRATION
20	Project Name	ESG-18 MODESTO – STREET OUTREACH - CHS
	Target Area	
	Goals Supported	Emergency Shelter Beds Supportive Services - Homeless
	Needs Addressed	HM-4 Prevent Homelessness for those at Risk HM-5 Coordinated case management
	Funding	ESG: \$35,000
	Description	Street outreach funds will be used to provide outreach to persons, including youth, living on the streets.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	200 Youth at or below 80% AMI.
	Location Description	201 Jennie Street, Modesto, CA 95354
	Planned Activities	Supportive housing for youth experiencing homelessness.
21	Project Name	ESG-18 COMMUNITY HOUSING & SHELTER SERVICES - HOMELESS PREVENTION
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	HM-4 Prevent Homelessness for those at Risk
	Funding	ESG: \$30,000

Description	Community Housing and Shelter Services is proposing a Homeless Prevention Rapid Re-Housing program. This program could help alleviate the stress of housing costs for a minimum of 10 families from within the City of Modesto area, and have an income at or below 30% of the median income. The Homeless Prevention funding will be utilized to provide short-term rental assistance to (5) five households who are at imminent risk of becoming homeless by preventing eviction for households who have received a 3-day notice and have written verifiable documentation of an emergency that has caused them to enter into default on their rent. The Rapid Re-Housing funding will be utilized to provide short-term rental assistance to (5) five households via first month's rent and double security deposit assistance to households who are homeless and lack the resources to pay for their full move-in fees. In order for CHSS to assist each household in removing barriers to sustainable housing, all households served will receive intensive on-going Case Management Services at a minimum of once per month in-person meeting with the client, although the goal would be for additional follow-up. Each household will complete an individualized action plan to address their immediate and long-term goals to ensure permanent housing sustainability after the ESG funding ends. CHSS will offer our homeless clients supportive services such as, money management workshops, weekly up-dated housing lists, referrals to other services in the County, and case management to assist them in finding permanent, long term housing. These services will provide our Clients with the tools to remain housed and reduce any new incidences of homelessness resulting in a reduced recidivism rate.										
Target Date	6/30/2019										
Estimate the number and type of families that will benefit from the proposed activities	5 Families (up to 30 individuals) at or below 30% AMI.										
Location Description	708 H Street, Modesto, CA 95354										
Planned Activities	Homeless Prevention & Rapid Rehousing										
22	<table border="1"> <tr> <td data-bbox="267 1461 553 1514">Project Name</td> <td data-bbox="553 1461 1508 1514">ESG-18 THE SALVATION ARMY - BERBERIAN SHELTER</td> </tr> <tr> <td data-bbox="267 1514 553 1566">Target Area</td> <td data-bbox="553 1514 1508 1566"></td> </tr> <tr> <td data-bbox="267 1566 553 1619">Goals Supported</td> <td data-bbox="553 1566 1508 1619">Emergency Shelter Beds</td> </tr> <tr> <td data-bbox="267 1619 553 1703">Needs Addressed</td> <td data-bbox="553 1619 1508 1703">HM-1 Address Chronic Homelessness HM-5 Coordinated case management</td> </tr> <tr> <td data-bbox="267 1703 553 1755">Funding</td> <td data-bbox="553 1703 1508 1755">ESG: \$63,721</td> </tr> </table>	Project Name	ESG-18 THE SALVATION ARMY - BERBERIAN SHELTER	Target Area		Goals Supported	Emergency Shelter Beds	Needs Addressed	HM-1 Address Chronic Homelessness HM-5 Coordinated case management	Funding	ESG: \$63,721
Project Name	ESG-18 THE SALVATION ARMY - BERBERIAN SHELTER										
Target Area											
Goals Supported	Emergency Shelter Beds										
Needs Addressed	HM-1 Address Chronic Homelessness HM-5 Coordinated case management										
Funding	ESG: \$63,721										

	Description	The Salvation Army (TSA) Case Management Team is designed to interrupt the cycle of homelessness and recidivism using case management and partnerships to move individuals from being homeless to permanent housing. This program will utilize the different resources of The Salvation Army Shelter and Transitional Living Center as well as partnerships with Community Impact Central Valley, Stanislaus County Affordable Housing Corporation, The Stanislaus County Sheriff Department and many other collaborated resources to identify clients who show stability and desire to move from homelessness to permanent housing. Once identified, the case manager and client will establish a plan for success. With our partnerships, the client will have access to resources to obtain his goals. A six month follow up case management will be provided to ensure an end goal of a successful transition to permanent housing and the ability to remain housed. We anticipate identifying 93 potential clients, with 59 qualified clients enrolled into programs. A dedicated Intake Coordinator is being hired with the sole responsibility to process the required intake and to input data into HMIS/VISPDAT.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	650 extremely low income individuals at or below 30% AMI.
	Location Description	320 Ninth Street Modesto, CA 95351
	Planned Activities	Emergency Shelter
23	Project Name	ESG-18 – RAPID REHOUSING - TURNING POINT COMMUNITY PROGRAMS
	Target Area	Citywide
	Goals Supported	Supportive Services - Homeless
	Needs Addressed	HM-1 Address Chronic Homelessness
	Funding	ESG: \$23,474

	Description	TPCP will assist homeless clients residing within Modesto city limits into permanent housing. If awarded, HAT will be able to reduce one or more of the barriers to obtaining permanent housing for approximately 60 unduplicated homeless individuals/families during the funding period by assisting with utility deposits and payments; application and credit check fees; obtaining necessary documentation (i.e., California ID card, birth certificate, etc.); and/or assisting with transportation costs. Without access to the resources necessary to overcome these barriers the ability of this population to obtain permanent housing is significantly reduced. A portion of these funds would also be used to cover the cost of staff performing eligibility verification and data collection to ensure appropriate use of the funds received and support data entry into HMIS. The projected 60 unduplicated clients is assuming that all 60 will require assistance in all areas - application fees, utility deposits, duplicate ID, and transportation - however, it is unlikely that all 60 would require assistance in all areas; thereby allowing for a higher number of unduplicated individuals/families to be served. The program only has data on the first four months of operation at this time, this makes it difficult to truly estimate the needs over time of the individuals/families served.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	60 persons at or below 30% of AMI
	Location Description	Citywide
	Planned Activities	Homeless services including rapid rehousing eligible activities.
24	Project Name	HOME: FY 2018-2019 HOME PROGRAM PLANNING & ADMINISTRATION
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	HOME: \$99,292 (2018); \$224,724 (projected from Program Income)
	Description	This project will fund administrative services related to the oversight and implementation of the HOME program.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A

	Planned Activities	HOME Administration
25	Project Name	HOME: 2018 HOMEBUYER ASSISTANCE
	Target Area	
	Goals Supported	Homebuyers Assistance
	Needs Addressed	H-2 Provide Homeownership Opportunities
	Funding	HOME: \$346,907 (\$106,907 = projected program income)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by providing direct financial assistance eligible first time homebuyers via the City's Homebuyer Assistance Program (HAP). Refer to Goal #2
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	5 ELIGIBLE FIRST TIME HOMEBUYER FAMILIES AT OR BELOW 80% AMI
	Location Description	CITYWIDE
	Planned Activities	HOMEBUYER ASSISTANCE.
26	Project Name	HOME: AFFORDABLE HOUSING - SMALL HOMES INFILL PROJECTS
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing HM-3 Provide permanent supportive housing HM-4 Prevent Homelessness for those at Risk
	Funding	HOME: \$690,457 (\$95,345 = projected Program Income)
	Description	Small modular home scattered site infill projects. Units will be approximately 620 square feet in size. Funds will assist with unit acquisition, eligible project site preparation activities, and construction costs related to infill unit development.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Persons at or below 80% of AMI.
	Location Description	Scattered sites.
	Planned Activities	Affordable housing / infill projects.
27	Project Name	HOME: 2018 CHDO OPERATING SUPPORT
	Target Area	

	Goals Supported	Supportive Housing Services
	Needs Addressed	
	Funding	HOME: \$51,943.59
	Description	CHDO operating support funds to CHDO certified organizations carrying out affordable housing projects in partnership with the City of Modesto.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Various NonProfit developers.
	Planned Activities	CHDO Operating.
28	Project Name	HOME: 2018 CHDO SET ASISE
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	HOME: \$670,172.36
	Description	CHDO set aside for affordable housing development.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
29	Project Name	PS-18 SALVATION ARMY - BERBERIAN SHELTER
	Target Area	
	Goals Supported	Emergency Shelter Beds
	Needs Addressed	HM-1 Address Chronic Homelessness
	Funding	CDBG: \$46,639
	Description	This CDBG grant will be used to supplement the Salvation Army's ESG grant for operation of the Modesto emergency shelter (Berberian Shelter).
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	650 extremely low income individuals, at or below 30% AMI.
	Location Description	320 Ninth Street Modesto, CA 95351
	Planned Activities	Emergency Shelter
30	Project Name	CDBG: CENTER FOR HUMAN SERVICES - CAPACITY BUILDING
	Target Area	Airport Neighborhood
	Goals Supported	Services – Anti-poverty
	Needs Addressed	CD-1 Neighborhood Revitalization Strategy Area
	Funding	CDBG: \$25,000
	Description	The Center for Human Services will provide capacity building assistance to the Airport Neighborhood community organizers in alignment with other related services. The goal is to train and provide the tools to community organizers to develop and strengthen their skills, abilities, processes, and resources so that this community group can continue their community development efforts.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Airport Neighborhood
	Planned Activities	Capacity Building Services

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Modesto will target HUD resources to low income Census Block Groups as designated by HUD (See Map #1 attached). Outlined below are the low income Block Groups within each Council District. This is an exhaustive list of all low income block groups within the City of Modesto; however resources may not be directed to all areas.

District 1 Census Tract/Block Groups: 000503/1, 000803/2, 000803/3

District 2 Census Tract/Block Groups: 001500/1, 001500/3, 001601/1, 001601/2, 001601/3, 001604/1, 001604/2, 001603/1, 001700/1, 001700/2, 002200/1, 001800/2, 002200/2, 002200/4, 002200/3, 002301/4, 002301/1, 002402/1, 002401/2, 002501/1

District 3 Census Tract/Block Groups: 001400/2, 001400/1, 001400/3, 001400/5, 001100/2, 001100/3, 001200/2, 001002/3, 001800/1

District 4: 001900/4, 002100/1, 001900/2, 002004/2, 002004/1, 002004/4

District 5: 000805/1, 000805/4, 000506/1, 000404/3, 000910/2

District 6: 000910/4, 002803/1

Geographic Distribution

Target Area	Percentage of Funds
LOW INCOME CENSUS TRACTS	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The Census Tract Block Groups listed are geographic areas/neighborhoods within which 51%, or greater, of the area's population is low income. The City of Modesto has identified activities that will benefit these population groups with the end goal of providing suitable living environment and greater economic opportunities. Where possible, the City of Modesto will distribute CDBG funds throughout the low income block groups located throughout the six city council districts.

Discussion

No additional discussion.

AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of the County of Stanislaus (HACS) operates 432 public housing units within the City of Modesto. All 432 public housing units are currently occupied. The Section 504 needs assessment of public housing units from the HACS indicates that in the City of Modesto there are 28 housing units available for the physically impaired (five one-bedroom units, 12 two-bedroom, and 11 three-bedroom units), seven units for the visually impaired (three one-bedroom, two two-bedroom, and two three-bedroom units), and seven units for the hearing impaired (4 one-bedroom, and 3 three-bedroom units). This equates to a total of 42 units for the physically, visually, and hearing impaired in the City of Modesto.

Actions planned during the next year to address the needs to public housing:

The City of Modesto has a close working relationship with the Housing Authority of the County of Stanislaus (HACS) and meets on an as needed basis to discuss concerns relevant to public housing and other housing matters. The City of Modesto will continue to work with the HACS and any other housing and social service providers to foster public housing improvements and resident initiatives.

In prior years the City of Modesto has partnered with the HACS by leveraging available funds to address affordable housing needs through the development and/or rehabilitation of affordable housing units for low and moderate income persons and families.

When possible, the City of Modesto will continue to partner with the HACS to leverage available funds (local, state, federal) to address public housing needs within the City of Modesto.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The HACS provides homeownership resources to participants in the Housing Choice Voucher Program. The Family Self-Sufficiency (FSS) Program has established partnerships with a variety of community resources to refer participants for services including pre- and post-secondary education, health care, child care, employment development, supported employment, and small business development including micro-loans. The FSS Program also encourages families to participate in financial wellness programs including financial literacy and credit repair with an emphasis on long-term financial stability for the purposes of homeownership. Supportive services are provided through the Community Impact Central Valley (CICV), the Stanislaus County Department of Mental Health, or Stanislaus County Integrated Services Agency. The Stanislaus Housing Authority previously implemented a services and communication "quality control" system that provides the Stanislaus Housing Authority with immediate customer feedback and identifies areas that may need improvement.

The Housing Authority has also implemented a resident education program with regularly scheduled meetings and written communications on agency policy, rules, and leases.

Efforts to improve communications with residents and program participants include: on site resident training/informational meetings, regular newsletters and flyers. The Stanislaus Housing Authority has implemented a "curb-side" appearance program. The focus of the program is the exterior of buildings, parking areas, play grounds and other areas of the complexes. Rodent and insect problems are addressed when residents report a problem and/or on Annual Inspections. In an effort to better education residents concerning these problems, information is regularly provided through the Stanislaus Housing Authority newsletter. These actions have assisted the Stanislaus Housing Authority in creating an atmosphere which emphasizes customer satisfaction and communication.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. The PHA is not designated as troubled.

Discussion

No additional discussion.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Modesto participates in the Stanislaus System of Care (CSOC) to develop and implement regional goals and strategies (outlined in this section) to address and end homelessness. The goal of the Homeless Strategy is to increase housing stability and decrease incidents of homelessness in Stanislaus County by targeting funds to populations most in need, meeting both the immediate and long-term needs of the homeless, and avoiding the duplication of services by coordinating with service providers and the CSOC.

Since 2014, the City of Modesto has collaborated with Stanislaus County in the Focus on Prevention led by Stanislaus County. The goal of the Focus on Prevention initiative is to bring all sectors of the community together to provide an opportunity for cross-sector development of community-wide prevention strategies. The effort focuses on the coordination between the following sectors in the community: Education, Neighborhoods, non-profits, media, philanthropy, business, faith-based, government, arts/entertainment/sports, and health.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Modesto has participated in CSOC's planning process to move individuals and families from homelessness to permanent housing and independent living through a network of housing linked to supportive services. The primary strategy document is the annual CSOC Application. Additionally, the CSOC is currently working with its members in the first steps toward a continuum-wide coordinated intake system.

Addressing the emergency shelter and transitional housing needs of homeless persons

As the county seat of Stanislaus County, the City of Modesto is where most services (including shelter and transitional housing) are located for Stanislaus County. Therefore, many people experiencing homelessness who utilize available services reside with the City of Modesto.

The City of Modesto funds shelter activities to the maximum extent possible with CDBG Public Services and ESG (Hold-Harmless Need or HHN) funds. Other strategies designed to address homelessness, such as financial assistance and supportive housing, are carried out through other City of Modesto funding sources, such as using federal stimulus funds in partnership with the Housing Authority to build affordable housing designed to serve youth experiencing homelessness and other extremely low-income/homeless populations.

All ESG sub-recipients that carry out emergency shelter activities have a street outreach component to its operations. Additionally, these ESG sub-recipients also participate in the local CSOC's point-in-time count, which affords them an opportunity to reach out to unsheltered persons. Also, through the CSOC, the City of Modesto participates in the annual Street Relief event, which provides a variety of services (bike repair, veterinary, haircut, information and referral, etc.) to scores of persons experiencing homelessness, including unsheltered persons

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

These homeless subpopulations are a high priority for the City of Modesto. The City of Modesto is coordinating with the CSOC and U.S. Department of Veterans Affairs, allocated security deposit assistance to its sub-recipient, Community Housing and Shelter Services (CHSS) to provide this assistance to HUD-VASH program participants, as this particular assistance is not available through this otherwise comprehensive HUD-VA program.

Families and children experiencing homelessness is also prioritized as reflected by CDBG and ESG allocations to sub-recipients that serve these subpopulations (Center for Human Services, Children's Crisis Center, Haven Women's Center, and Family Promise).

City of Modesto, its ESG sub-recipients, and other partners are especially strategic in helping these subpopulations of persons experiencing homelessness. For example, City of Modesto's Homelessness Prevention and Rapid Re-Housing (HPRP) activities through Community Housing and Shelter Services includes the allocation of ESG funds for HUD-VASH program participants (veterans and/or their families experiencing homelessness) so that they may receive security deposit assistance, which is not available through this otherwise-comprehensive permanent supportive housing program. Another subpopulation that is targeted with ESG HPRP financial assistance is families with dependent children. In addition to helping these persons make the transition to stable housing using its ESG funds, the City of Modesto has invested millions of dollars using federal stimulus funds to develop, in partnership with its sub-recipient, the Housing Authority, a 32-unit complex designed to serve youth experiencing homelessness and former foster youth (ages 18-28) with permanent supportive housing. Center for Human Services' Pathways serves as a transitional supportive housing pathway to this 32-unit permanent supportive housing project.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Based on the results of the City's Notice of Funding Availability released January 2018, four programs are recommended for ESG funding that will provide street outreach, shelter, homeless prevention, rapid rehousing, and HMIS data entry support.

While a discharge coordination plan has yet to be developed and implemented locally, the City of Modesto does help lead in the coordination of the Stanislaus CoC's services. Furthermore, homelessness prevention assistance, while scarce, is provided through an ESG sub-recipient (Community Housing and Shelter Services). Foster care youth and those exiting the foster care system will be served through the City of Modesto partnership with the Housing Authority on the above-mentioned federal stimulus funded activity.

Discussion

No additional discussion

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	20
Tenant-based rental assistance	
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	
Total	

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The goals from the City of Modesto’s 2016 Housing Element are relevant to the Consolidated Plan requirements to remove barriers to affordable housing.

The City of Modesto adopted an Analysis of Impediments to Fair Housing Choice (AI) in 2015 that outlines the public policies that could potentially limit access to affordable housing. These public policies include: development plans and policies, zoning ordinances, building occupancy, health and safety codes, affordable housing development, public housing authoring collaboration, and community representation and participation. An example of a policy that incentivizes the development of affordable housing is a recently updated program that provides exemptions and/or deferrals of Capital Facilities Fees to for-profit or non-profit affordable housing developers, with special consideration given to CHDOs.

The City of Modesto in collaboration with other participating cities throughout the Northern San Joaquin Region (Smart Valley Places) has completed a Fair Housing and Equity Assessment (FHEA) informed the City of Modesto’s updated AI. The City of Modesto is will also participate in any HUD sponsored trainings to implement changes as required by the new Assessment of Fair Housing (AFH) final rule.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Potential constraints to housing development may vary by area, but generally include infrastructure, residential development fees, land use controls, development standards, development and building permit application processing times, and resource preservation. Barriers to housing also include personal barriers such as poor credit history, criminal background, limited knowledge about tenant rights, and the complaint process.

The City of Modesto has worked to eliminate internal barriers to the development of affordable housing through the following continuing efforts:

- Providing funding for land acquisition, secondary financing, and infrastructure costs;
- Assisting qualified households to purchase homes utilizing the Homebuyer Assistance Program;
- Assisting eligible households connect to municipal services such as water and sewer financial assistance programs.
- Exemption or deferral of Capital Facilities Fees for projects providing low-income housing;
- Using the adopted streamlining process for environmental review;
- Continuing to work with non-profit housing agencies in the provision of supportive services and programs; and
- Using streamlined application review and permit processing.

Discussion

No additional discussion.

AP-85 Other Actions – 91.220(k)

Introduction

The City of Modesto, through the Consolidated Plan, targets federal funds to residents that have traditionally not been served, or are underserved, by previous programs. Project activities funded through the Consolidated Plan are carefully designed to provide appropriate and needed services, particularly those that may not be eligible for assistance from other sources, or are geographically isolated by lack of transportation, or lack basic amenities, such as medical care in their neighborhoods.

Actions planned to address obstacles to meeting underserved needs

See response at AP-35 “Describe the reasons for allocation priorities and any obstacles to addressing underserved needs.”

Actions planned to foster and maintain affordable housing

See response at AP-55 “Affordable Housing.”

Actions planned to reduce lead-based paint hazards

The City of Modesto has adopted policies to be implemented in its housing programs, which comply with HUD requirements relating to lead-based paint hazards. In alignment with HUD’s requirements, lead-based paint remediation actions will depend on the level of subsidy provided on a project by project basis. The following is the City’s lead based policy for reduction of lead paint hazards:

Subsidy Amount		
<\$5,000	\$5,000-\$25,000	>\$25,000

Approach to Lead Hazard Evaluation and Reduction	"Do No Harm": Use lead safe work practices	Identify and control Lead hazards	Identify and Abate Lead Hazards
Homeowner Notification	Yes	Yes	Yes
Lead Hazard Evaluation	Presume Presence of LBP (alternative: Paint testing of surfaces to be disturbed by rehabilitation)	Paint testing of surfaces to be disturbed by rehabilitation AND Risk assessment	Paint testing of surfaces to be disturbed by rehabilitation AND Risk assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation, use lead-safe work practices, clearance test of work site upon completion.	Interim controls, lead- safe work practices, clearance test of unit upon completion.	Complete abatement, lead-safe work practices, clearance test of unit upon completion.

Most housing rehabilitation projects are subject to federal regulations for Lead-Based Paint and contractors must be certified in safe work practices when completing the rehabilitation work. This effort in the past has resulted in more contractors being able to bid on and participate in the projects that contain lead-based paint.

The cost for the stabilization of lead based paint can be included in the City of Modesto's housing rehabilitation loan program. The cost of the lead-based paint inspection and/or clearance is paid from entitlement funds.

The City of Modesto will continue to provide lead-based paint testing as a component of its housing repair and rehabilitation programs when required by HUD regulations. Given the age and condition of the City of Modesto's housing stock, there are a significant number of homes where lead-based paint testing is needed.

Actions planned to reduce the number of poverty-level families

The City of Modesto has a multi-pronged approach to addressing poverty through an adequate, affordable, quality housing supply, improving low-income neighborhoods, strengthening families, strengthening employment skills of the community, and ensuring access to the basic needs such as food and shelter. This multi-pronged approach will strengthen the community as a whole and play a huge part in reducing the number of people living within the poverty level. The City of Modesto plans to fund specific activities that address each of these goals during the Consolidated Plan timeframe.

Since 2014, the City of Modesto has collaborated with Stanislaus County in the Focus on Prevention led by Stanislaus County. The goal of the Focus on Prevention initiative is to bring all sectors of the community together to provide an opportunity for cross-sector development of community-wide prevention strategies. The effort focuses on the coordination between the

following sectors in the community: Education, Neighborhoods, non-profits, media, philanthropy, business, faith-based, government, arts/entertainment/sports, and health.

The City of Modesto's strategy for reducing poverty will be successful only to the extent that:

- Adequate state and federal funding is available for education, job training, and supportive service programs that will increase economic opportunity and self-sufficiency;
- Adequate state and federal funding is available for regional infrastructure necessary to support economic development; and
- The City of Modesto's competitiveness in relation to other regional economies attracts employers and industries that create higher paying jobs. Unfortunately, the City of Modesto has little or no direct control over these factors and can make only marginal improvement in the local rate of poverty through its use of federal and other funds.

City of Modesto staff, through its engagement in the local Focus on Prevention initiative, is engaged in the Coordinated Entry system. Coordinated entry (also known as coordinated assessment system) is a consistent, community wide process to match people experiencing homelessness or at-risk of homelessness to community resources that are the best fit for their situation. In a community using coordinated entry, homeless individuals and families complete standard triage assessment survey that identifies the best type of services for that household. Participating programs accept referrals from the system, reducing the need for people to traverse the county seeking assistance at every provider separately. The process helps prioritize housing and homeless assistance based on vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. The process also provides information about service needs and gaps to help plan assistance and identify needed resources in our community.

The intent is to provide coordinated entry to the entire geographic area through Access Points. Access Points are places—either virtual or physical—where an individual or family in need of assistance accesses the coordinated entry process. People experiencing homelessness can complete the assessment survey to participate in coordinated entry and are matched with community resources that best fit their situation. All locations and methods offer the same assessment approach and referrals using uniform decision-making processes. The Access Points in Stanislaus County include: 1) A centralized physical location (Access Center) in Stanislaus County where housing and support services, among others are provided, 2) 211 hotline system that screens and directly connects people to services, 3) Continuum of Care partners that provide assessments using the same tool county-wide, 4) A specialized Multi-disciplinary Outreach and Engagement Team that scouts the geographic area to provide access to those who might not want to engage at a physical access point.

Actions planned to develop institutional structure

Modesto will continue to work collaboratively with service and shelter providers to identify and address gaps in the institutional structure and service delivery system.

Modesto generally has a well-developed institutional structure and service delivery system.

Modesto will continue to work to increase the resources devoted to permanently affordable housing to serve as a stabilizing force preventing homelessness.

Modesto will focus increased resources on homeless prevention/crisis intervention, especially on homeless youth, aging-out foster youth, families with children, and persons being discharged from institutions.

Modesto will continue to devote resources to address the needs of the chronically homeless including comprehensive case management, supportive housing, shelters and transitional housing.

Modesto will target resources to the lowest income groups with the highest needs including the chronically homeless, homeless youth, homeless families with children, and those living in transitional shelters.

Actions planned to enhance coordination between public and private housing and social service agencies

City of Modesto relies primarily on its (A) close consultation with the CSOC, which is made up of representative stakeholders and (B) monthly meetings with its public and private housing development partners, which include local private CHDOs (e.g., Habitat for Humanity, Stanislaus County and Stanislaus Affordable Housing Corporation, and Great Valley Housing Development Corporation (GVHDC)) and the Housing Authority (to enhance coordination in the areas of community housing and social services).

The City of Modesto relies on non-profit organizations and for-profit developers to build and acquire, develop, and rehabilitate affordable units. The City of Modesto will continue to work closely with these entities to ensure that each year as many new affordable units are developed or made available.

The City of Modesto also relies on the non-profit service sector to provide emergency shelter and transitional and special needs housing. The City of Modesto will continue to support eligible organizations and their activities with local, state and federal funding as it's made available and upon their governing entity's approval.

Discussion

No additional discussion.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Please see the responses below that are specific to the CDBG, HOME and ESG programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed 0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.
0
3. The amount of surplus funds from urban renewal settlements 0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan 0
5. The amount of income from float-funded activities 0

Total Program Income: Refer to Annual Action Plan Budget (Project Summary)

Other CDBG Requirements

1. The amount of urgent need activities 0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 100.00%

HOME Investment Partnerships Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City of Modesto does not use forms of investment within the local HOME program other than those identified in Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Pursuant to 24 CFR 92.254(a)(5)(ii), the City requires that HOME funds be recaptured if the property does not continue to be the principal residence of the buyer for the duration of the Affordability Period secured by an Affordable Housing Covenant. The Recapture Provision shall apply to a HOME assisted property only when a Direct HOME Subsidy is provided to a homebuyer.

The Recapture provision will ensure that the City of Modesto recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the affordability period.

Per, 24 CFR 92.254(a)(5)(ii)(A), In establishing recapture requirements, the City of Modesto is subject to the limitation that when the recapture requirement is triggered by a sale (voluntarily or involuntarily) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, the City of Modesto will only recapture the net proceeds, if any. ***The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs.***

Of the recapture options described in 92.254(a)(5)(ii)(A), the City of Modesto will use a the "Shared Net Proceeds" option as outlined in 24 CFR 92.254(a)(5)(ii)(A)(3). With this option, if the net proceeds are not sufficient to recapture the entire HOME investment, the City and original homebuyer will share the net proceeds.

To calculate the amount of net proceeds (or shared appreciation) to be returned to the City the following formula will be applied:

$$\frac{\text{HOME investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net proceeds} = \text{HOME amount to be recaptured}$$

To calculate the amount of net proceeds (or shared appreciation) to available to the homebuyer the following formula will be applied:

$$\frac{\text{HOME investment}}{\text{Direct HOME Subsidy} + \text{Homeowner Investment}} \times \text{Net proceeds} = \text{HOME amount to be recaptured}$$

Since the HOME rule limits recapture to available net proceeds, the City will only recapture what is available from net proceeds. In this case, the City is not required to repay the difference between the total direct HOME subsidy and the amount the City is able to recapture from available net proceeds

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The same methodology outlined in question 2 above will be used to ensure affordability for any units acquired with HOME funds.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds to refinance existing debt.

Emergency Solutions Grant (ESG)

Reference 91.220(I)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

City of Modesto, in consultation with the CSOC stakeholders, developed policies and procedures for providing ESG assistance that incorporates the new and broadened components of ESG.

Standards for providing ESG homelessness prevention and rapid re-housing assistance include respectively targeting households with dependent children and persons experiencing homelessness connected to or eligible to receive (within 6 months) assistance from mainstream benefits and services.

These standards also include limiting assistance for a period of up to six (6) months and extending the period of assistance up to the maximum 18 months on a case-by-case basis.

HUD-VASH (U.S. Department of Housing and Urban Development-U.S. Department of Veterans Affairs Supportive Housing) program participants are also prioritized to receive security deposit assistance upon HUD-VASH intake.

Income qualification guidelines are no less restrictive than ESG guidelines (30% or below AMI for homelessness prevention assistance and not-applicable for rapid re-housing).

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The CSOC is currently working on establishing a centralized and coordinated assessment system that meets HUD requirements.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City of Modesto consults with the CSOC Care to develop funding priorities and competitively awards ESG funding through an RFP process. This RFP process conforms to the

City of Modesto's rigorous procurement process, including public noticing and utilizing its state-of-the-art online bidding system. The funding priorities as it relates to ESG are funding emergency shelter to the maximum extent possible (up to Hold Harmless Need [HHN] limit) and prioritizing rapid re-housing higher than homelessness prevention.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City of Modesto is unable to meet the homeless participation requirement in 24 CFR 576.405(a) due to the fact that its policy-making entity is made up of elected officials. The City of Modesto, however, works very closely with the CSOC which is made up of a representative group of diverse stakeholders, including persons experiencing homelessness and those who at one time in their lives had experienced homelessness. The City of Modesto intends to work with the CSOC and elected and appointed City of Modesto officials to develop a formal homeless participation plan that will engage persons experiencing homelessness in a meaningful way that influences homelessness-related policies, including development of funding priorities and funding allocation.

5. Describe performance standards for evaluating ESG.

The City of Modesto consulted with the CSOC and developed the following performance standard: Elimination or mitigation of barriers to stable housing. These barriers may be financial, health-related, relational, etc. CSOC stakeholders determined that post-assistance follow-up evaluation is extremely difficult to achieve.

Discussion

The City of Modesto consults closely and regularly (at least monthly) with the CSOC and its HMIS, ESG/HPRP, and SHP subcommittees, which develop policies and procedures for these programs and is taking the lead in building the service infrastructure that will be necessary to sustain a centralized or coordinated assessment system. This consultation takes the form of reports and presentations that are placed on the CSOC monthly meeting agendas.

The operation and administration of the Homeless Information Management System (HMIS) designated by the CSOC is led by the Stanislaus Housing Authority. The City of Modesto may pay the costs of contributing data to the HMIS via funding to sub-grantees or to the HMIS Lead.

The City of Modesto is member of the CSOC/HMIS Subcommittee which meets monthly to develop policies, procedures, and best practices and offers trainings developed by the developed by the HMIS Lead

Estimated CDBG Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 CDBG PROJECT SUMMARY**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)							
Project/Activity Name	IDIS Activity #	Previous Year Funds	FY 2018* Amount	RLF	CDBG P.I.	NSP P.I. (Convert to CDBG)	Total Project Budget - 201
FY 2018-2019 CDBG DIRECT ACTIVITIES							
1 FY 2018-2019 CDBG PLANNING & ADMINISTRATION	1291	\$ -	\$ (400,750.00)	\$ -	\$ (20,000.00)	\$ -	\$ (420,750.00)
2 AFFORDABLE HOUSING - SMALL HOMES IN FILL PROJECTS		\$ -	\$ -	\$ -	\$ -	\$ (300,000.00)	\$ (300,000.00)
3 ADA RAMP'S AND CURB CUTS PROJECTS	1292	\$ (74,000.00)	\$ (107,665.00)	\$ -	\$ -	\$ -	\$ (181,665.00)
4 2018 HOUSING REHABILITATION ADMINISTRATION/ACTIVITY DELIVERY (14H)	1293	\$ -	\$ (406,380.00)	\$ -	\$ -	\$ (147,210.00)	\$ (553,590.00)
5 ECONOMIC DEVELOPMENT - REAL PROPERTY EQUIPMENT/IMPROVEMENTS	1294	\$ -	\$ (50,000.00)	\$ -	\$ -	\$ -	\$ (50,000.00)
6 PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN (21H)	1295	\$ -	\$ (150,000.00)	\$ -	\$ -	\$ -	\$ (150,000.00)
7 PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS	1296	\$ (150,000.00)	\$ -	\$ -	\$ -	\$ -	\$ (150,000.00)
ACTIVE PROJECT ACTIVITIES							
8 AFFORDABLE HOUSING - RENTAL HOUSING REHABILITATION	1297	\$ -	\$ -	\$ (457,737.00)	\$ (53,605.00)	\$ (250,000.00)	\$ (761,342.00)
9 AFFORDABLE HOUSING - OWNER OCCUPIED HOUSING REHABILITATION	1298	\$ (180,000.00)	\$ -	\$ (505,314.00)	\$ (26,395.00)	\$ (12,445.00)	\$ (724,154.00)
10 SECTION 109 LOAN REPAYMENT FY 2018-2019	1299	\$ (302,003.00)	\$ -	\$ -	\$ -	\$ -	\$ (302,003.00)
11 CENTER FOR HUMAN SERVICES - CAPACITY BUILDING	1274	\$ (40,000.00)	\$ (25,000.00)	\$ -	\$ -	\$ -	\$ (65,000.00)
PRIOR YEAR ACTIVITIES							
12 ACCESS CENTER	1232	\$ (344,039.96)	\$ -	\$ -	\$ -	\$ -	\$ (344,039.96)
13 CROWS LANDING ROAD NEIGHBORHOOD PROJECT	1260	\$ (63,066.00)	\$ (400,000.00)	\$ -	\$ -	\$ -	\$ (463,066.00)
14 WATER/SEWER CONNECTION PROGRAM	1264	\$ (339,477.00)	\$ -	\$ -	\$ -	\$ -	\$ (339,477.00)
15 FRESNO CDFI - ECONOMIC DEV. SMALL BUSINESS LOANS	1233	\$ (200,000.00)	\$ -	\$ -	\$ -	\$ -	\$ (200,000.00)
16 SENIOR PLAYGROUND	1253	\$ (130,647.28)	\$ (217,821.00)	\$ -	\$ -	\$ -	\$ (348,468.28)
FY 2018-2019 PUBLIC SERVICES							
17 ADVOCATES FOR JUSTICE - SEAT	1300	\$ -	\$ (22,899.00)	\$ -	\$ -	\$ -	\$ (22,899.00)
19 CENTER FOR HUMAN SERVICES - PATHWAYS	1301	\$ -	\$ (27,000.00)	\$ -	\$ -	\$ -	\$ (27,000.00)
20 CHILDREN'S CRISIS CENTER - AUDREY'S HOUSE	1302	\$ -	\$ (23,100.00)	\$ -	\$ -	\$ -	\$ (23,100.00)
18 CASA OF STANISLAUS COUNTY - DIRECT SERVICE	1303	\$ -	\$ (28,200.00)	\$ -	\$ -	\$ -	\$ (28,200.00)
21 HAVEN WOMEN'S CENTER - DV SHELTER	1304	\$ -	\$ (25,599.00)	\$ -	\$ -	\$ -	\$ (25,599.00)
22 PARENT RESOURCE CENTER - CONNECTING FAMILIES	1305	\$ -	\$ (21,999.00)	\$ -	\$ -	\$ -	\$ (21,999.00)
23 UNITED SAMARITANS FOUNDATION - DAILY BREAD MOBILE LUNCH	1306	\$ -	\$ (25,700.00)	\$ -	\$ -	\$ -	\$ (25,700.00)
24 PROJECT SENTINEL - FAIR HOUSING	1307	\$ -	\$ (25,000.00)	\$ -	\$ -	\$ -	\$ (25,000.00)
25 SALVATION ARMY	1313	\$ -	\$ (46,639.00)	\$ -	\$ -	\$ -	\$ (46,639.00)
BALANCE		\$ 0.00	\$ -	\$ -	\$ -	\$ -	\$ 0.00

* City Fiscal Year 2019

Estimated ESG Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 ESG PROJECT SUMMARY**

EMERGENCY SOLUTIONS GRANT (ESG)						
Project/Activity Name	IDIS Activity #	Prior Year Funds	FY 2018* Amount	N/A	N/A	Total Project Budget - 2018
ESG ENTITLEMENT ACTIVITIES		\$ -	\$ 164,535.00	\$ -	\$ -	\$ 164,535.00
1 ESG ENTITLEMENT ADMINISTRATION	1308	\$ -	\$ (12,340.00)	\$ -	\$ -	\$ (12,340.00)
2 CENTER FOR HUMAN SERVICES - HUTTON HOUSE (STREET OUTREACH)	1309	\$ -	\$ (35,000.00)	\$ -	\$ -	\$ (35,000.00)
3 CHSS- HMLSS PREV & RENTAL ASSISTANCE (HOMLESS PREVENTION)	1310	\$ -	\$ (30,000.00)	\$ -	\$ -	\$ (30,000.00)
4 SALVATION ARMY - BERBERIAN SHELTER (SHELTER)	1311	\$ -	\$ (63,721.00)	\$ -	\$ -	\$ (63,721.00)
5 TURNING POINT - HOUSING ASSESSMENT (RAPID REHOUSING)	1312	\$ -	\$ (23,474.00)	\$ -	\$ -	\$ (23,474.00)
BALANCE		\$ -	\$ -	\$ -	\$ -	\$ -

* City Fiscal Year 2019

Estimated HOME Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 HOME PROJECT SUMMARY**

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Project/Activity Name	IDIS Activity #	CHDO Set Aside	Direct Entitlement	CHDO Operating	Admin	Program Income	Total Project Budget - 201
ALLOCATION FROM PREVIOUS YEARS		\$ 521,234.36	\$ 1,759,683.24	\$ 2,297.59	\$ -	\$ 107,674.00	\$ 2,390,889.
FY 2018-2019 ALLOCATION		\$ 148,938.00	\$ 695,049.00	\$ 49,646.00	\$ 99,292.00	\$ 117,050.00	\$ 1,109,975.
PRIOR YEAR ACTIVITIES		\$ 670,172.36	\$ 2,454,732.24	\$ 51,943.59	\$ 99,292.00	\$ 224,724.00	\$ 3,500,864.19
ARCHWAY COMMONS PHASE 2	1282	\$ -	\$ (1,569,620.00)	\$ -	\$ -	\$ -	\$ (1,569,620.00)
522 E. GRANGER AVENUE, MODESTO CA	1184	\$ -	\$ (226,498.24)	\$ -	\$ -	\$ -	\$ (226,498.24)
2018-2019 ACTIVITIES							
FY 2018 HOME PROGRAM PLANNING & ADMINISTRATION		\$ -	\$ -	\$ -	\$ (99,292.00)	\$ -	\$ (99,292.00)
FY 2018-2019 P.I. PROGRAM PLANNING & ADMINISTRATION		\$ -	\$ -	\$ -	\$ -	\$ (22,472.00)	\$ (22,472.00)
AFFORDABLE HOUSING - HOMEBUYER ASSISTANCE		\$ -	\$ (240,000.00)	\$ -	\$ -	\$ (106,907.00)	\$ (346,907.00)
AFFORDABLE HOUSING - SMALL HOMES IN FILL PROJECTS		\$ (176,498.00)	\$ (418,614.00)	\$ -	\$ -	\$ (95,345.00)	\$ (690,457.00)
FY 2018 CHDO SET ASIDE		\$ (493,674.36)	\$ -	\$ -	\$ -	\$ -	\$ (493,674.36)
FY 2018 CHDO OPERATING SUPPORT		\$ -	\$ -	\$ (51,943.59)	\$ -	\$ -	\$ (51,943.59)
BALANCE		\$ -	\$ 0.00	\$ -	\$ -	\$ -	\$ -

* City Fiscal Year 2019

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-239**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CITY OF
MODESTO'S ANNUAL OPERATING, MULTI-YEAR AND CAPITAL
IMPROVEMENT PROJECT BUDGETS TO REFLECT THE ALLOCATION OF
FUNDS OUTLINED IN THE PROGRAM YEAR 2018-19 ANNUAL ACTION
PLAN BUDGET PROPOSAL SUBMITTED TO THE U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT AND AUTHORIZING THE
INTERIM CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY
STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION**

WHEREAS, each year the City of Modesto receives Community Development Block Grant (CDBG), HOME Investment Partnership Grant (HOME) and Emergency Solutions Grant (ESG) funds from the U.S. Department of Housing and Urban Development (HUD), and

WHEREAS, the CDBG and HOME grant programs also generate program income and revolving loan fund income which further fund the grant programs and are to be used under similar rules and regulations as grant funding, and

WHEREAS, HUD requires these amounts to be presented to the City Council each year in an Annual Action Plan (AAP), and

WHEREAS, funding is not always spent within a fiscal year and HUD authorizes remaining balances to be used in the following year as carryover, and

WHEREAS, actual carryover amounts are unknown to the City staff during the City's annual budget process, and

WHEREAS, according to HUD rules and regulations, substantial amendments to an AAP must be presented to the City Council for approval, while unsubstantial amendments, remaining consistent with the AAP, can be made in IDIS by City staff, and

WHEREAS, budget adjustments are necessary to revise CDBG, HOME and ESG proposed budgets included in the City of Modesto 2018-2019 Annual Operating, Multi-Year and Capital Improvement Budgets, and

WHEREAS, budget amendments performed under the authority of this resolution will be presented to the Finance Committee and the Council as part of the existing Monthly Budget Adjustment Report process, and

WHEREAS, the authority of this resolution will not be used to satisfy any HUD rules or regulations requiring information to be presented to the City Council or the public, and

WHEREAS, Staff requests to update city financial system budgets to reflect the allocation of funds outlined in the Program Year 2018-19 Annual Action Plan budget submitted to the U. S. Department of Housing and Urban Development as noted in **attachment hereto Exhibit A.**

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an amendment to the Fiscal Year 2018-2019 annual operating, multi-year and capital improvement budgets, reflecting the allocation of funds as shown in **Exhibit A**, and incorporated herein by reference.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

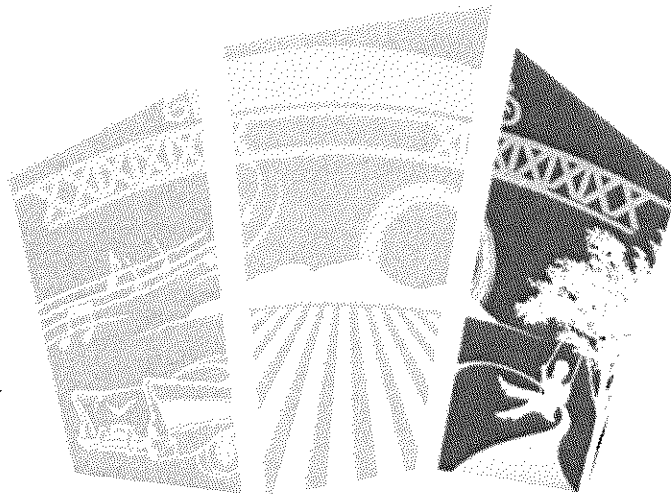
ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Annual Action Plan Program Year 2018-2019



CITY OF
MODESTO
CALIFORNIA

City Of Modesto
Community and Economic Development Department
1010 10th Street, Suite 3100
Modesto, CA 95354
www.modestogov.com
housing@modestogov.com

Committee: Citizens Housing and Community Development Committee
City Council: June 12, 2018

Approved:
Approved:

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Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2018-2019 Annual Action Plan is a component of the City of Modesto's 2015-2020 Consolidated Plan. The Consolidated Plan serves as the City of Modesto's strategic plan for leveraging the United States Department of Housing and Urban Development's (HUD) annual entitlement allocations of three key federal grant programs: (1) Community Development Block Grant (CDBG); (2) Emergency Solutions Grant (ESG); and (3) HOME Investment Partnerships Program (HOME). The Consolidated Plan and Annual Action Plans are multi-purpose documents which serve as: 1) planning documents, 2) an application for federal funds under HUD's formula grants programs, 3) an implementation strategy, and 4) a method to allocate funds to specific projects and activities.

The City of Modesto's Program Year (PY) 2018-2019 Annual Action Plan represents the fourth (4th) year plan of the City of Modesto's 2015-2020 Consolidated Plan. The PY 2018-2019 AAP identifies activities to be undertaken during the program year to address community priority needs. Further, the PY 2018-2019 AAP identifies the expected resources to be available and the activities to be funded along with related activity accomplishments.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Modesto has identified the following areas on which to focus funds:

- Affordable Housing
- Fair Housing
- Ending Chronic Homelessness
- Public Services
- Public Facilities Improvements
- Public Improvements

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of Modesto funded a number of activities in the PY 2017-2018 Annual Action Plan in an attempt to address the community needs as identified in the Consolidated Plan. Through

these activities, the City of Modesto continued to take an active role in promoting and producing affordable housing, addressing the social and economic needs of low- and moderate-income individuals, and serving the special needs populations within the City of Modesto.

Program Year 2017-2018 continued to be year of transition for the City of Modesto, specifically within the Community Development Division. In PY 2017-2018 the City of Modesto's HUD Division began with a new team to administer the City's HUD programs. With the new team, the Division positioned itself to better support the community in its focus towards furthering efforts such as affordable housing, fair housing outreach and education, ending Chronic Homelessness, expanding public services, strategic infrastructure and eligible public facility improvements. During PY 2017-2018, HUD Division staff made great strides in addressing past performance related monitoring findings and concerns, meeting CDBG, ESG, and HOME timeliness expenditure deadlines; and more effectively administering the CDBG, ESG, and HOME projects in a manner that addresses the complex regulatory requirements of the activities provided by entitlement funds.

The PY 2017-2018 AAP identified housing programs funded through the CDBG and HOME activities to assist in stabilizing neighborhoods by supporting affordable housing rehabilitation and homebuyer assistance. A total of 21 households received housing rehabilitation assistance and 3 first time homebuyers were provided homebuyer loans to assist in the purchase of their first home.

Under the City of Modesto's 2017-2018 CDBG and ESG Public Service program, the City provided a total of \$361,000 to 14 non-profit agencies to deliver essential emergency and public services to extremely low to moderate income families and individuals. Collectively, it is projected that these organizations will have served over 10,000 unduplicated individuals in PY 2017-2018.

The City of Modesto monitors all sub-recipients on a regular basis through written correspondence, phone conversations, electronic information transfers, face-to-face monitoring visits (up to once per quarter), and ongoing project file reviews. Monitoring is conducted to ensure statutory and regulatory requirements are being met and that information submitted to City staff is accurate and complete.

An agreement is executed with every sub-recipient which clearly states all contractual obligations, including but not limited to, the project scope of work, performance measurement standards, reporting requirements, drawdown requirements, and applicable federal rules and regulations. This monitoring process emphasizes on-site field visits, desk audits, technical assistance, and assistance to sub-recipients to ensure a good data collection and reporting system is in place. Performance of all sub-recipient activities are tracked in various categories from appropriate use of administrative funds to verifying that outputs (numbers served) and

outcomes (how those served are better off after receiving the service) are being met for all awarded public service related activities and City projects.

4. Summary of Citizen Participation Process and consultation process
Summary from citizen participation section of plan

The City of Modesto has traditionally held a minimum of two neighborhood meetings each year in low-income census tract areas to encourage participation of low- and moderate-income persons in conjunction with the development of its Annual Action Plan and, every five years, for the development of its Consolidated Plan.

For the 2018-2019 Annual Action Plan Cycle, continued the Citizen Participation Process approach adopted in PY 2017 by targeting a minimum of one low income Census Tract Block Group within eligible City Council Districts and holding community meetings within the targeted Census Tract Block Group areas. This year, a total of ten (10) community meetings were held, and approximately 200 people attended. The meetings were held at different times and locations in an effort to accommodate the needs of low-income residents, particularly persons with Limited English Proficiency community needs (e.g. – Spanish speaking translation services were provided at four (4) of the site locations based upon need). Persons with disabilities and protected classes were also considered when choosing public meeting opportunities throughout the community.

Spanish-speaking translators were made available at all meetings. If a request for another language(s) translator was made at least five (5) working days prior to a public meeting, a translator for the requested language(s) would be provided. All community input meetings were held at public buildings accessible to disabled individuals.

To obtain community input on the development of the 2018-2019 Action Plan, staff attended meetings with local focus groups and forums discussing health services, social and fair housing services, including those focusing on services to children, elderly persons, persons with disabilities, and their families, the homeless and the chronically homeless persons. Presentations to these groups outlined the eligible uses of these funds, how the funds are currently utilized, and proposed uses.

The following is a list of community meetings that were held in low income census tract block groups and the number of attendees at each meeting:

Date	Time	Location	District/Census Track	Approximate Number of Attendees
January 11, 2018	12:00 p.m.	Citizens' Housing & Community Development Committee City/Council Administration Building 1010 Tenth Street, Room	Citywide (District 2)/Block Group 2/ Census Tract 18	6

		B300		
February 21, 2018	5:30 p.m.	West Modesto King Kennedy Collaborative Location: 601 S. Martin Luther King Drive Modesto, CA. 95350	District 2/Block Group 1/Census Tract 16.01	15
February 22, 2018	7:00 p.m.	Orchard Park Neighborhood Alliance Meeting Location: St Joseph's Catholic Church 1813 Oakdale Rd Modesto, Ca 95355	District 6/Block Group 4, Census Tract 9.10	15
February 23, 2018	9:00 a.m.	Robertson Road Elementary Location: 1821 Robertson Road, Modesto, CA 95351	District 6/ Block Group 3/ Census Tract 16.04	17
March 8, 2018	12:00 p.m.	Citizens' Housing & Community Development Committee City/Council Administration Building 1010 Tenth Street, Room 3001 Modesto, Ca 95354	Citywide (District 2)/Block Group 2/ Census Tract 18	3
March 12, 2018	3:30 p.m.	Airport Neighborhood Collaborative Location: 801 Empire Ave. Modesto, Ca 95354	District 4/Block Group 3 /Census Tract 16.04	20
March 26, 2018	6:30 p.m.	Delwood Neighborhood Alliance Meeting Location: Trinity United Presbyterian Church 1600 Carver Rd Modesto, Ca 95350	District 3/Block Group 2/ Census Tract 14/	18
April 13, 2018	9:00 a.m.	Airport Neighborhood Community Chats Location: 805 Empire Ave. Modesto, Ca 95354	District 4/Block Group 3 /Census Tract 16.04	19
April 27, 2018	8:45 a.m.	Shackelford Elementary School Location: 100 School Avenue Modesto, CA 95351	District 2/ Block Group 4/ Census Tract 23.01	16
May 17, 2018	2:30 p.m.	Stanislaus County System of Care Location: 1500 I Street Modesto, CA 95351	Citywide (District 2)/Block Group 2/ Census Tract 18	60

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See AP-12-Participation for a summary of comments received throughout the public comment period.

6. Summary of comments or views not accepted and the reasons for not accepting them

The City of Modesto considered and accepted all comments.

7. Summary

See AP-12-Participation for a summary of comments received throughout the public comment period.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	MODESTO	Community & Economic Development Department
HOME Administrator	MODESTO	Community & Economic Development Department
ESG Administrator	MODESTO	Community & Economic Development Department

Table 1 – Responsible Agencies

Narrative

The City of Modesto is the lead agency responsible for preparation of the 2015-2020 Consolidated Plan and related Annual Action Plans and for administration of each grant program and its associated funding source(s). Primary oversight of the City of Modesto’s HUD entitlement grant programs comes from the Citizens’ Housing and Community Development Committee (CH&CDC). The CH&CDC is an 11-member committee appointed by the Modesto City Council and is comprised of representatives from the Modesto City Council, Planning Commission, Housing Rehabilitation Loan Committee, Human Relations Commission and several citizens-at-large. Generally, the citizens-at-large represent low-income and racial minority groups. The CH&CDC makes funding recommendations to the City of Modesto Council regarding CDBG, ESG and HOME grant programs as well as other one-time HUD-funded programs.

To avoid a perceived conflict of interest, any individual who is a member of a board of directors or is employed by an agency that applies for or receives CDBG, ESG, HOME, or other HUD funding, is ineligible to vote on funding decisions involving their respective agencies.

Generally, the CH&CDC meets once a month. These meetings are publicly noticed, open to the public and are typically held at Tenth Street Place, 1010 Tenth Street, Modesto, California. Public comments are both encouraged and welcomed. At least one (1) meeting is scheduled during the public comment period for the development of, or substantial amendment to, the City of Modesto's Annual Action Plan, Consolidated Plan, Annual Action Plan and Analysis of Impediments as well as the City of Modesto's Consolidated Annual Performance and Evaluation Report (CAPER).

Consolidated Plan Public Contact Information

The following are several ways in which an interested party can contact the City of Modesto staff with comments regarding the City of Modesto's PY 2018-2019 Annual Action Plan:

- Telephone: (209) 577-5211
- Hearing Impaired Dial the California Relay Service Number: Dial 711, and then ask for 209-577-5211
- Email: housing@modestogov.com
- In person: City of Modesto, Community & Economic Development Department 1010 Tenth Street, 3rd Floor, Modesto, California, 95354
- Mail: City of Modesto, Community & Economic Development Department Community Development Division, P.O. Box 642, Modesto, California 95353

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

Two objectives of the City of Modesto's 2015-2020 Consolidated Plan are to 1) promote citizen participation in the development of local priority needs and objectives and 2) encourage consultation with public and private agencies to identify shared needs and solutions to persistent community problems.

The City of Modesto invites the community to provide input on the ways in which grant funds received from HUD are spent. The City of Modesto Citizen's Participation Plan outlines the ways the City of Modesto communicates with residents regarding the use and expenditure of HUD funds.

The City of Modesto continues to review and improve its delivery system by streamlining internal processes, enhancing coordination among departments and fostering collaborative working relationships with its sub-recipients and Community Housing Development Organizations (CHDOs). A few examples include:

- Memorandums of Understanding (MOUs). Staff and participating departments enter into MOUs to clearly delineate program goals and reporting requirements for each of the participating departments.
- Bi-weekly Meetings. The Housing and Urban Development Supervisor and key staff members meet bi-weekly to discuss the status of existing and future HUD-funded projects develop work plans and reporting requirements and plan for upcoming meetings.
- Intra/Interdepartmental Coordination. The Housing and Urban Development Supervisor works with the Planning Division to assist with the update of the City of Modesto's Housing Element, specifically focusing on the sections dealing with multi-family housing, affordable housing and HUD-funded housing programs and their effectiveness. Also, staff and Finance Department staff meets monthly to review various financial and reporting matters related to HUD-funded programs. Additionally, staff coordinates with various departments to ensure that capital improvement projects are on schedule and that invoices are paid in a timely manner.
- Community/Stanislaus Community System of Care (CSOC)/Continuum of Care (CoC). On a regular basis, staff collaborates with the following organizations: the CSOC; the Airport Neighborhood Collaborative, the West Modesto/King-Kennedy Neighborhood Collaborative; United Way Impact Councils on Building Strong Neighborhoods.
- Sub-recipient and CHDO Outreach staff is proactively contacting its sub-recipients and CHDOs to keep them apprised of upcoming training opportunities, changes in HUD requirements, etc. Staff is also looking to schedule regular meetings with its CHDOs to discuss the status of existing and future projects.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The PY 2018-2019 Annual Action Plan was prepared with oversight and direction from the CH&CDC. The City of Modesto conducted the following consultation efforts during the development of the PY 2018-2019 AAP:

- Consulted with key stakeholders, including representatives of the Housing Authority of Stanislaus County; non-profit organizations that provide housing services, facilities, and/or services to low- and moderate-income residents, the Focus on Prevention Stewardship Council, and neighborhood organizations.
- Consulted with the general public through workshops and public hearings.
- Attended and participated in monthly meetings held by the CSOC. Attended and participated in ongoing meetings related to the Focus on Prevention Initiative to coordinate services throughout the County.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

HUD charges communities that receive funds under the Continuum of Care (CoC) Program of the Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) with specific responsibilities. Until 2017, the Housing Authority of the County of Stanislaus had been the "lead applicant" for the local CoC and the coordinating body recognized by HUD and, in its 20-year history, as the CoC's lead applicant brought in over \$100 million in resources to the region. On March 9, 2017, the CoC membership voted to have the City of Modesto become the "lead applicant"; starting with Fiscal Year 2017-2018 CoC funding.

As of 2017, the CoC is locally recognized as the Stanislaus County Community System of Care (CSOC). The CoC continues to meet on a monthly basis to identify gaps and issues for the homeless and those at risk of becoming homeless. The CoC meetings are public meetings in which the community's service providers and stakeholders are welcome to attend and to provide emergency shelter and rapid re-housing service providers an opportunity to provide comment and feedback. City staff regularly attends and participates in the CoC meetings, the City consults with the CoC to develop coordinated plans and strategies to leverage resource and align local goals, objectives, and performance measures. Announcements of CDBG and ESG funding opportunities are routinely advertised at the CoC meetings and distributed via e-mail to CoC participants.

A stakeholders meeting was held on May 17, 2018, at a regularly scheduled CSOC. The meeting was held at the Modesto Library 1500 I Street, Modesto, CA 95354. The CSOC membership is consulted every year during the preparation of the Annual Action Plan. The following is a non-exhaustive list of members of the CSOC:

- Housing Authority of the County of Stanislaus (HACS);
- Haven's Women's Center;
- Behavioral Health and Recovery Services (BHRS);
- St. Vincent DePaul;
- Stanislaus County;
- Community Impact Central Valley (CICV);
- West Modesto King Kennedy Neighborhood Collaborative;
- Community Volunteers;
- Turning Point Community Programs;
- One Church Modesto;
- TPCP Housing;

We Care Program;
San Joaquin Valley Veterans;
Health Plan of San Joaquin (HPSJ);
Disability Resource Agency for Independent Living (DRAIL);
City of Modesto;
City of Turlock;
Salvation Army Berberian Shelter;
Community Services Agency (CSA);
Parent Resource Center;
United Way/211;
Ceres Unified School District;
United Samaritans Foundation;
Project Sentinel;
Stanislaus County Probation;
Modesto Gospel Mission;
Sherriff Department;
Children's Crisis Center;
Opportunity Stanislaus;
Telecare;
NAMI – National Alliance on Mental Illness;
Homeless Community Member;
Family Promise;
Center for Human Services;
Aegis Treatment Center;
Habitat for Humanity.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Consultation with the Stanislaus Community System of Care (CSOC) assists the City of Modesto in allocating and coordinating the prioritization and use of ESG funds with local

needs. Through this process the City of Modesto is able to design programs and activities that are consistent with applicable federal and local standards and to distribute its funds efficiently.

The CSOC contributes by setting up the criteria for homeless programs outcomes during its contract period. The City of Modesto’s consultations with the CSOC allows an open discussion on how to establish performance measures that benefit the City of Modesto. This allows the City of Modesto’s CH&CDC and its City Council to be informed of the standards that ESG funds demand and best practice outcomes. These goals are then incorporated when contracting with sub-recipients. The City of Modesto and the CoC, in collaboration with other local HUD entitlement jurisdictions, work together to operate the Homeless Management Information System (HMIS). The HMIS is mandated by HUD and is essential for the coordination of services and the development of public policy. Analysis of information gathered through the HMIS is critical to the preparation of periodic reporting on homelessness and identifies the needs for services in the City of Modesto.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 1 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	Housing Authority of the County of Stanislaus
	Agency/Group/Organization Type	Housing PHA Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consulted via regular monitoring and TA visits and during CSOC (CoC) meetings. A new rental rehabilitation program component was added to the Home Rehabilitation program to assist affordable rental units in need of health and safety, energy efficiency, and ADA improvements.
2	Agency/Group/Organization	Haven Women's Center
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Housing Needs - Victims of Domestic Violence

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.</p>
3	<p>Agency/Group/Organization</p>	<p>STANISLAUS COUNTY</p>
	<p>Agency/Group/Organization Type</p>	<p>Other government - County</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Strategy</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.</p>
4	<p>Agency/Group/Organization</p>	<p>THE SALVATION ARMY - MODESTO CA</p>
	<p>Agency/Group/Organization Type</p>	<p>Services-homeless</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.</p>

5	Agency/Group/Organization	THE DISABILITY RESOURCE AGENCY FOR INDEPENDENT LIVING (DRAIL)
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
6	Agency/Group/Organization	Stanislaus County Community Services Agency
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-homeless Services-Health Other government - County
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
7	Agency/Group/Organization	Health Plan of San Joaquin
	Agency/Group/Organization Type	Services-Health
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Low Income Health Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
8	Agency/Group/Organization	Turning Point Community Programs
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
9	Agency/Group/Organization	Community Impact Central Valley
	Agency/Group/Organization Type	Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

10	Agency/Group/Organization	STANISLAUS MULTI-CULTURAL COMMUNITY HEALTH COALITION WEST MODESTO
	Agency/Group/Organization Type	Services-Children Services-homeless Services-Education
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
11	Agency/Group/Organization	We Care Program -Turlock
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
12	Agency/Group/Organization	San Joaquin Valley Veterans
	Agency/Group/Organization Type	Services - Veterans
	What section of the Plan was addressed by Consultation?	Homelessness Needs - Veterans

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
13	Agency/Group/Organization	CITY OF TURLOCK
	Agency/Group/Organization Type	Other government - Local Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
14	Agency/Group/Organization	Parent Resource Center
	Agency/Group/Organization Type	Services-Children
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

15	Agency/Group/Organization	UNITED WAY
	Agency/Group/Organization Type	Services-Health Services-Education Services-Employment
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
16	Agency/Group/Organization	United Samaritans Foundation
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
17	Agency/Group/Organization	PROJECT SENTINEL
	Agency/Group/Organization Type	Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Fair Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
18	Agency/Group/Organization	Modesto Gospel Mission
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the Stanislaus Housing and Support Services Collaborative. The Collaborative meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The Collaborative seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
19	Agency/Group/Organization	Stanislaus County Sheriff Department
	Agency/Group/Organization Type	Services - Victims Other government - Local Services - Law Enforcement
	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy General Services

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
20	Agency/Group/Organization	CHILDREN'S CRISIS CENTER
	Agency/Group/Organization Type	Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
21	Agency/Group/Organization	Stanislaus Economic Development and Workforce Alliance
	Agency/Group/Organization Type	Services-Employment
	What section of the Plan was addressed by Consultation?	Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
22	Agency/Group/Organization	Telecare
	Agency/Group/Organization Type	Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
23	Agency/Group/Organization	National Alliance for the Mentally Ill
	Agency/Group/Organization Type	Services-Persons with Disabilities Services - Mentally Ill
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
24	Agency/Group/Organization	FAMILY PROMISE OF GREATER MODESTO
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
25	Agency/Group/Organization	Center For Human Services
	Agency/Group/Organization Type	Services-Children

	What section of the Plan was addressed by Consultation?	Homelessness Needs - Unaccompanied youth Homelessness Needs - Youth
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.
26	Agency/Group/Organization	HABITAT FOR HUMANITY
	Agency/Group/Organization Type	Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted during the formulation of the annual action plan and over the course of the year as part of the ongoing collaboration and coordination effort of the CSOC. The CSOC meets monthly at the offices of the Stanislaus County Housing Authority in Modesto. The CSOC seeks to improve the coordination of housing and human services to address social problems, reduce chronic homelessness, and increase the supply of affordable housing.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The public comment period was held from March 8, 2018 through June 12, 2018. Prior to the public comment period, a number of meetings were also held to inform community groups of the upcoming draft Annual Action Plan (AAP) and the programs offered by the various programs covered under the AAP. Comments received at meetings held prior and during the public comment period were considered for goal setting.

The following is a list of meetings that were held prior and during the public comment period. A summary any comments received during each meeting is included.

Citizen Participation Outreach						
	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	Attendees
1	West Modesto King Kennedy Collaborative 2/21/18			Community members requested for HOME funded infill projects, and for City staff to consider a rent-to-own option for low-income working residents; It was also requested that funds be continued at a Federal Level to be provided to local communities, so essential programs, such as HAVEN's Womens Center will still be available. Without these funds essential services will not be available for low-income residents living in Modesto (increasing instances of homelessness. The Community was interested in the EDA Grant and Opportunity Stanislaus partnership to provide electronic trade retooling opportunities for residents looking for a new line of work.	All comments were accepted.	15

2	Robertson Road Elementary Community Meeting – 2/23/18			Community members were receptive to the presentation; they requested that city staff should implement the rent-to- own option for the low income working residents. There were many questions asked regarding the First Time Homebuyers Program, Community Members were receptive to the information and were glad applications were made available for them.		17
4	CH&CDC Meeting – 3/8/2018			No comments received.		3
5	Airport Neighborhood Collaborative – 3/12/18			Staff provided a presentation related to the FY 2018-2019 Annual Action Plan and Amendment #1 to the FY 2017-2018 Annual Action Plan. No comments were received. Staff also provided an update related to the Airport Neighborhood Capacity Building partnership between the City of Modesto HUD Division and Center for Human Services. Meeting participants are excited about this project		20

6	Orchard Park Neighborhood Alliance Meeting – 2/22/18			<p>Community members asked about the federal impact to the CDBG budget. Staff informed community members that the preliminary federal budget did not include CDBG or HOME funding, but the final budget is subject to Congress approval. Staff will provide a follow up update to the Community in August. Staff also provided an update on the local Access Center project. One community member suggested an affordable housing idea related to the use of shipping containers as housing units; staff indicated we would check with the Planning Department for feasibility.</p>		15
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7	Delwood Neighborhood Alliance Meeting – 3/26/2018			Inquiry about eligibility of ADA Curb Cuts on the corner of Tully & Del Monte? Also, concerns about standing water in this area. Staff shared utilization of the Modesto Go Application to submit these inquiries to have them addressed. The group was encouraged by the work done by the Homeless Public Services providers in the community and how important the CDBG and HESG funds are to support these efforts.		18
8	Airport Neighborhood Community Chats 4/13/18			Staff provided a presentation related to the FY 2018-2019 Annual Action Plan. No comments were received. Staff also provided an update related to the Airport Neighborhood Capacity Building partnership between the City of Modesto HUD Division and Center for Human Services. Meeting participants are excited about this project.		19

9	Shackelford Elementary School 4/27/18			Inquiry about eligibility to the water and sewer Connection Program, as one particular member lived in a property that had no connection as of yet. Provided contact information to Yesenia Carrasco. Community members requested further clarification as to where the CDBG federal funding was allocated to and staff introduced some of the Public Services and reason for need. They were pleased that such needed help was tended to.		16
10	Stanislaus County System of Care (CoC)			No Comments Received		60

Expected Resources

AP-15 Expected Resources – 91.220(c) (1, 2)

Introduction

- Funds covered under the Consolidated Plan: CDBG, HOME and ESG;
- Funds provided under other HUD programs, the Department of Commerce, the Federal Emergency Management Agency, and other federal agencies;
- Funds provided under various programs of the California Department of Housing and Community Development and the California Housing Finance Agency;
- State and federal tax credits and mortgage credit certificates;
- Tax exempt bond proceeds;
- The City of Modesto's General Fund; and
- Private industry sources such as the Federal Home Loan Bank Board's Affordable Housing Program.

During Program Year 2018-2019, the City of Modesto will receive approximately \$2,003,752 of Community Development Block Grant (CDBG) program funds, \$992,925 of HOME Investment Partnerships (HOME) Program funds, and \$164,535 of Emergency Solutions Grant (ESG) funds. The table below is a summary of expected resources in PY 2018-2019.

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition and Planning Economic Development Housing Public Improvements Public Services	\$2,003,752	\$809,655	\$2,786,284	\$5,599,691	\$1,825,650	Expected Uses: Program Administration ; Public Services; Housing Programs; Fair Housing Enforcement ;Public Facility Improvements Eligible ADA Improvements Homeless Services Activities

Priority Table

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation : \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$992,925	\$224,724	\$1,997,137	\$3,500,864	\$614,522	Expected Uses: Homebuyer Assistance Owner Occupied Housing Rehabilitation Rental Housing Rehabilitation Rental Housing New Construction
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$164,535	\$0.00	\$0.00	\$164,535	\$169,421	Expected Uses: Homeless Services Homeless Prevention Rapid Re-Housing

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Leverage, in the context of the City of Modesto's three HUD programs, means bringing local, state, and federal financial resources to maximize the impact of the City's HUD funded programs. Leverage is also a way to increase project efficiencies and benefit from economies of scale that often come with combining sources of funding for similar scopes. HUD encourages the City of Modesto to demonstrate that efforts are being made to strategically leverage additional funds in order to achieve greater results. HUD funds will be considered leveraged if financial commitments toward the costs of a project from a source, other than the originating HUD source, are documented.

The City of Modesto tracks leverage amounts from all CDBG and ESG public service sub-recipients via the ZoomGrants software reporting/invoicing system. Public Service sub-recipients are required to submit leverage amounts with supporting documentation as part of the City of Modesto's quarterly monitoring reviews. The City of Modesto uses this data for its HUD reports in IDIS.

HOME – 25% Match Requirement

The 25% HOME match requirements are met through the contributions or layers of funds that the developers provide for each HOME -assisted project. The match includes private financing, waiver or deferral of development fees approved by the Modesto City Council, Tax Credit Allocations, and any other eligible source.

ESG – 100% Match Requirement

For the ESG program, the City of Modesto requires that ESG sub-recipients provide a dollar-for-dollar match for ESG funds received. Typically, the City of Modesto is able to generate significantly more match than the amount required for ESG activities primarily through the cash and non-cash contributions provided by ESG sub-recipients as a result of the generosity of their donors, supporters, and other funders. As part of the ESG monitoring process, ESG sub-recipients submit reimbursement requests; invoices and accompanying receipts are reviewed for reimbursement eligibility. Sub-recipients are required to submit dollar-for-dollar match verification with each reimbursement request and City of Modesto reimbursement is conducted after match verification documentation is satisfied.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City of Modesto is reviewing its inventory of City owned properties to determine best use for the coming AAP. The intent is to transfer eligible units to non-profit organizations that could, rent the units to low income households or rehabilitate the units and sell them to a low income households. Additionally, the City of Modesto, as the successor housing entity to the former Redevelopment Agency of the City of Modesto, owns a parcel that will be utilized to develop 74 affordable housing units for low and very low income households. The City is

currently partnering with EAH, an affordable housing non-profit developer, to support its efforts to leverage HOME funding dollars with tax credits, which will allow for project development in the coming years.

Discussion

No additional discussion.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

No Goals Found

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Rental Housing Construction	2015	2019	Affordable Housing		H-1 Increase affordable rental housing		Rental units constructed: 4 Household Housing Unit
2	Homebuyers Assistance	2015	2019	Affordable Housing		H-2 Provide Homeownership Opportunities		Direct Financial Assistance to Homebuyers: 5 Households Assisted
3	Housing Preservation	2015	2019	Affordable Housing		H-3 Preserve Existing Affordable Housing		Rental units rehabilitated: 7 Household Housing Unit
4	Housing Rehabilitation Program	2015	2019	Affordable Housing		H-3 Preserve Existing Affordable Housing		Homeowner Housing Rehabilitated: 24 Household Housing Unit
5	Fair Housing Services and Education	2015	2019	Fair Housing		H-4 Continue to Support Fair Housing.		Other: 5 Other
6	Emergency Shelter Beds	2015	2019	Homeless		HM-1 Address Chronic Homelessness		Homeless Person Overnight Shelter: 650 Persons Assisted
7	Supportive Services - Homeless	2015	2019	Homeless		HM-4 Prevent Homelessness for those at Risk		Homelessness Prevention: 10 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Supportive Housing Services	2015	2019	Non-Housing Community Development		HM-4 Prevent Homelessness for those at Risk		Tenant-based rental assistance / Rapid Rehousing: 10 Households Assisted
9	HMIS Implementation	2015	2019	Homeless		HM-5 Coordinated case management		3 ESG sub-grantees conducting Coordinated Case Management
10	Services - Anti-poverty	2015	2019	Non-Housing Community Development		CD-2 Promote Economic Development Activity		Jobs created/retained: 2 Jobs
11	Independent Living Services	2015	2019	Non-Housing Community Development		CD-3 Provide Public Services for Residents		Other: 10 Other
12	Public Improvements - Accessibility	2015	2019	Non-Housing Community Development		CD-4 Fund ADA Improvement in the City		Other: 5 Other
13	Street Paving	2015	2019	Non-Housing Community Development		CD-5 Arrest the Physical Decline of LMA's		Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2 Persons Assisted

Table 3 – Goals Summary

Goal Description

1	Goal Name	Rental Housing Construction
	Goal Description	Construction of 4 rental housing units (STANCO, CICV, GVHDC).
2	Goal Name	Homebuyer Assistance
	Goal Description	Provide direct financial assistance 5 households through the Homebuyer Assistance Program.
3	Goal Name	Housing Preservation
	Goal Description	Provide financial assistance to local affordable housing developers (STANCO, CICV, GVHDC) to preserve rental housing units via rehabilitation of such units.
4	Goal Name	Housing Rehabilitation Program
	Goal Description	Provide financial assistance to 24 owner occupied households for housing rehabilitation assistance for the purpose of preserving existing affordable housing.
5	Goal Name	Fair Housing Services and Education
	Goal Description	Contract with a fair housing service provider to provide fair housing services to City of Modesto residents. Number of Fair Housing Cases investigated: 5
6	Goal Name	Emergency Shelter Beds
	Goal Description	Provide ESG funds to non-profit homeless service providers: Assist 650 unduplicated individuals with emergency shelter.
7	Goal Name	Supportive Services - Homeless
	Goal Description	Homeless Prevention Services: Provide ESG funds to non-profit homeless service providers. Assist 10 households with homeless prevention services (CHSS/Family Promise).
8	Goal Name	Supportive Housing Services
	Goal Description	Rapid Rehousing Services: Provide ESG funds to non-profit service providers to provide rapid rehousing services (CHSS/Family Promise).
9	Goal Name	HMIS Implementation
	Goal Description	Continue enforcing HMIS program implementation by all ESG sub-recipients; coordinated entry/case management.

10	Goal Name	Services - Anti-poverty
	Goal Description	Section 3 jobs created. Minimum of 2 jobs created via CDBG/ESG public services and/or Economic Development programs.
11	Goal Name	Independent Living Services
	Goal Description	Provide independent living services to people with disabilities: 4 ADA compliant ramps or lifts.
12	Goal Name	Public Improvements - Accessibility
	Goal Description	Conduct public improvements to enhance ADA accessibility:
13	Goal Name	Street Paving
	Goal Description	Public Facilities/Infrastructure Improvements: Conduct infrastructure improvement projects within HUD designated low income block groups.

Table 7 – Goal Descriptions

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b):

All assistance will be provided to households at or below 80% of the AMI.

AP-35 Projects – 91.220(d)

Introduction

The activities to be undertaken during Program Year 2018-2019 are summarized below.

#	Project Name
1	CDBG: FY 2018-2019 CDBG PLANNING & ADMINISTRATION
2	CDBG: AFFORDABLE HOUSING – SMALL HOMES INFILL PROJECTS
3	CDBG: ADA RAMPS AND CURB CUTS PROJECTS
4	CDBG: 2018 HOUSING REHAB ADMINISTRATION/ACTIVITY DELIVERY (14H)
5	CDBG: ECONOMIC DEVELOPMENT – REAL PROPERTY EQUIPMENT/IMPROVEMENTS
6	CDBG: PROJECT BASED ACTIVITY DELIVERY – CDBG FUNDING FOR HOME ADMIN (21H)
7	CDBG: PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS
8	CDBG: AFFORDABLE HOUSING – RENTAL HOUSING REHABILITATION
9	CDBG: AFFORDABLE HOUSING – OWNER OCCUPIED HOUSING REHABILITATION
10	CDBG: SECTION 108 LOAN REPAYMENT FY 2018-2019
11	CDBG: PS-18 ADVOCATES FOR JUSTICE – SEAT
12	CDBG: PS-18 CENTER FOR HUMAN SERVICES – PATHWAYS
13	CDBG: PS-18 CHILDREN'S CRISIS CENTER – AUDREY'S HOUSE
14	CDBG: PS-18 COURT APPOINTED SPECIAL ADVOCATES – CASA DIRECT SERVICES
15	CDBG: PS-18 HAVEN WOMEN'S CENTER – DOMESTIC VIOLENCE SHELTER
16	CDBG: PS-18 PARENT RESOURCE CENTER – CONNECTING FAMILIES
17	CDBG: PS-18 UNITED SAMARITANS – DAILY BREAD MOBILE LUNCH PROGRAM
18	CDBG: PS/FH PROJECT SENTINEL – 2018-2019 FAIR HOUSING PROGRAM
19	FY 2018-2019 ESG PLANNING & ADMINISTRATION
20	ESG-18 CENTER FOR HUMAN SERVICES – HUTTON HOUSE
21	ESG-18 COMMUNITY HOUSING & SHELTER SERVICES – HOMELESS PREVENTION
22	ESG-18 THE SALVATION ARMY – BERBERIAN SHELTER
23	ESG-18 TURNING POINT – HOUSING ASSESSMENT TEAM
24	2018-2019 HOME PROGRAM PLANNING & ADMINISTRATION
25	HOME: 2018 AFFORDABLE HOUSING - HOMEBUYER ASSISTANCE
26	HOME: AFFORDABLE HOUSING – SMALL HOMES INFILL PROJECTS
27	HOME: 2018 CHDO OPERATING SUPPORT
28	HOME: 2018 CHDO SET ASIDE
29	CDBG: PS-18 THE SALVATION ARMY – BERBERIAN SHELTER
30	CDBG: CENTER FOR HUMAN SERVICES – CAPACITY BUILDING
	PRIOR YEAR ACTIVITIES
	CDBG: ACCESS CENTER*
	CDBG: CROWS LANDING NEIGHBORHOOD PROJECT*
	CDBG: WATER/SEWER CONNECTION*
	CDBG: FRESNO CDFI – ECONOMIC DEVELOPMENT SMALL BUSINESS LOANS*
	CDBG: SENIOR PLAYGROUND*
	CDBG: CENTER FOR HUMAN SERVICES – CAPACITY BUILDING*
	HOME: ARCHWAY COMMONS PHASE 2*
	HOME: 522 E. GRANGER AVE, MODESTO CA*

#	Project Name
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Table 8 – Project Information

* Prior Year Activity (funded with prior year funds). Activity description listed in prior year Annual Action Plan. May include additional 2018 funds.

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of Modesto is located within Stanislaus County, in Northern California. The attached maps show the census tracts that will be the focus of assistance during the program year and subsequent Consolidated Plan program years. The first map (Map #1) shows the low-income Census Block Groups within the City of Modesto where median household incomes are below 80% of the area’s median income. The second map (Map #2) shows the areas of minority concentration for those who identified themselves as Hispanic, Black-African/American, Asian, and American Indian/Alaskan Native.

The Census Tract is defined as an area of minority concentration if 51 percent (51%) or more of the households in a given Census Tract qualify as low- or moderate-income, or 51 percent or more of the population are members of minority groups. Nine Census Tracts mainly located along Highway 99 and surrounding downtown Modesto, have low- or moderate-income concentrations. Fourteen Census Tracts, including most of the Census Tracts west of Highway 99 and a couple other tracts on the edges of the City of Modesto limits, have minority concentrations.

In the funding of all projects, and in providing assistance to all beneficiaries, the City of Modesto will ensure that:

- * Documentation of the low- and moderate-income status of individuals/households is collected, or
- * The project designated as a “project area benefit” has a population of at least 51% of the residents are low-and moderate-income, or
- * A slum and blight project meets the criteria for such projects.

The availability of funding from both federal and State sources is a key determinant of the City of Modesto’s ability to address identified needs. To make the most of limited resources, the City of Modesto has formed partnerships with a variety of governmental, non-profit, and service agencies to combine resources to implement programs related to housing and community development needs.

There is also a tremendous need for affordable housing including rental and homeownership units. In an attempt to address affordable housing needs, the City of Modesto utilizes HOME funds for the development of housing units, and CDBG funds for homebuyer assistance loans as well as to assist existing eligible homeowners with housing rehabilitation loans.

A major local obstacle to low-income residents is the lack of affordable housing. The average assistance needed to provide low-income families the opportunity to become a homeowner is

\$136,870; for rental housing development the average amount of total development costs needed to create an affordable rental unit is \$149,038. The average rehabilitation cost per unit of \$50,311 is necessary to prevent homelessness for low-income individuals currently maintaining housing.

Projects

AP-38 Projects Summary

Project Summary Information

1	Project Name	CDBG: FY 2018-2019 CDBG PLANNING & ADMINISTRATION
	Target Area	N/A
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	CDBG: \$400,750 (2018)
	Description	This project will fund administrative expenses related to the planning and administration of CDBG projects and activities including but not limited to development of HUD plans, contract development, project monitoring, and enforcement of federal regulations.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10th Street, Modesto CA 95354
	Planned Activities	Program Administration.
2	Project Name	CDBG: AFFORDABLE HOUSING - SMALL HOMES INFILL PROJECTS
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing HM-3 Provide permanent supportive housing HM-4 Prevent Homelessness for those at Risk
	Funding	CDBG: \$300,000 (Projected Program Income)
	Description	Small modular home scattered site infill projects. Units will be approximately 620 square feet in size. Funds will assist with unit acquisition and subsequent lease for residential purposes 24 CFR 570.201 (a) and (b).

	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	1 person below 80% AMI.
	Location Description	Scattered Site.
	Planned Activities	Affordable housing / Infill projects
3	Project Name	CDBG: ADA RAMPS AND CURB CUTS PROJECTS
	Target Area	
	Goals Supported	Public Improvements - Accessibility
	Needs Addressed	CD-4 Fund ADA Improvement in the City
	Funding	CDBG: \$181,665
	Description	Conduct ADA ramps, curb cut, and sidewalk improvement projects in eligible low/mod areas.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	100 persons at or below 80% AMI.
	Location Description	
	Planned Activities	ADA ramps, curb cut, and sidewalk improvement projects
4	Project Name	CDBG: 2018 HOUSING REHAB ADMINISTRATION/ACTIVITY DELIVERY (14H)
	Target Area	
	Goals Supported	Housing Rehabilitation Program
	Needs Addressed	H-3 Preserve Existing Affordable Housing
	Funding	CDBG: \$553,590 (\$147,210 = Projected Program Income)
	Description	Activity delivery costs related to carrying out housing rehabilitation activities (rental and owner occupied). Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site and utility plans; application processing; and other fees.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	City staff will facilitate housing rehabilitation projects for 24 eligible households at or below 80% of the Area Median Income.
	Location Description	Citywide/Low Income Census Tracts.
	Planned Activities	Owner Occupied Housing Rehabilitation Activity Delivery.
5	Project Name	CDBG: ECONOMIC DEVELOPMENT - REAL PROPERTY EQUIPMENT/IMPROVEMENTS
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-2 Promote Economic Development Activit
	Funding	CDBG: \$50,000
	Description	The City of Modesto will provide CDBG funds to leverage an Economic Development Administration (EDA), U.S. Department of Commerce (DOC) grant in partnership with Opportunity Stanislaus Valley Occupational and Learning Technical Institute (VOLT) program. CDBG funds will be utilized for Real property equipment and improvements. VOLT offers fast paced training for high-wage in-demand careers.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	This activity will provide training opportunities to 2 individuals at or below 80% of the AMI.
	Location Description	1010 10th St, #1400, Modesto CA 95354
	Planned Activities	Economic Development Job Training
6	Project Name	CDBG: (21H) - PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN
	Target Area	
	Goals Supported	Rental Housing Construction Housing Preservation
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	CDBG: \$150,000
	Description	Activity delivery for HOME funded projects to be covered by CDBG funds when HOME admin/activity delivery amounts are exhausted.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10th ST, MODESTO CA 95354
	Planned Activities	PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN.
7	Project Name	CDBG: PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS
	Target Area	
	Goals Supported	Public Improvements - Accessibility
	Needs Addressed	CD-4 Fund ADA Improvement in the City
	Funding	CDBG: \$150,000
	Description	Infrastructure activities to include ADA curb cut and sidewalk improvements in LMA eligible areas that are primarily residential and are currently missing such improvements.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	50 persons at or below 80% AMI.
	Location Description	Scattered sites.
	Planned Activities	ADA curb cut and sidewalk improvements in LMA eligible areas
8	Project Name	CDBG: AFFORDABLE HOUSING - RENTAL HOUSING REHABILITATION
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	CDBG: \$761,342 (\$457,737 RLF funds; \$53,605 CDBG P.I.; \$250,000 NSP P.I.)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by partnering with local affordable housing developers to creating affordable housing opportunities for low income households. Refer to Goal #1 and #3. Rehabilitation of 4 rental housing units.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	4 Families at or below 80% of the AMI.

	Location Description	Citywide; Low Income Census Tracts
	Planned Activities	Rental Housing Rehabilitation
9	Project Name	CDBG: AFFORDABLE HOUSING - OWNER OCCUPIED HOUSING REHABILITATION
	Target Area	
	Goals Supported	Housing Rehabilitation Program
	Needs Addressed	H-3 Preserve Existing Affordable Housing
	Funding	CDBG: \$724,154 (\$505,314 RLF funds; \$26,395 CDBG P.I.; 12,445 NSP P.I.)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by providing direct financial assistance eligible households through the Housing Rehabilitation Program. Refer to Goal #4
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	24 households at or below 80% of the AMI.
	Location Description	Citywide; Low Income Census Tracts.
	Planned Activities	Owner Occupied Housing Rehabilitation.
10	Project Name	CDBG: SECTION 108 LOAN REPAYMENT FY 2018-2019
	Target Area	N/A
	Goals Supported	N/A
	Needs Addressed	N/A
	Funding	CDBG: \$302,003
	Description	Planned repayment of Section 108 Loan Principal.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A
	Planned Activities	Repayment of Section 108 Loan
11	Project Name	PS-18 ADVOCATES FOR JUSTICE - SEAT
	Target Area	
	Goals Supported	Services - Anti-poverty

	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$22,899
	Description	The Student Education Advocacy Team is a unique one-of-a-kind program that ensures kids have a "seat" in the classroom rather than the courtroom. SEAT will consist of an advocacy team that adopts a mentoring and tutoring approach. The team consist of an expert team of volunteers and advocates. The team works directly with students and their families, may represent students at disciplinary proceedings and trains parents and family members and community members how to advocate effectively for their children. The purpose of SEAT is to substantially reduce suspensions and expulsions in Modesto City Schools, to eliminate disparities in education, and to put an end to the school to prison pipeline in our community through research and evidence based practices. A goal of SEAT is to improve educational outcomes for all students, especially those students in jeopardy of suspension or expulsion.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	50 unduplicated youth at or below 80% of AMI.
	Location Description	608 Spencer Ave, Modesto Ca. 95351
	Planned Activities	SEAT will consist of an advocacy team that adopts a mentoring and tutoring approach.
12	Project Name	PS-18 CENTER FOR HUMAN SERVICES - PATHWAYS
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$27,000

	Description	Pathways is a 16 bed transitional housing program that addresses the need for shelter and support services for homeless youth 18 to 21 years of age. Shelter is provided up to 21 months. This project addresses the City of Modesto Five-Year Consolidated Plan, 2015-2020 priority of transitional housing, particularly for an at- risk population. (HM 2 and 4).Using a positive youth development and trauma informed approach, Pathways promotes the social and emotional well being of the young people it serves. Program goals for youth served at Pathways are: obtaining employment, leaving to stable housing and having supportive relationships. Additional support services available to youth include: basic life, interpersonal and job acquisition and maintenance skills training, assistance with obtaining medical care and advancing educational opportunities, service learning opportunities, recreation, referral and after care services.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	25 low income youth at or below 80% AMI.
	Location Description	608 E. Granger Avenue, Unit 25, Modesto, CA 95350
	Planned Activities	Housing services for youth experiencing homelessness.
13	Project Name	PS-18 CHILDREN'S CRISIS CENTER - AUDREY'S HOUSE
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$23,100
	Description	Audrey's house provides emergency child care, shelter, meals, crisis intervention and specialized prevention services to a disadvantaged population of high-risk infants, toddlers, preschool and young school-age children living in Modesto. This project will provide essential care services to an impoverished population of children, growing up in families afflicted by generational abuse, domestic violence, extreme poverty, substance abuse, mental illness or homelessness. These children will be from high risk families living in very low to moderate low income households (below 80% of the area median income), enduring various social and economic difficulties. They will have experienced traumas stemming from exposure to family conflict and crisis.
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	111 youth served at or below 80% AMI
	Location Description	141 Kimble Street Modesto CA
	Planned Activities	Crisis intervention, counseling, meals, crisis management, case services.
14	Project Name	PS-18 COURT APPOINTED SPECIAL ADVOCATES - CASA DIRECT SERVICES
	Target Area	
	Goals Supported	
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$28,200
	Description	This project will provide coordinated case management to address the needs of dependent youth in the foster care system. CASA is a program that significantly meets the needs of 'at-risk' youth. Our services directly benefit a vulnerable presumed benefit' population (children by definition are not in control of their resources and all of the youth in foster care, regardless of age, often live in very modest to poor conditions). The advocate works with everyone involved and makes independent, informed recommendations on the child's behalf directly to the Judge who makes all orders regarding the case. The dedication of CASA volunteers allows judges to ensure successful outcomes for children. For many abused children, their CASA volunteer will be the one constant adult presence in their lives. Independent research has demonstrated that children with a CASA volunteer who have a chance at either reunification with their family or an opportunity to be adopted are substantially less likely to spend time in long-term foster care and less likely to reenter care.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	30 foster youth at or below 80% AMI
	Location Description	801 11th Street, 3rd Floor, Modesto, CA 95354
	Planned Activities	
15	Project Name	PS-18 HAVEN WOMEN'S CENTER - DOMESTIC VIOLENCE SHELTER
	Target Area	
	Goals Supported	Independent Living Services
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$25,599

	Description	Haven Womens Center (Haven) offers a variety of supportive services to individuals and families impacted by domestic violence, sexual assault, and human trafficking. Haven operates the only confidential domestic violence shelter in Stanislaus County. Victims fleeing abuse, who are homeless or imminently homeless, are eligible for up to six weeks of shelter. Available services include 24 hour crisis intervention and safety planning, peer counseling, legal advocacy, and support groups for adults and children affected by trauma. Many survivors come to the shelter with little or no personal belongings. Haven uses a combination of grant funds and community donations to provide necessities for participants including food, clothing, bedding, toiletries, diapers and other baby care items.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	140 unduplicated individuals at or below 80% AMI.
	Location Description	Haven Women's Center Emergency Shelter is identified as a confidential domestic violence shelter as defined in the California's Welfare and Institutions Code 18301. The location of the shelter is confidential in accordance with California Penal Code 273.7.
	Planned Activities	Services to DV victims.
16	Project Name	PS-18 PARENT RESOURCE CENTER - CONNECTING FAMILIES
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$21,999
	Description	The Parent Resource Center (PRC) will offer Connecting Families, a 12-week co-ed parenting education program offered in multiple sessions throughout the year in English and Spanish, through partnership with the Modesto Gospel Mission, Community Housing and Shelter Services, and other partners. The program will utilize the Nurturing Parenting Program developed by Dr. Stephen J. Bavolek and will be enhanced with life skills education from partnering agencies. This program has been used successfully by PRC for over 12 years, and the life skills that supplement it have seen success with PRC's past implementation of the program. The core curriculum's goal is to stop the inter-generational cycle of child abuse and reduce recidivism in families receiving social services. The curriculum is trauma informed, evidence-based, centered on the family, and designed to build nurturing parenting skills.

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	140 individuals at or below 80% AMI
	Location Description	Parent Resource Center: 811 5th St. Modesto, CA 95350 Modesto Gospel Mission: 1400 Yosemite Blvd, Modesto, CA 95354 (part of collaborative effort)
	Planned Activities	Parenting education to young parents.
17	Project Name	PS-18 UNITED SAMARITANS - DAILY BREAD MOBILE LUNCH
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	CD-3 Provide Public Services for Residents
	Funding	CDBG: \$25,700
	Description	Daily Bread Mobile Lunch Program delivers nutritious meals directly into the neighborhoods where extremely low, very low, low income, and, homeless individuals reside. The program ensures those individuals living in these neighborhoods have access to at least one nutritious meal a day, five days a week, 52 weeks a year. During the week we provide as many EXTRAS (milk, juice, bread, eggs, dairy, produce, etc) as we have available to supplement their diet with higher nutrition foods. Delivering these meals and extras directly into neighborhoods affords us the opportunity to provide information on supportive services available to these residents. These referrals, along with USF's outreach worker add to the long-term success of our clients.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	480 unduplicated individuals at or below 80% AMI.

	Location Description	<p>1416 Maze Blvd (Modesto kitchen facility)</p> <p>1st stop: Beardbrook Park</p> <p>2nd stop: Mono Park</p> <p>3rd stop: 9th and D Street - Berberian Shelter - Salvation Army</p> <p>4th stop: Oregon Park</p> <p>5th stop: 4th Street Park</p> <p>6th stop: James Marshall Park</p> <p>7th stop: Robertson Road Park</p> <p>8th stop: Riverdale Road (not within Modesto incorporated limits but is on the route)</p> <p>9th stop: Boys and Girls Club @ King-Kennedy Center in Mellis Park</p>
	Planned Activities	Mobile Lunch Program.
18	Project Name	PS/FH - PROJECT SENTINEL - 2018-2019 FAIR HOUSING PROGRAM
	Target Area	
	Goals Supported	Fair Housing Services and Education
	Needs Addressed	H-4 Continue to Support Fair Housing.
	Funding	CDBG: \$25,000

<p>Description</p>	<p>Project Sentinel will enable people to resolve housing problems. By providing fair housing services, the project will also assist the City of Modesto to affirmatively further fair housing by combating housing discrimination and promoting diverse and inclusive communities.</p> <p>Outreach: Project Sentinel will inform the general public of the available fair housing services through educational brochures, radio and TV PSA's, and print and social media. Education: Project Sentinel will provide one-on-one counseling and group workshops for housing providers, consumers and social service agencies to educate them about fair housing law. Project Sentinel will also provide specialized workshops low income veterans, immigrants especially those with limited English proficiency, those with disabilities, and families with children. Housing providers will learn how to comply with fair housing law while conducting residential rental business. Housing consumers will learn how to recognize fair housing violations and how to secure assistance. Social service agencies will learn to recognize and effectively refer fair housing violations. Audit and Complaint Investigations: Fair housing coordinators investigate complaints through testing, interviews, surveys, and document review. When there is evidence of a violation, the complainant is given a range of options: educate the person causing the violation, conciliate/mediate the complaint, refer the complainant to HUD, DFEH or to an attorney for enforcement. Project Sentinel will also conduct proactive audits, testing housing providers for compliance with fair housing law before an allegation of discrimination is made.</p>												
<p>Target Date</p>	<p>6/30/2019</p>												
<p>Estimate the number and type of families that will benefit from the proposed activities</p>	<p>5 fair housing discrimination investigation cases; 350 persons will receive fair housing education via workshops, presentations, and information & referral.</p>												
<p>Location Description</p>	<p>1231 8th St., Ste 425, Modesto, CA 95354.</p>												
<p>Planned Activities</p>	<p>Fair housing discrimination investigation, Tenant/Landlord mediation, Fair Housing Education</p>												
<p>19</p>	<table border="1"> <tr> <td data-bbox="267 1524 565 1570"> <p>Project Name</p> </td> <td data-bbox="565 1524 1507 1570"> <p>ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION</p> </td> </tr> <tr> <td data-bbox="267 1570 565 1623"> <p>Target Area</p> </td> <td data-bbox="565 1570 1507 1623"></td> </tr> <tr> <td data-bbox="267 1623 565 1675"> <p>Goals Supported</p> </td> <td data-bbox="565 1623 1507 1675"></td> </tr> <tr> <td data-bbox="267 1675 565 1728"> <p>Needs Addressed</p> </td> <td data-bbox="565 1675 1507 1728"></td> </tr> <tr> <td data-bbox="267 1728 565 1780"> <p>Funding</p> </td> <td data-bbox="565 1728 1507 1780"> <p>ESG: \$12,340</p> </td> </tr> <tr> <td data-bbox="267 1780 565 1871"> <p>Description</p> </td> <td data-bbox="565 1780 1507 1871"> <p>This project will fund administrative services related to the oversight and implementation of the ESG program.</p> </td> </tr> </table>	<p>Project Name</p>	<p>ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION</p>	<p>Target Area</p>		<p>Goals Supported</p>		<p>Needs Addressed</p>		<p>Funding</p>	<p>ESG: \$12,340</p>	<p>Description</p>	<p>This project will fund administrative services related to the oversight and implementation of the ESG program.</p>
<p>Project Name</p>	<p>ESG-18 FY 2018-2019 ESG PLANNING & ADMINISTRATION</p>												
<p>Target Area</p>													
<p>Goals Supported</p>													
<p>Needs Addressed</p>													
<p>Funding</p>	<p>ESG: \$12,340</p>												
<p>Description</p>	<p>This project will fund administrative services related to the oversight and implementation of the ESG program.</p>												

	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	1010 10TH ST. MODESTO CA 95354
	Planned Activities	ESG ADMINISTRATION
20	Project Name	ESG-18 MODESTO – STREET OUTREACH - CHS
	Target Area	
	Goals Supported	Emergency Shelter Beds Supportive Services - Homeless
	Needs Addressed	HM-4 Prevent Homelessness for those at Risk HM-5 Coordinated case management
	Funding	ESG: \$35,000
	Description	Street outreach funds will be used to provide outreach to persons, including youth, living on the streets.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	200 Youth at or below 80% AMI.
	Location Description	201 Jennie Street, Modesto, CA 95354
	Planned Activities	Supportive housing for youth experiencing homelessness.
21	Project Name	ESG-18 COMMUNITY HOUSING & SHELTER SERVICES - HOMELESS PREVENTION
	Target Area	
	Goals Supported	Services - Anti-poverty
	Needs Addressed	HM-4 Prevent Homelessness for those at Risk
	Funding	ESG: \$30,000

	Description	Community Housing and Shelter Services is proposing a Homeless Prevention Rapid Re-Housing program. This program could help alleviate the stress of housing costs for a minimum of 10 families from within the City of Modesto area, and have an income at or below 30% of the median income. The Homeless Prevention funding will be utilized to provide short-term rental assistance to (5) five households who are at imminent risk of becoming homeless by preventing eviction for households who have received a 3-day notice and have written verifiable documentation of an emergency that has caused them to enter into default on their rent. The Rapid Re-Housing funding will be utilized to provide short-term rental assistance to (5) five households via first month's rent and double security deposit assistance to households who are homeless and lack the resources to pay for their full move-in fees. In order for CHSS to assist each household in removing barriers to sustainable housing, all households served will receive intensive on-going Case Management Services at a minimum of once per month in-person meeting with the client, although the goal would be for additional follow-up. Each household will complete an individualized action plan to address their immediate and long-term goals to ensure permanent housing sustainability after the ESG funding ends. CHSS will offer our homeless clients supportive services such as, money management workshops, weekly up-dated housing lists, referrals to other services in the County, and case management to assist them in finding permanent, long term housing. These services will provide our Clients with the tools to remain housed and reduce any new incidences of homelessness resulting in a reduced recidivism rate.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	5 Families (up to 30 individuals) at or below 30% AMI.
	Location Description	708 H Street, Modesto, CA 95354
	Planned Activities	Homeless Prevention & Rapid Rehousing
22	Project Name	ESG-18 THE SALVATION ARMY - BERBERIAN SHELTER
	Target Area	
	Goals Supported	Emergency Shelter Beds
	Needs Addressed	HM-1 Address Chronic Homelessness HM-5 Coordinated case management
	Funding	ESG: \$63,721

	<p>Description</p> <p>The Salvation Army (TSA) Case Management Team is designed to interrupt the cycle of homelessness and recidivism using case management and partnerships to move individuals from being homeless to permanent housing. This program will utilize the different resources of The Salvation Army Shelter and Transitional Living Center as well as partnerships with Community Impact Central Valley, Stanislaus County Affordable Housing Corporation, The Stanislaus County Sheriff Department and many other collaborated resources to identify clients who show stability and desire to move from homelessness to permanent housing. Once identified, the case manager and client will establish a plan for success. With our partnerships, the client will have access to resources to obtain his goals. A six month follow up case management will be provided to ensure an end goal of a successful transition to permanent housing and the ability to remain housed. We anticipate identifying 93 potential clients, with 59 qualified clients enrolled into programs. A dedicated Intake Coordinator is being hired with the sole responsibility to process the required intake and to input data into HMIS/VISPDAT.</p>
	<p>Target Date</p> <p>6/30/2019</p>
	<p>Estimate the number and type of families that will benefit from the proposed activities</p> <p>650 extremely low income individuals at or below 30% AMI.</p>
	<p>Location Description</p> <p>320 Ninth Street Modesto, CA 95351</p>
	<p>Planned Activities</p> <p>Emergency Shelter</p>
23	<p>Project Name</p> <p>ESG-18 – RAPID REHOUSING - TURNING POINT COMMUNITY PROGRAMS</p>
	<p>Target Area</p> <p>Citywide</p>
	<p>Goals Supported</p> <p>Supportive Services - Homeless</p>
	<p>Needs Addressed</p> <p>HM-1 Address Chronic Homelessness</p>
	<p>Funding</p> <p>ESG: \$23,474</p>

	Description	TPCP will assist homeless clients residing within Modesto city limits into permanent housing. If awarded, HAT will be able to reduce one or more of the barriers to obtaining permanent housing for approximately 60 unduplicated homeless individuals/families during the funding period by assisting with utility deposits and payments; application and credit check fees; obtaining necessary documentation (i.e., California ID card, birth certificate, etc.); and/or assisting with transportation costs. Without access to the resources necessary to overcome these barriers the ability of this population to obtain permanent housing is significantly reduced. A portion of these funds would also be used to cover the cost of staff performing eligibility verification and data collection to ensure appropriate use of the funds received and support data entry into HMIS. The projected 60 unduplicated clients is assuming that all 60 will require assistance in all areas - application fees, utility deposits, duplicate ID, and transportation - however, it is unlikely that all 60 would require assistance in all areas; thereby allowing for a higher number of unduplicated individuals/families to be served. The program only has data on the first four months of operation at this time, this makes it difficult to truly estimate the needs over time of the individuals/families served.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	60 persons at or below 30% of AMI
	Location Description	Citywide
	Planned Activities	Homeless services including rapid rehousing eligible activities.
24	Project Name	HOME: FY 2018-2019 HOME PROGRAM PLANNING & ADMINISTRATION
	Target Area	
	Goals Supported	
	Needs Addressed	
	Funding	HOME: \$99,292 (2018); \$224,724 (projected from Program Income)
	Description	This project will fund administrative services related to the oversight and implementation of the HOME program.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	N/A

	Planned Activities	HOME Administration
25	Project Name	HOME: 2018 HOMEBUYER ASSISTANCE
	Target Area	
	Goals Supported	Homebuyers Assistance
	Needs Addressed	H-2 Provide Homeownership Opportunities
	Funding	HOME: \$346,907 (\$106,907 = projected program income)
	Description	Address the "Affordable Housing" priority/focus area of the Con Plan by providing direct financial assistance eligible first time homebuyers via the City's Homebuyer Assistance Program (HAP). Refer to Goal #2
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	5 ELIGIBLE FIRST TIME HOMEBUYER FAMILIES AT OR BELOW 80% AMI
	Location Description	CITYWIDE
	Planned Activities	HOMEBUYER ASSISTANCE.
26	Project Name	HOME: AFFORDABLE HOUSING - SMALL HOMES INFILL PROJECTS
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing HM-3 Provide permanent supportive housing HM-4 Prevent Homelessness for those at Risk
	Funding	HOME: \$690,457 (\$95,345 = projected Program Income)
	Description	Small modular home scattered site infill projects. Units will be approximately 620 square feet in size. Funds will assist with unit acquisition, eligible project site preparation activities, and construction costs related to infill unit development.
	Target Date	6/30/2020
	Estimate the number and type of families that will benefit from the proposed activities	Persons at or below 80% of AMI.
	Location Description	Scattered sites.
	Planned Activities	Affordable housing / infill projects.
27	Project Name	HOME: 2018 CHDO OPERATING SUPPORT
	Target Area	

	Goals Supported	Supportive Housing Services
	Needs Addressed	
	Funding	HOME: \$51,943.59
	Description	CHDO operating support funds to CHDO certified organizations carrying out affordable housing projects in partnership with the City of Modesto.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	Various NonProfit developers.
	Planned Activities	CHDO Operating.
28	Project Name	HOME: 2018 CHDO SET ASISE
	Target Area	
	Goals Supported	Rental Housing Construction
	Needs Addressed	H-1 Increase affordable rental housing
	Funding	HOME: \$670,172.36
	Description	CHDO set aside for affordable housing development.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	
29	Project Name	PS-18 SALVATION ARMY - BERBERIAN SHELTER
	Target Area	
	Goals Supported	Emergency Shelter Beds
	Needs Addressed	HM-1 Address Chronic Homelessness
	Funding	CDBG: \$46,639
	Description	This CDBG grant will be used to supplement the Salvation Army's ESG grant for operation of the Modesto emergency shelter (Berberian Shelter).
	Target Date	6/30/2019

	Estimate the number and type of families that will benefit from the proposed activities	650 extremely low income individuals, at or below 30% AMI.
	Location Description	320 Ninth Street Modesto, CA 95351
	Planned Activities	Emergency Shelter
30	Project Name	CDBG: CENTER FOR HUMAN SERVICES - CAPACITY BUILDING
	Target Area	Airport Neighborhood
	Goals Supported	Services – Anti-poverty
	Needs Addressed	CD-1 Neighborhood Revitalization Strategy Area
	Funding	CDBG: \$25,000
	Description	The Center for Human Services will provide capacity building assistance to the Airport Neighborhood community organizers in alignment with other related services. The goal is to train and provide the tools to community organizers to develop and strengthen their skills, abilities, processes, and resources so that this community group can continue their community development efforts.
	Target Date	6/30/2019
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Airport Neighborhood
	Planned Activities	Capacity Building Services

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Modesto will target HUD resources to low income Census Block Groups as designated by HUD (See Map #1 attached). Outlined below are the low income Block Groups within each Council District. This is an exhaustive list of all low income block groups within the City of Modesto; however resources may not be directed to all areas.

District 1 Census Tract/Block Groups: 000503/1, 000803/2, 000803/3

District 2 Census Tract/Block Groups: 001500/1, 001500/3, 001601/1, 001601/2, 001601/3, 001604/1, 001604/2, 001603/1, 001700/1, 001700/2, 002200/1, 001800/2, 002200/2, 002200/4, 002200/3, 002301/4, 002301/1, 002402/1, 002401/2, 002501/1

District 3 Census Tract/Block Groups: 001400/2, 001400/1, 001400/3, 001400/5, 001100/2, 001100/3, 001200/2, 001002/3, 001800/1

District 4: 001900/4, 002100/1, 001900/2, 002004/2, 002004/1, 002004/4

District 5: 000805/1, 000805/4, 000506/1, 000404/3, 000910/2

District 6: 000910/4, 002803/1

Geographic Distribution

Target Area	Percentage of Funds
LOW INCOME CENSUS TRACTS	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The Census Tract Block Groups listed are geographic areas/neighborhoods within which 51%, or greater, of the area's population is low income. The City of Modesto has identified activities that will benefit these population groups with the end goal of providing suitable living environment and greater economic opportunities. Where possible, the City of Modesto will distribute CDBG funds throughout the low income block groups located throughout the six city council districts.

Discussion

No additional discussion.

AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of the County of Stanislaus (HACS) operates 432 public housing units within the City of Modesto. All 432 public housing units are currently occupied. The Section 504 needs assessment of public housing units from the HACS indicates that in the City of Modesto there are 28 housing units available for the physically impaired (five one-bedroom units, 12 two-bedroom, and 11 three-bedroom units), seven units for the visually impaired (three one-bedroom, two two-bedroom, and two three-bedroom units), and seven units for the hearing impaired (4 one-bedroom, and 3 three-bedroom units). This equates to a total of 42 units for the physically, visually, and hearing impaired in the City of Modesto.

Actions planned during the next year to address the needs to public housing:

The City of Modesto has a close working relationship with the Housing Authority of the County of Stanislaus (HACS) and meets on an as needed basis to discuss concerns relevant to public housing and other housing matters. The City of Modesto will continue to work with the HACS and any other housing and social service providers to foster public housing improvements and resident initiatives.

In prior years the City of Modesto has partnered with the HACS by leveraging available funds to address affordable housing needs through the development and/or rehabilitation of affordable housing units for low and moderate income persons and families.

When possible, the City of Modesto will continue to partner with the HACS to leverage available funds (local, state, federal) to address public housing needs within the City of Modesto.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The HACS provides homeownership resources to participants in the Housing Choice Voucher Program. The Family Self-Sufficiency (FSS) Program has established partnerships with a variety of community resources to refer participants for services including pre- and post-secondary education, health care, child care, employment development, supported employment, and small business development including micro-loans. The FSS Program also encourages families to participate in financial wellness programs including financial literacy and credit repair with an emphasis on long-term financial stability for the purposes of homeownership. Supportive services are provided through the Community Impact Central Valley (CICV), the Stanislaus County Department of Mental Health, or Stanislaus County Integrated Services Agency. The Stanislaus Housing Authority previously implemented a services and communication "quality control" system that provides the Stanislaus Housing Authority with immediate customer feedback and identifies areas that may need improvement.

The Housing Authority has also implemented a resident education program with regularly scheduled meetings and written communications on agency policy, rules, and leases.

Efforts to improve communications with residents and program participants include: on site resident training/informational meetings, regular newsletters and flyers. The Stanislaus Housing Authority has implemented a "curb-side" appearance program. The focus of the program is the exterior of buildings, parking areas, play grounds and other areas of the complexes. Rodent and insect problems are addressed when residents report a problem and/or on Annual Inspections. In an effort to better education residents concerning these problems, information is regularly provided through the Stanislaus Housing Authority newsletter. These actions have assisted the Stanislaus Housing Authority in creating an atmosphere which emphasizes customer satisfaction and communication.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. The PHA is not designated as troubled.

Discussion

No additional discussion.

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Modesto participates in the Stanislaus System of Care (CSOC) to develop and implement regional goals and strategies (outlined in this section) to address and end homelessness. The goal of the Homeless Strategy is to increase housing stability and decrease incidents of homelessness in Stanislaus County by targeting funds to populations most in need, meeting both the immediate and long-term needs of the homeless, and avoiding the duplication of services by coordinating with service providers and the CSOC.

Since 2014, the City of Modesto has collaborated with Stanislaus County in the Focus on Prevention led by Stanislaus County. The goal of the Focus on Prevention initiative is to bring all sectors of the community together to provide an opportunity for cross-sector development of community-wide prevention strategies. The effort focuses on the coordination between the following sectors in the community: Education, Neighborhoods, non-profits, media, philanthropy, business, faith-based, government, arts/entertainment/sports, and health.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Modesto has participated in CSOC's planning process to move individuals and families from homelessness to permanent housing and independent living through a network of housing linked to supportive services. The primary strategy document is the annual CSOC Application. Additionally, the CSOC is currently working with its members in the first steps toward a continuum-wide coordinated intake system.

Addressing the emergency shelter and transitional housing needs of homeless persons

As the county seat of Stanislaus County, the City of Modesto is where most services (including shelter and transitional housing) are located for Stanislaus County. Therefore, many people experiencing homelessness who utilize available services reside with the City of Modesto.

The City of Modesto funds shelter activities to the maximum extent possible with CDBG Public Services and ESG (Hold-Harmless Need or HHN) funds. Other strategies designed to address homelessness, such as financial assistance and supportive housing, are carried out through other City of Modesto funding sources, such as using federal stimulus funds in partnership with the Housing Authority to build affordable housing designed to serve youth experiencing homelessness and other extremely low-income/homeless populations.

All ESG sub-recipients that carry out emergency shelter activities have a street outreach component to its operations. Additionally, these ESG sub-recipients also participate in the local CSOC's point-in-time count, which affords them an opportunity to reach out to unsheltered persons. Also, through the CSOC, the City of Modesto participates in the annual Street Relief event, which provides a variety of services (bike repair, veterinary, haircut, information and referral, etc.) to scores of persons experiencing homelessness, including unsheltered persons

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

These homeless subpopulations are a high priority for the City of Modesto. The City of Modesto is coordinating with the CSOC and U.S. Department of Veterans Affairs, allocated security deposit assistance to its sub-recipient, Community Housing and Shelter Services (CHSS) to provide this assistance to HUD-VASH program participants, as this particular assistance is not available through this otherwise comprehensive HUD-VA program.

Families and children experiencing homelessness is also prioritized as reflected by CDBG and ESG allocations to sub-recipients that serve these subpopulations (Center for Human Services, Children's Crisis Center, Haven Women's Center, and Family Promise).

City of Modesto, its ESG sub-recipients, and other partners are especially strategic in helping these subpopulations of persons experiencing homelessness. For example, City of Modesto's Homelessness Prevention and Rapid Re-Housing (HPRP) activities through Community Housing and Shelter Services includes the allocation of ESG funds for HUD-VASH program participants (veterans and/or their families experiencing homelessness) so that they may receive security deposit assistance, which is not available through this otherwise-comprehensive permanent supportive housing program. Another subpopulation that is targeted with ESG HPRP financial assistance is families with dependent children. In addition to helping these persons make the transition to stable housing using its ESG funds, the City of Modesto has invested millions of dollars using federal stimulus funds to develop, in partnership with its sub-recipient, the Housing Authority, a 32-unit complex designed to serve youth experiencing homelessness and former foster youth (ages 18-28) with permanent supportive housing. Center for Human Services' Pathways serves as a transitional supportive housing pathway to this 32-unit permanent supportive housing project.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Based on the results of the City's Notice of Funding Availability released January 2018, four programs are recommended for ESG funding that will provide street outreach, shelter, homeless prevention, rapid rehousing, and HMIS data entry support.

While a discharge coordination plan has yet to be developed and implemented locally, the City of Modesto does help lead in the coordination of the Stanislaus CoC's services. Furthermore, homelessness prevention assistance, while scarce, is provided through an ESG sub-recipient (Community Housing and Shelter Services). Foster care youth and those exiting the foster care system will be served through the City of Modesto partnership with the Housing Authority on the above-mentioned federal stimulus funded activity.

Discussion

No additional discussion

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	20
Tenant-based rental assistance	
Units provided in housing facilities (transitional or permanent) that are being developed, leased, or operated	
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	
Total	

AP-75 Barriers to affordable housing – 91.220(j)

Introduction

The goals from the City of Modesto’s 2016 Housing Element are relevant to the Consolidated Plan requirements to remove barriers to affordable housing.

The City of Modesto adopted an Analysis of Impediments to Fair Housing Choice (AI) in 2015 that outlines the public policies that could potentially limit access to affordable housing. These public policies include: development plans and policies, zoning ordinances, building occupancy, health and safety codes, affordable housing development, public housing authoring collaboration, and community representation and participation. An example of a policy that incentivizes the development of affordable housing is a recently updated program that provides exemptions and/or deferrals of Capital Facilities Fees to for-profit or non-profit affordable housing developers, with special consideration given to CHDOs.

The City of Modesto in collaboration with other participating cities throughout the Northern San Joaquin Region (Smart Valley Places) has completed a Fair Housing and Equity Assessment (FHEA) informed the City of Modesto’s updated AI. The City of Modesto is will also participate in any HUD sponsored trainings to implement changes as required by the new Assessment of Fair Housing (AFH) final rule.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

Potential constraints to housing development may vary by area, but generally include infrastructure, residential development fees, land use controls, development standards, development and building permit application processing times, and resource preservation. Barriers to housing also include personal barriers such as poor credit history, criminal background, limited knowledge about tenant rights, and the complaint process.

The City of Modesto has worked to eliminate internal barriers to the development of affordable housing through the following continuing efforts:

- Providing funding for land acquisition, secondary financing, and infrastructure costs;
- Assisting qualified households to purchase homes utilizing the Homebuyer Assistance Program:
- Assisting eligible households connect to municipal services such as water and sewer financial assistance programs.
- Exemption or deferral of Capital Facilities Fees for projects providing low-income housing;
- Using the adopted streamlining process for environmental review;
- Continuing to work with non-profit housing agencies in the provision of supportive services and programs; and
- Using streamlined application review and permit processing.

Discussion

No additional discussion.

AP-85 Other Actions – 91.220(k)

Introduction

The City of Modesto, through the Consolidated Plan, targets federal funds to residents that have traditionally not been served, or are underserved, by previous programs. Project activities funded through the Consolidated Plan are carefully designed to provide appropriate and needed services, particularly those that may not be eligible for assistance from other sources, or are geographically isolated by lack of transportation, or lack basic amenities, such as medical care in their neighborhoods.

Actions planned to address obstacles to meeting underserved needs

See response at AP-35 "Describe the reasons for allocation priorities and any obstacles to addressing underserved needs."

Actions planned to foster and maintain affordable housing

See response at AP-55 "Affordable Housing."

Actions planned to reduce lead-based paint hazards

The City of Modesto has adopted policies to be implemented in its housing programs, which comply with HUD requirements relating to lead-based paint hazards. In alignment with HUD's requirements, lead-based paint remediation actions will depend on the level of subsidy provided on a project by project basis. The following is the City's lead based policy for reduction of lead paint hazards:

Subsidy Amount		
<\$5,000	\$5,000-\$25,000	>\$25,000

Approach to Lead Hazard Evaluation and Reduction	"Do No Harm": Use lead safe work practices	Identify and control Lead hazards	Identify and Abate Lead Hazards
Homeowner Notification	Yes	Yes	Yes
Lead Hazard Evaluation	Presume Presence of LBP (alternative: Paint testing of surfaces to be disturbed by rehabilitation)	Paint testing of surfaces to be disturbed by rehabilitation AND Risk assessment	Paint testing of surfaces to be disturbed by rehabilitation AND Risk assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation, use lead-safe work practices, clearance test of work site upon completion.	Interim controls, lead- safe work practices, clearance test of unit upon completion.	Complete abatement, lead-safe work practices, clearance test of unit upon completion.

Most housing rehabilitation projects are subject to federal regulations for Lead-Based Paint and contractors must be certified in safe work practices when completing the rehabilitation work. This effort in the past has resulted in more contractors being able to bid on and participate in the projects that contain lead-based paint.

The cost for the stabilization of lead based paint can be included in the City of Modesto's housing rehabilitation loan program. The cost of the lead-based paint inspection and/or clearance is paid from entitlement funds.

The City of Modesto will continue to provide lead-based paint testing as a component of its housing repair and rehabilitation programs when required by HUD regulations. Given the age and condition of the City of Modesto's housing stock, there are a significant number of homes where lead-based paint testing is needed.

Actions planned to reduce the number of poverty-level families

The City of Modesto has a multi-pronged approach to addressing poverty through an adequate, affordable, quality housing supply, improving low-income neighborhoods, strengthening families, strengthening employment skills of the community, and ensuring access to the basic needs such as food and shelter. This multi-pronged approach will strengthen the community as a whole and play a huge part in reducing the number of people living within the poverty level. The City of Modesto plans to fund specific activities that address each of these goals during the Consolidated Plan timeframe.

Since 2014, the City of Modesto has collaborated with Stanislaus County in the Focus on Prevention led by Stanislaus County. The goal of the Focus on Prevention initiative is to bring all sectors of the community together to provide an opportunity for cross-sector development of community-wide prevention strategies. The effort focuses on the coordination between the

following sectors in the community: Education, Neighborhoods, non-profits, media, philanthropy, business, faith-based, government, arts/entertainment/sports, and health.

The City of Modesto's strategy for reducing poverty will be successful only to the extent that:

- Adequate state and federal funding is available for education, job training, and supportive service programs that will increase economic opportunity and self-sufficiency;
- Adequate state and federal funding is available for regional infrastructure necessary to support economic development; and
- The City of Modesto's competitiveness in relation to other regional economies attracts employers and industries that create higher paying jobs. Unfortunately, the City of Modesto has little or no direct control over these factors and can make only marginal improvement in the local rate of poverty through its use of federal and other funds.

City of Modesto staff, through its engagement in the local Focus on Prevention initiative, is engaged in the Coordinated Entry system. Coordinated entry (also known as coordinated assessment system) is a consistent, community wide process to match people experiencing homelessness or at-risk of homelessness to community resources that are the best fit for their situation. In a community using coordinated entry, homeless individuals and families complete standard triage assessment survey that identifies the best type of services for that household. Participating programs accept referrals from the system, reducing the need for people to traverse the county seeking assistance at every provider separately. The process helps prioritize housing and homeless assistance based on vulnerability and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. The process also provides information about service needs and gaps to help plan assistance and identify needed resources in our community.

The intent is to provide coordinated entry to the entire geographic area through Access Points. Access Points are places—either virtual or physical—where an individual or family in need of assistance accesses the coordinated entry process. People experiencing homelessness can complete the assessment survey to participate in coordinated entry and are matched with community resources that best fit their situation. All locations and methods offer the same assessment approach and referrals using uniform decision-making processes. The Access Points in Stanislaus County include: 1) A centralized physical location (Access Center) in Stanislaus County where housing and support services, among others are provided, 2) 211 hotline system that screens and directly connects people to services, 3) Continuum of Care partners that provide assessments using the same tool county-wide, 4) A specialized Multi-disciplinary Outreach and Engagement Team that scouts the geographic area to provide access to those who might not want to engage at a physical access point.

Actions planned to develop institutional structure

Modesto will continue to work collaboratively with service and shelter providers to identify and address gaps in the institutional structure and service delivery system.

Modesto generally has a well-developed institutional structure and service delivery system.

Modesto will continue to work to increase the resources devoted to permanently affordable housing to serve as a stabilizing force preventing homelessness.

Modesto will focus increased resources on homeless prevention/crisis intervention, especially on homeless youth, aging-out foster youth, families with children, and persons being discharged from institutions.

Modesto will continue to devote resources to address the needs of the chronically homeless including comprehensive case management, supportive housing, shelters and transitional housing.

Modesto will target resources to the lowest income groups with the highest needs including the chronically homeless, homeless youth, homeless families with children, and those living in transitional shelters.

Actions planned to enhance coordination between public and private housing and social service agencies

City of Modesto relies primarily on its (A) close consultation with the CSOC, which is made up of representative stakeholders and (B) monthly meetings with its public and private housing development partners, which include local private CHDOs (e.g., Habitat for Humanity, Stanislaus County and Stanislaus Affordable Housing Corporation, and Great Valley Housing Development Corporation (GVHDC)) and the Housing Authority (to enhance coordination in the areas of community housing and social services).

The City of Modesto relies on non-profit organizations and for-profit developers to build and acquire, develop, and rehabilitate affordable units. The City of Modesto will continue to work closely with these entities to ensure that each year as many new affordable units are developed or made available.

The City of Modesto also relies on the non-profit service sector to provide emergency shelter and transitional and special needs housing. The City of Modesto will continue to support eligible organizations and their activities with local, state and federal funding as it's made available and upon their governing entity's approval.

Discussion

No additional discussion.

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction

Please see the responses below that are specific to the CDBG, HOME and ESG programs.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed 0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.
0
3. The amount of surplus funds from urban renewal settlements 0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan 0
5. The amount of income from float-funded activities 0

Total Program Income: Refer to Annual Action Plan Budget (Project Summary)

Other CDBG Requirements

1. The amount of urgent need activities 0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. 100.00%

HOME Investment Partnerships Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The City of Modesto does not use forms of investment within the local HOME program other than those identified in Section 92.205.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Pursuant to 24 CFR 92.254(a)(5)(ii), the City requires that HOME funds be recaptured if the property does not continue to be the principal residence of the buyer for the duration of the Affordability Period secured by an Affordable Housing Covenant. The Recapture Provision shall apply to a HOME assisted property only when a Direct HOME Subsidy is provided to a homebuyer.

The Recapture provision will ensure that the City of Modesto recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the affordability period.

Per, 24 CFR 92.254(a)(5)(ii)(A), In establishing recapture requirements, the City of Modesto is subject to the limitation that when the recapture requirement is triggered by a sale (voluntarily or involuntarily) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, the City of Modesto will only recapture the net proceeds, if any. ***The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs.***

Of the recapture options described in 92.254(a)(5)(ii)(A), the City of Modesto will use a the "Shared Net Proceeds" option as outlined in 24 CFR 92.254(a)(5)(ii)(A)(3). With this option, if the net proceeds are not sufficient to recapture the entire HOME investment, the City and original homebuyer will share the net proceeds.

To calculate the amount of net proceeds (or shared appreciation) to be returned to the City the following formula will be applied:

$$\frac{\text{HOME investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net proceeds} = \text{HOME amount to be recaptured}$$

To calculate the amount of net proceeds (or shared appreciation) to available to the homebuyer the following formula will be applied:

$$\frac{\text{HOME investment}}{\text{Direct HOME Subsidy} + \text{Homeowner Investment}} \times \text{Net proceeds} = \text{HOME amount to be recaptured}$$

Since the HOME rule limits recapture to available net proceeds, the City will only recapture what is available from net proceeds. In this case, the City is not required to repay the difference between the total direct HOME subsidy and the amount the City is able to recapture from available net proceeds

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The same methodology outlined in question 2 above will be used to ensure affordability for any units acquired with HOME funds.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The City does not intend to use HOME funds to refinance existing debt.

Emergency Solutions Grant (ESG)

Reference 91.220(I)(4)

1. Include written standards for providing ESG assistance (may include as attachment)

City of Modesto, in consultation with the CSOC stakeholders, developed policies and procedures for providing ESG assistance that incorporates the new and broadened components of ESG.

Standards for providing ESG homelessness prevention and rapid re-housing assistance include respectively targeting households with dependent children and persons experiencing homelessness connected to or eligible to receive (within 6 months) assistance from mainstream benefits and services.

These standards also include limiting assistance for a period of up to six (6) months and extending the period of assistance up to the maximum 18 months on a case-by-case basis.

HUD-VASH (U.S. Department of Housing and Urban Development-U.S. Department of Veterans Affairs Supportive Housing) program participants are also prioritized to receive security deposit assistance upon HUD-VASH intake.

Income qualification guidelines are no less restrictive than ESG guidelines (30% or below AMI for homelessness prevention assistance and not-applicable for rapid re-housing).

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The CSOC is currently working on establishing a centralized and coordinated assessment system that meets HUD requirements.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The City of Modesto consults with the CSOC Care to develop funding priorities and competitively awards ESG funding through an RFP process. This RFP process conforms to the

City of Modesto's rigorous procurement process, including public noticing and utilizing its state-of-the-art online bidding system. The funding priorities as it relates to ESG are funding emergency shelter to the maximum extent possible (up to Hold Harmless Need [HHN] limit) and prioritizing rapid re-housing higher than homelessness prevention.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The City of Modesto is unable to meet the homeless participation requirement in 24 CFR 576.405(a) due to the fact that its policy-making entity is made up of elected officials. The City of Modesto, however, works very closely with the CSOC which is made up of a representative group of diverse stakeholders, including persons experiencing homelessness and those who at one time in their lives had experienced homelessness. The City of Modesto intends to work with the CSOC and elected and appointed City of Modesto officials to develop a formal homeless participation plan that will engage persons experiencing homelessness in a meaningful way that influences homelessness-related policies, including development of funding priorities and funding allocation.

5. Describe performance standards for evaluating ESG.

The City of Modesto consulted with the CSOC and developed the following performance standard: Elimination or mitigation of barriers to stable housing. These barriers may be financial, health-related, relational, etc. CSOC stakeholders determined that post-assistance follow-up evaluation is extremely difficult to achieve.

Discussion

The City of Modesto consults closely and regularly (at least monthly) with the CSOC and its HMIS, ESG/HPRP, and SHP subcommittees, which develop policies and procedures for these programs and is taking the lead in building the service infrastructure that will be necessary to sustain a centralized or coordinated assessment system. This consultation takes the form of reports and presentations that are placed on the CSOC monthly meeting agendas.

The operation and administration of the Homeless Information Management System (HMIS) designated by the CSOC is led by the Stanislaus Housing Authority. The City of Modesto may pay the costs of contributing data to the HMIS via funding to sub-grantees or to the HMIS Lead.

The City of Modesto is member of the CSOC/HMIS Subcommittee which meets monthly to develop policies, procedures, and best practices and offers trainings developed by the developed by the HMIS Lead

Estimated CDBG Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 CDBG PROJECT SUMMARY**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)							
Project/Activity Name	IDIS Activity #	Previous Year Funds	FY 2018* Amount	RLF	CDBG P.I.	NSP P.I. (Convert to CDBG)	Total Project Budget - 201
FY 2018-2019 CDBG DIRECT ACTIVITIES							
1 FY 2018-2019 CDBG PLANNING & ADMINISTRATION	1291	\$ -	\$ (400,750.00)	\$ -	\$ (20,000.00)	\$ -	\$ (420,750.00)
2 AFFORDABLE HOUSING - SMALL HOMES IN FILL PROJECTS		\$ -	\$ -	\$ -	\$ -	\$ (300,000.00)	\$ (300,000.00)
3 ADA RAMPS AND CURB CUTS PROJECTS	1292	\$ (74,000.00)	\$ (107,665.00)	\$ -	\$ -	\$ -	\$ (181,665.00)
4 2018 HOUSING REHABILITATION ADMINISTRATION/ACTIVITY DELIVERY (14H)	1293	\$ -	\$ (406,380.00)	\$ -	\$ -	\$ (147,210.00)	\$ (553,590.00)
5 ECONOMIC DEVELOPMENT - REAL PROPERTY EQUIPMENT/IMPROVEMENTS	1294	\$ -	\$ (50,000.00)	\$ -	\$ -	\$ -	\$ (50,000.00)
6 PROJECT BASED ACTIVITY DELIVERY - CDBG FUNDING FOR HOME ADMIN (21H)	1295	\$ -	\$ (150,000.00)	\$ -	\$ -	\$ -	\$ (150,000.00)
7 PUBLIC FACILITIES/INFRASTRUCTURE IMPROVEMENTS	1296	\$ (150,000.00)	\$ -	\$ -	\$ -	\$ -	\$ (150,000.00)
ACTIVE PROJECT ACTIVITIES							
8 AFFORDABLE HOUSING - RENTAL HOUSING REHABILITATION	1297	\$ -	\$ -	\$ (457,737.00)	\$ (53,605.00)	\$ (250,000.00)	\$ (761,342.00)
9 AFFORDABLE HOUSING - OWNER OCCUPIED HOUSING REHABILITATION	1298	\$ (180,000.00)	\$ -	\$ (505,314.00)	\$ (26,395.00)	\$ (12,445.00)	\$ (724,154.00)
10 SECTION 108 LOAN REPAYMENT FY 2018-2019	1299	\$ (302,003.00)	\$ -	\$ -	\$ -	\$ -	\$ (302,003.00)
11 CENTER FOR HUMAN SERVICES - CAPACITY BUILDING	1274	\$ (40,000.00)	\$ (25,000.00)	\$ -	\$ -	\$ -	\$ (65,000.00)
PRIOR YEAR ACTIVITIES							
12 ACCESS CENTER	1232	\$ (344,039.96)	\$ -	\$ -	\$ -	\$ -	\$ (344,039.96)
13 CROWS LANDING ROAD NEIGHBORHOOD PROJECT	1260	\$ (63,066.00)	\$ (400,000.00)	\$ -	\$ -	\$ -	\$ (463,066.00)
14 WATER/SEWER CONNECTION PROGRAM	1264	\$ (339,477.00)	\$ -	\$ -	\$ -	\$ -	\$ (339,477.00)
15 FRESNO CDFI - ECONOMIC DEV. SMALL BUSINESS LOANS	1233	\$ (200,000.00)	\$ -	\$ -	\$ -	\$ -	\$ (200,000.00)
16 SENIOR PLAYGROUND	1253	\$ (130,647.28)	\$ (217,821.00)	\$ -	\$ -	\$ -	\$ (348,468.28)
FY 2018-2019 PUBLIC SERVICES							
17 ADVOCATES FOR JUSTICE - SEAT	1300	\$ -	\$ (22,899.00)	\$ -	\$ -	\$ -	\$ (22,899.00)
19 CENTER FOR HUMAN SERVICES - PATHWAYS	1301	\$ -	\$ (27,000.00)	\$ -	\$ -	\$ -	\$ (27,000.00)
20 CHILDREN'S CRISIS CENTER - AUDREY'S HOUSE	1302	\$ -	\$ (23,100.00)	\$ -	\$ -	\$ -	\$ (23,100.00)
18 CASA OF STANISLAUS COUNTY - DIRECT SERVICE	1303	\$ -	\$ (28,200.00)	\$ -	\$ -	\$ -	\$ (28,200.00)
21 HAVEN WOMEN'S CENTER - DV SHELTER	1304	\$ -	\$ (25,599.00)	\$ -	\$ -	\$ -	\$ (25,599.00)
22 PARENT RESOURCE CENTER - CONNECTING FAMILIES	1305	\$ -	\$ (21,999.00)	\$ -	\$ -	\$ -	\$ (21,999.00)
23 UNITED SAMARITANS FOUNDATION - DAILY BREAD MOBILE LUNCH	1306	\$ -	\$ (25,700.00)	\$ -	\$ -	\$ -	\$ (25,700.00)
24 PROJECT SENTINEL - FAIR HOUSING	1307	\$ -	\$ (25,000.00)	\$ -	\$ -	\$ -	\$ (25,000.00)
25 SALVATION ARMY	1313	\$ -	\$ (46,639.00)	\$ -	\$ -	\$ -	\$ (46,639.00)
BALANCE		\$ 0.00	\$ -	\$ -	\$ -	\$ -	\$ 0.00

* City Fiscal Year 2019

Estimated ESG Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 ESG PROJECT SUMMARY**

EMERGENCY SOLUTIONS GRANT (ESG)						
Project/Activity Name	IDIS Activity #	Prior Year Funds	FY 2018* Amount	N/A	N/A	Total Project Budget - 2018
ESG ENTITLEMENT ACTIVITIES		\$ -	\$ 164,535.00	\$ -	\$ -	\$ 164,535.00
1 ESG ENTITLEMENT ADMINISTRATION	1308	\$ -	\$ (12,340.00)	\$ -	\$ -	\$ (12,340.00)
2 CENTER FOR HUMAN SERVICES - HUTTON HOUSE (STREET OUTREACH)	1309	\$ -	\$ (35,000.00)	\$ -	\$ -	\$ (35,000.00)
3 CHSS- HMLSS PREV & RENTAL ASSISTANCE (HOMLESS PREVENTION)	1310	\$ -	\$ (30,000.00)	\$ -	\$ -	\$ (30,000.00)
4 SALVATION ARMY - BERBERIAN SHELTER (SHELTER)	1311	\$ -	\$ (63,721.00)	\$ -	\$ -	\$ (63,721.00)
5 TURNING POINT - HOUSING ASSESSMENT (RAPID REHOUSING)	1312	\$ -	\$ (23,474.00)	\$ -	\$ -	\$ (23,474.00)
BALANCE		\$ -	\$ -	\$ -	\$ -	\$ -

* City Fiscal Year 2019

Estimated HOME Entitlement Program Budget

**CITY OF MODESTO
FISCAL YEAR 2018-2019 HOME PROJECT SUMMARY**

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

Project/Activity Name	IDIS Activity #	CHDO Set Aside	Direct Entitlement	CHDO Operating	Admin	Program Income	Total Project Budget - 201
ALLOCATION FROM PREVIOUS YEARS		\$ 521,234.36	\$ 1,759,883.24	\$ 2,297.59	\$ -	\$ 107,674.00	\$ 2,390,889.
FY 2018-2019 ALLOCATION		\$ 148,938.00	\$ 695,049.00	\$ 49,646.00	\$ 99,292.00	\$ 117,050.00	\$ 1,109,975.00
PRIOR YEAR ACTIVITIES		\$ 670,172.36	\$ 2,454,732.24	\$ 51,943.59	\$ 99,292.00	\$ 224,724.00	\$ 3,500,864.19
ARCHWAY COMMONS PHASE 2	1282	\$ -	\$ (1,569,620.00)	\$ -	\$ -	\$ -	\$ (1,569,620.00)
522 E. GRANGER AVENUE, MODESTO CA	1184	\$ -	\$ (226,498.24)	\$ -	\$ -	\$ -	\$ (226,498.24)
2018-2019 ACTIVITIES							
FY 2018 HOME PROGRAM PLANNING & ADMINISTRATION		\$ -	\$ -	\$ -	\$ (99,292.00)	\$ -	\$ (99,292.00)
FY 2018-2019 P.I. PROGRAM PLANNING & ADMINISTRATION		\$ -	\$ -	\$ -	\$ -	\$ (22,472.00)	\$ (22,472.00)
AFFORDABLE HOUSING - HOMEBUYER ASSISTANCE		\$ -	\$ (240,000.00)	\$ -	\$ -	\$ (106,907.00)	\$ (346,907.00)
AFFORDABLE HOUSING - SMALL HOMES IN FILL PROJECTS		\$ (176,498.00)	\$ (418,614.00)	\$ -	\$ -	\$ (95,345.00)	\$ (690,457.00)
FY 2018 CHDO SET ASIDE		\$ (493,674.36)	\$ -	\$ -	\$ -	\$ -	\$ (493,674.36)
FY 2018 CHDO OPERATING SUPPORT		\$ -	\$ -	\$ (51,943.59)	\$ -	\$ -	\$ (51,943.59)
BALANCE		\$ -	\$ 0.00	\$ -	\$ -	\$ -	\$ -

* City Fiscal Year 2019

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-240**

**RESOLUTION APPROVING THE SOLID WASTE RATE AND FEE STUDY
FROM SCS ENGINEERS, INC., MODESTO, CA AND THE PROPOSED FISCAL
YEAR 18/19 RECOMMENDATIONS AND FEES**

WHEREAS, the City of Modesto has service agreements with Gilton Solid Waste and Bertolotti Disposal to provide solid waste and recycling services to approximately 57,000 residential and over 11,000 commercial and industrial customers in Modesto, and

WHEREAS, the City of Modesto provides tree trimming services to over 81,000 trees in our urban forest and street and alley green waste collection, and

WHEREAS, the City owns and operates the Modesto Composting Facility which processes over 65,000 tons per year of residential and commercial green waste, as well as the forestry/green waste diversion material instead of it being disposed of in a landfill, and

WHEREAS, the Modesto City Council does not set the actual rate the collection companies can charge to pick up the garbage; instead it sets the maximum rates that the collection companies can charge for each type of service, and

WHEREAS, rate reviews are conducted on an annual basis every July 1, and the City last conducted an annual rate review and adopted new rates on July 1, 2016, and

WHEREAS, the City has not conducted a comprehensive review of the Solid Waste rates and fees, or cost of services, for more than 10 years, and

WHEREAS, there have been many factors over that time frame that have created severe negative impacts on the solid waste fund budgets, and

WHEREAS, the tree pruning cycle is currently at 12 years; new environmental regulations such as AB 32, AB 341, AB 1826, and SB 1383 require compliance; the City has aging and failing equipment; there have been severe staffing reductions; and State

Agencies are requiring major infrastructure changes, and

WHEREAS, it was determined that the Solid Waste Division needed a comprehensive analysis of the City's residential, commercial, and industrial solid waste and recycling rates, along with associated fees for service impacts, recycling, illegal dumping, green waste diversion, and composting that would sustain the enterprises while protecting the interests of the community and meeting regulatory requirements, and

WHEREAS, in July 2017, by Resolution No. 2017-278, Council approved an agreement with SCS Engineers, Inc., Modesto, CA, to conduct a cost service analysis and comprehensive rate and fee study for the Solid Waste Division, and

WHEREAS, the rate study was conducted in two phases, and

WHEREAS, Phase I analyzed the City's solid waste system as a whole and Modesto was benchmarked against other comparable cities, and

WHEREAS, Phase I determined that the City's solid waste system and rate structure is unique and no other city has equally comparable systems and processes, and

WHEREAS, Phase I also found that the current rates/fees for all Solid Waste services the City provides are on the mid-to-lower end of the scale and are not sufficient to cover operating costs; the City does not have a financial plan for equipment maintenance and capital replacement for the Compost Facility; and the Forestry functions are not adequately funded, and

WHEREAS, Phase II evaluated the cost of service vs. revenue solvency for each enterprise fund in the Division; analyzed the current rate and fee structure for validity; and established future fees/rates to provide sufficient revenues to support the funds and services they provide, and

WHEREAS, Phase II substantiated that the City's current rate methodology for residential, commercial, and industrial garbage were reasonable and valid, and

WHEREAS, Phase II made the following recommendations: current tipping fees at the Compost Facility are sufficient but the product rates are comparatively low and haven't been adjusted in over 10 years, and both should be adjusted annually by the Consumer Price Index (CPI) to accommodate for inflation and production costs, and

WHEREAS, the Green Waste Diversion fees for residential, commercial, and industrial garbage rates should be increased to provide the needed revenues to support the fund budget, and

WHEREAS, the Recycling fees for residential, commercial, and industrial garbage rates need to be increased to meet the growing demand of State legislation, and

WHEREAS, the Litter Abatement fees need to be increased to cover funding a litter abatement crew as litter in the City as increased dramatically, and

WHEREAS, adjustments to the Maximum Rates for Garbage Collection for Fiscal Year 15/16 must be completed, and

WHEREAS, the cost of service for an additional garbage container was determined to be \$13 per household per month, and the cost of service for an additional organics recycling container \$8 per household per month, with the difference between the cost of service and the rate charged to be rebated back to the City Solid Waste Fund to support recycling education, green waste diversion and other enforcement of recycling and organics, and

WHEREAS, the residential Carpenter Road Landfill Mitigation fee was recommended to be reduced, but the City received a revised clean closure cost estimate

and the mitigation fee will need to remain the same for residential and increase for commercial and industrial garbage, and

WHEREAS, a recommended operating reserve of 2% be added as an expense line to each fund budget beginning in Fiscal year 20/21.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Solid Waste Rate and Fee Study from SCS Engineers, Modesto, CA and the proposed Fiscal Year 18/19 recommendations and fees as shown in the Phase II report and **Exhibit A** incorporated herein as **attachments**.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

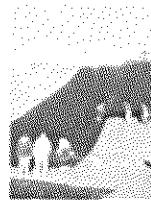
ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

SCS ENGINEERS



Solid Waste Service Rate Study

Phase II Report

Prepared for:

City of Modesto



Public Works Department, Solid Waste Division
P.O. Box 642
1010 Tenth Street
Modesto, California 95353
(209) 341-2906

Prepared by:

SCS ENGINEERS
4730 Enterprise Way, S-A
Modesto, CA 95356
(209) 545-0542

Revised May 30, 2018
File No. 01217211.00

Offices Nationwide
www.scsengineers.com

**Solid Waste Service Rate Study
Phase II Report**

Prepared for:
City of Modesto



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EXECUTIVE SUMMARY

This Phase II report presents the results, findings, and recommendations of SCS Engineers (SCS) evaluation of the cost of services and revenue sufficiency for the Compost, Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill Enterprise Funds for the City of Modesto (City). A pro forma model was developed to assist the City in establishing future fees/rates to provide sufficient revenues to support these funds. SCS also developed rate methodologies for garbage and organic second cart options, and an approach for assessing the commercial bin and drop box rates established and approved by the City.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

The following is a summary of the findings and recommendations presented herein:

1. **Disposal Quantities.** The reported disposal quantities increased relatively significantly between Fiscal Years 15/16, 16/17, and 17/18. These increases will need to be confirmed when the next hauler audits are submitted to assess impacts on rates.
2. **New Equipment.** The pro forma includes a new accrual line item for unfunded equipment replacement for Compost Fund.
3. **SB 1383 Organics Diversion.** SB 1383 will result in increased disposal of organics at the compost facility, resulting in a reduction in disposal costs at the WTE facility and landfill, and increased disposal costs at the compost facility, along with offsetting increases in revenues from tipping fees and the sale of more compost product. The pro forma rate model includes consideration of these changes.
4. **Staffing Changes.** The Solid Waste and Green Waste/Forestry Funds are proposing staffing changes. The proposed Integrated Waste Planning Manager position will need to be created and salary level confirmed. Green Waste/Forestry is proposing significant reorganization as well as adding one Operations Supervisor to the Forestry Division at a cost of \$108,000/year (total salary and benefits).
5. **Operating Reserve.** Beginning in 2021, a 2% operating reserve is added as an expense to each Fund budget.
6. **Compost Fund**
 - a. **Compost Tipping Fee.** SCS recommends no change in the Compost tipping fees. Compost product rates should be adjusted annually to accommodate inflation and other factors.
 - b. **Compost Facility.** SCS recommends the City conduct a detailed assessment of programmatic, staffing, facility, equipment, and permit changes that may be required at the compost operation to meet the SB 1383 organic diversion goals.

7. **Solid Waste Fund.** Current fees are not sufficient to support the projected expenses for the Solid Waste Fund. SCS recommends an increase in the residential recycling fee, and the commercial and industrial recycling and litter abatement fees to support the Fund’s budget.

8. **Green Waste/Forestry Fund**
 - a. **Green Waste Diversion Fees.** SCS recommends increases to the residential, commercial, and industrial Green Waste fees as shown in Table 12 to provide the needed revenues to support the Fund budget. In addition, the City has determined that only 76% of the Forestry Cost Center expenses (Fund 4892, Cost Center 56040) are eligible for funding through the AB 939 Green Waste diversion fee, while Green Waste Collection expenses (Cost Center 56030) are fully funded by the fee; therefore, the proposed rates have been adjusted accordingly, with the balance of the projected expenses to be paid through General Fund transfers.

 - b. **Negative Fund Balance.** Additional General Fund transfers or additional revenues from fees are needed to reduce the projected negative end of year fund balance for the Green Waste/Forestry Fund.

 - c. **Cost Allocation for Green Waste/Forestry.** SCS recommends that the cost allocation for the Green Waste Diversion fee be based on an inventory of the location of the City maintained trees as a function of residential, industrial, and commercial zoning. SCS recommends that this information be coordinated with the City’s GIS system and included as a separate layer in the GIS system.

9. **Carpenter Road Landfill Fund**
 - a. **Landfill Mitigation Fee.** The Landfill Mitigation project cost estimate budget increased from \$2.6 million to \$3.6 million. As such SCS recommends that the residential rate be held at \$0.50/HH/month through FY 2020/2021 in order to accrue the additional \$1 million needed. The residential rates should be able to be reduced beginning in FY 2021/2022. The commercial rate is recommended to increase to \$0.95/cy/month from \$0.91/cy/month, and the drop box pull rate for industrial customers to \$13.79/pull from \$5.00/pull through FY 2020/2021, after which the rates can be re-evaluated and likely reduced.

 - b. **Potential Fee Reduction.** The City should consider reducing the landfill mitigation fees as noted in Table 12 following the completion of the landfill cleanup project. A decision on this recommendation can be deferred for the time being.

10. **New Rates.** SCS recommends that the fee rates shown for Fiscal Year 2018/19 in Table 12 be adopted and become effective July 1, 2018. These rates include a fuel surcharge requested by the haulers to cover increased fuel costs from April 2017 through March 2018.

11. **Data Management.** SCS recommends the City work with the haulers to develop a standard, consistent format, with instructions on what should be accounted for in each line item of the audited financial statements. In addition, SCS recommends the City develop a database to store all the residential, commercial, and industrial waste, recycling, organic waste, WTE and Landfill disposal, and composting quantity data, and again, work with the City's haulers and other Solid Waste department staff to standardize data field descriptions and data input protocol and requirements.
12. **Second Cart Cost.** SCS recommends that if the City continues to charge the higher second cart rate that the difference between the higher rate and the hauler's actual full costs be rebated back to the City Solid Waste Fund to support other recycling and education programs in the City. Currently, the hauler retains the additional revenue earned for the second cart. This recommendation also applies to the second organics cart, but SCS recommends that the difference between the haulers actual costs for the cart and the tipping fee be rebated back to the City Solid Waste Fund to support other green waste diversion and enforcement activities.
13. **Commercial Container Fee Schedule.** A proposed commercial container rate schedule for Fiscal Year 2018/2019 is presented based on the 2016 audited costs, allowable profit, and proposed fees. The rate methodology used to develop the commercial container fee schedule is based on the methodology historically used by the City for rate setting purposes.
14. **Drop Box Container Pickup Cost Schedule.** SCS's analysis suggests that the drop box collection fee will need to be increased to \$383 per pickup versus the current rate of \$248.22 per pickup based on the audited information provided by the hauler. A methodology for this calculation is presented in the report.

DISCLAIMER

This report includes cost and revenue projections based on a series of assumptions as outlined in the report. The model supporting the recommended rates is based on SCS's understanding of the City's Solid Waste Funds. City staff provided valuable assistance reviewing the report and rate model. Actual costs and revenues may vary depending on economic conditions or other factors affecting the key assumptions used in the projections.

1.0 INTRODUCTION

The Phase II scope of services included the following major tasks:

- Analyze projected cost of services and revenue sufficiency for the Compost, Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill Enterprise Funds.
- Develop a pro forma rate model to assist the City in establishing future fees/rates to provide sufficient revenues to support these funds.
- Develop rate methodologies for garbage and organic second cart options, and an approach for assessing the commercial bin and drop box rates proposed by the City's two franchise haulers.
- Develop final report summarizing these results, findings and recommendations for the City's consideration.

As a prelude to the development of the rate model, SCS completed a review of the City's Solid Waste Division and presented its findings in a Phase I report¹. The Phase I report addressed the following:

- Overview of the City's residential, commercial, and industrial waste collection, recycling, composting, and disposal services, green waste/forestry functions, and closed landfill management.
- The City's Solid Waste Division management and administration.
- Facilities and equipment supporting the Division's functions.
- Regulatory requirements and initiatives that will affect future solid waste management in the City.
- Benchmark analysis and comparisons with other similar cities for the types of solid waste and forestry services provided.
- Financial information on costs and projected revenues for the Compost, Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill Funds.

This Phase II report builds on the information presented in the Phase I report and provides additional information, assumptions, analyses, and methodologies developed to support the rate model and recommended schedule of fees.

SCS held an initial kick off meeting to initiate the Study, which provided a forum to confirm the scope of services, discuss data needs, and identify key issues for City staff. During the course of

¹ SCS Engineers, Solid Waste Service Rate Study, Phase I Report, Prepared for the City of Modesto, California, November 17, 2017.

the Study, SCS conducted a series of conference calls and face-to-face meetings with City staff managing different facets of the overall programs. These conference calls, meetings, and frequent emails have provided SCS information supporting the assumptions used in the rate model and the analysis and recommendations.

2.0 PRO FORMA MODEL

2.1 INTRODUCTION

The City provided SCS the following background data and information on the historical and projected operating expenses and revenues for the Compost, Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill Funds:

- Staffing and organizational charts
- Wages and benefit rates (current and future needs)
- Residential, commercial, and industrial collection rate schedules
- Loans
- Fund account summaries (totals and comparisons)
- Past and current operating budgets by fund and cost centers
- Equipment replacement and maintenance schedules
- Leases
- Ordinances
- Administrative costs
- Audited hauler cost information (confidential)
- Residential, commercial, drop box, and self-haul waste quantity information
- Compost facility material inputs and compost outputs for Fiscal Year 16/17
- Analysis of AB 939 Green Waste Diversion Fee eligibility

From this information, SCS developed a Microsoft Excel™ spreadsheet-based, pro forma rate model (Model) to assist in the completion of the rate analysis. The model includes the following facets:

- Key input assumptions supporting the rate model.
- An analysis and projection of operational expenditures (personnel, contract and purchased services, materials and supplies, transfers) for each fund and cost center.
- Revenue sufficiency analysis, including annual revenue projections and rate plan to provide sufficient revenues for each fund.
- Methodology and calculations to support the 2nd cart rates.
- Methodology and calculations to provide the City the ability to assess the reasonableness of the haulers commercial and drop box rate schedules.

2.1 METHODOLOGY OVERVIEW

The methodology and process used to estimate future rates to support the City's Compost, Green Waste/Forestry, Solid Waste, and Carpenter Road Landfill Funds is presented in Figure 1 and summarized below:

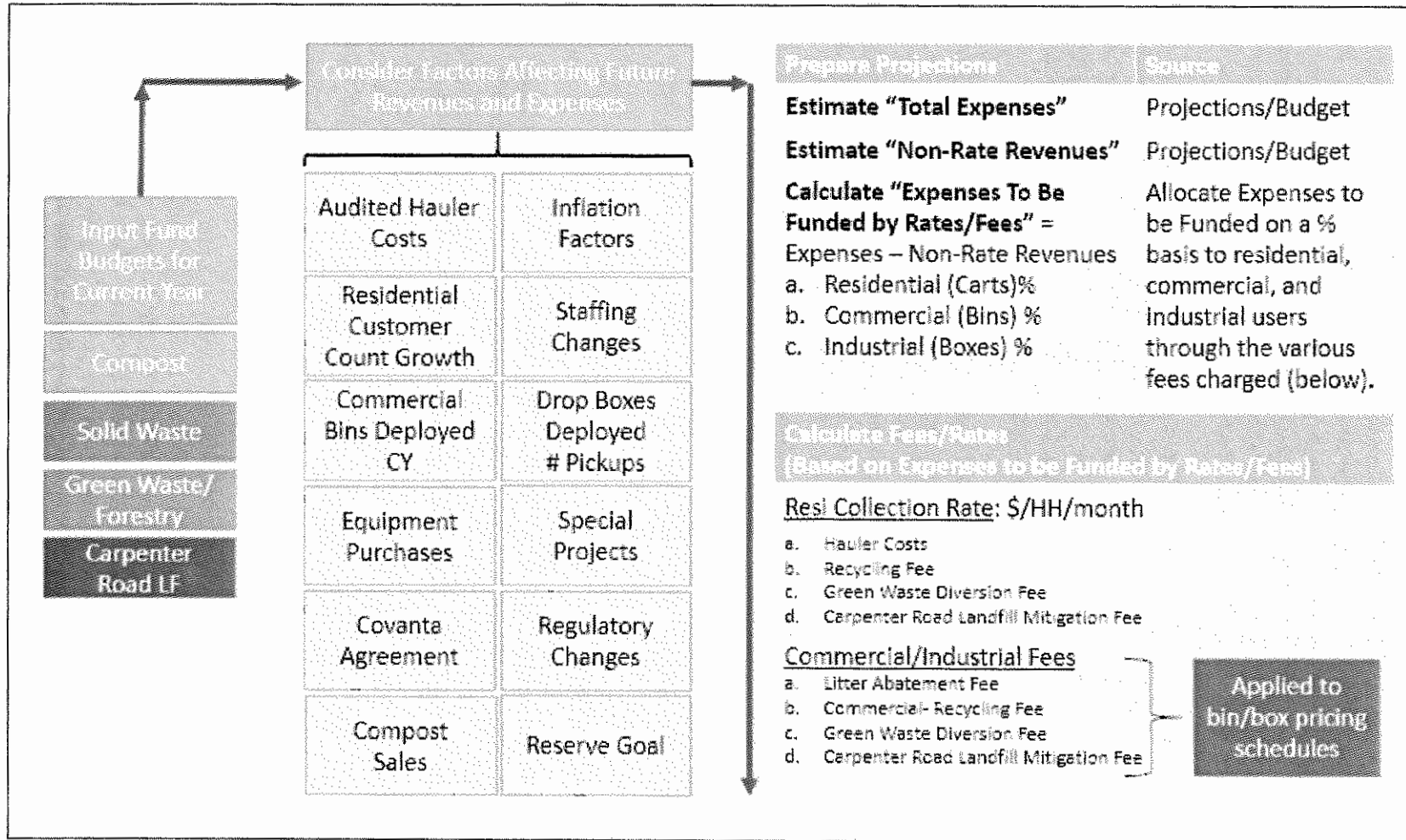


Figure 1. City of Modesto Solid Waste Fee Schedule Rate Methodology Process Diagram

- **Collect Historical Actual and Projected Expenses and Revenues for City Services (Compost, Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill)** – SCS obtained information on historical and projected revenues and expenses for Fiscal Year 14/15 through Fiscal Year 17/18 for each fund. The revenue cost information was input into a financial database, along with waste quantity data, and details on residential, commercial, industrial (drop box), and self-haul customers.
- **Obtain Customer Fee Schedules.** The City publishes customer fee schedules for residential, commercial, and industrial solid waste services. The schedules include the collection rates and specifics on the special fees that the City charges, either on a \$/Household/month (\$/HH/month), \$/cubic yard/month (commercial bin container service), or \$/ton or per pickup basis (drop box containers). These were reviewed for consideration in developing future rate recommendations.
- **Collect and Consolidate Haulers Audited Annual Report.** The City’s two haulers submit annual audited financial reports to support the payments they each receive from the City. The last audit reports submitted covers Fiscal Year 15/16 (dated: 6/30/2016). The audit reports include cost and customer information for residential, commercial, and industrial collection services, including customer statistics such as the number of residential customers served, commercial bins (number, size, and frequency of pickup), and drop boxes (number of pickups/year). The audit reports also include detailed information used to support the residential collection rates, and delineate the pass-through costs due to the City, including the Franchise Fee, Bulky Waste Fee, Green Waste Diversion Fee, Recycling Fee, Disposal and Compost Fees, Carpenter Road Landfill Fee, Illegal Dumping Fee, Litter Abatement Fee (only Commercial/Industrial), and Billing Fee.
- **Develop Future Projections**
 - **Discuss Future Needs with City Staff.** SCS discussed with the City its future capital needs for equipment and facilities, special projects (e.g., \$2 million Landfill Cleanup Project planned for Fiscal Year 2019), potential staffing changes to support its various programs, additional operating expenses, and additional short-term and long-term revenue requirements for each fund. We also reviewed potential regulatory changes that may affect the City’s operations and budgets in the near future, such as SB 1383, which establishes organic diversion goals the City must achieve by 2020 and 2025.
 - **Revenues and Expenses.** SCS developed future revenue and expense projections based on escalation of the City’s current expenses, planned special projects or equipment purchases, or changes to staffing levels to support its ongoing and future planned programs, and the lowest cost hauler audited financials. The revenues include income from “non-rate based” sources, such as compost tipping fees, fund transfers, and other miscellaneous revenues. “Rate-based” revenues are those generated through the various “fees” charged by the City. The “rate-based” revenue needs are calculated for each fund by subtracting the “non-rate based” revenues from expenses, and is referred to as “Costs to be Funded through User Fees”. SCS considered two expense scenarios. The first scenario uses the lowest

cost hauler rates with some escalation to account for the increased fees for Covanta per the JPA agreement and the increase in the Compost Tipping Fee, which began in July 2016. However, the disposal costs and quantities are based on the audited quantities. The second scenario uses the hauler supplied disposal data for Fiscal Year 14/15 through September 2017 to estimate the disposal and compost costs. This second scenario represents a potential worst case condition.

- **Distribute “Remaining Costs to be Funded through User Fees” to User Categories.** The remaining costs that need to be funded through user fees were allocated to residential, commercial, and industrial customer categories for each fund based on an assumed percentage distribution. We also added additional revenue requirements to eliminate the projected negative fund balances for the Solid Waste and Green Waste/Forestry Funds over a three-year period beginning Fiscal Year 18/19. The assumed percentage distribution was either based on the percent of the total waste stream each customer contributes, in the case of the Solid Waste, Green Waste/Forestry, and Carpenter Road Landfill Funds, or percentage use of the facility, in the case of the Compost Fund. The City can elect to establish different allocations to achieve its objectives.
- **Estimate Customer Units.** The estimated customer units is critical to the rate calculation. The rates are calculated by dividing the allocated costs by customer category described above by the corresponding customer units to arrive at the needed rates to support the City’s Solid Waste Funds. This includes the number of residential customers, the number, size, and frequency of pickup of commercial bins, and the size and number of pickups for drop boxes. SCS used information supplied by the haulers to establish baseline customer information. The projected City growth rate of 1.3% was used to escalate waste and disposal projections; however, the household count was kept constant for rate setting purposes. The household count can be adjusted each year when actual rates are finalized. The calculated fee schedule rates are based on \$/HH/month in the case of the residential fees, \$/cy/month for commercial bins, and \$/pickup or \$/ton for industrial fees.
- **Develop the “Test Year”.** SCS developed a Test Year based on the Fiscal Year 2017/18 budget as a quality control test of the rate model in terms of the reasonableness and accuracy of the calculation methodology and formula used. The results of the test year were compared against the rates currently published, as well as checking the projected sufficiency of the existing rates to support the City’s operations. The resulting Test Year was used as the basis for forecasting expenses for the five-year forecast (Fiscal Years 18/19 to 22/23).
- **Estimate Future Fee Schedule Rates.** The projected fee schedule rates for residential, commercial, and industrial collection services were calculated based on the above projections. The projected 5-year revenues and expenses for each fund are summarized separately. The proposed future fee schedule rates need to support the City’s solid waste operations were developed for the five-year forecast period. The calculated rates were compared against existing fee schedule rates. SCS worked with

City staff to resolve any issues relative to the key model assumptions before finalizing the recommended rates.

2.2 KEY INPUT ASSUMPTIONS AND DATA SOURCES

In order to develop future rate requirement forecasts, SCS projected how the City's expenses and revenues for each fund would change over the forecast period due to factors such as inflation, customer growth, capital needs for special projects and equipment, staffing changes, tipping fee, and impacts of regulatory changes to the City's Solid Waste operations. The assumptions used to develop the forecast include the following major assumptions or information sources:

- **List of Fees to be Included in Rate Analysis.** The current fees charged by the City to residential, commercial and industrial customers are summarized in Table 1. These are applied to the hauler service fees to calculate the residential, commercial, and industrial collection rates. The rates for the fees are calculated in the rate model to provide sufficient revenues to fund the Solid Waste Division's operations.

Table 1. Current City Solid Waste Fees

Fee Item	Rate
Commercial Fees	
Carpenter Road Landfill Mitigation Fee	\$0.91 /cy/month
Green Waste Diversion Fee	\$7.79 /cy/month
Litter Abatement Fee	\$0.22 /cy/month
Recycling Fee	\$0.22 /cy/month
Industrial Fees	
Industrial - Recycling Fee	\$5.00/pull
Green Waste Diversion Fee	\$14.00/ton
Residential Fees	
Carpenter Road Landfill Mitigation Fee	\$0.50/HH/month
Green Waste Diversion Fee	\$4.26/HH/month
Recycling Fee	\$0.25/HH/month

Fees based on the "Expenses to be funded by rates" are calculated as follows:

- **Residential Fees:** Required Annual Fee Revenues/# households (collected weekly)/12 = \$/HH/month
- **Commercial Fees (Recycle, Green Waste Diversion, and Litter Abatement):** Required Annual Fee Revenues/(sum product [container sizes deployed x # pickups/week/container size])/12 = \$/cy/month

- **Industrial Fees:**
 - a. Recycle Fee: Required Annual Fee Revenues/No. of Pulls = **\$/pickup**
 - b. Green Waste Diversion Fee: Required Annual Fee Revenues/(WTE + LF tons) = **\$/ton**
- **Escalation.** Cost escalation based on Consumer Price Index (CPI): 2.3 percent (12-year average 2004-2017, U.S. Department of Labor). However, the audited hauler costs were not escalated per the City’s direction, since the most recent year-to-year changes documented in the Fiscal Year 15/16 audit were insignificant.
- **Customer Growth.** In this rate analysis, the number of households was kept constant for projection purposes, and can be adjusted annually as actual household counts are confirmed and budgets finalized.
- **Municipal Solid Waste (MSW) Disposal Costs and Compost Tipping Fees.** The tipping fee schedules for disposal at the Covanta Waste to Energy (WTE) Facility, Landfill, and Compost Facility are summarized in Table 2. The City is committed to disposing the waste collected within the City at the Covanta WTE facility per the Joint Powers Agreement between the parties. The Covanta Tipping Fee is escalated by the CPI, while all the other components of the disposal fee are kept constant. The estimated annual tipping fee and calculated \$/HH/month tipping fee rates for dumping at the WTE Facility, Landfill, or Compost Facility, based on the projected number of households served, are presented in Table 3 for the two scenarios evaluated.

Table 2. WTE and Compost Facility Tipping Fees

Item	FY 17/18 WTE Tipping Fee (\$/ton)
MSW Disposal Cost	\$40.70/ton
Covanta JPA Agreement	\$33.08/ton
CPI Adjustment 2017	\$0.62/ton
AB939 Fee	\$6.00/ton
LF Costs	\$1.00/ton
Item	Compost Tipping Fee (\$/ton)
Compost Tipping Rates	
Outside Customers	\$26.00/ton
Internal City	\$15.00/ton
Compost Sales	Compost Sales (\$/unit)
1-2 CY	\$15.75/cy
4+ CY	\$8.25/cy
40+ CY	\$6.33/cy
	\$11.00/ton

Table 3. Residential Waste to Energy, Landfill, & Compost Tipping Fee Projections (See Note below)

Fiscal Year	# Households	Audit													Total Tipping Fees WTE+LF+Compost (\$/HH/month)	Total Disposal + Compost (\$)
		Covanta Tipping Fee Rate (\$/ton)	Landfill Tipping Fee (\$/ton)	Residential Tonnage w/ Organic Diversion To WTE (Tons)	Res. Organics Diversion (Tons)	Residential Tonnage to WTE / Organics Diversion (Tons)	Residential Tonnage To LF (Tons)	Residential WTE+LF Tipping Fee (\$)	WTE+LF Charge (\$/HH/month)	Residential Compost Tons With Organic Diversion	Compost Tip Fee Rate (\$/ton)	Residential Compost Tipping Fee (\$)	Compost Tipping Fee (\$/HH/month)			
2016	57,346	\$39.47/ton	\$24.99/ton	52,084 Tons	0 Tons	52,084 Tons	3,920 Tons	\$2,055,800	\$2.99/HH/month	46,789 Tons	\$26.00/ton	\$1,175,896	\$1.71/HH/month	\$4.78/HH/month	\$3,292,396	
2017	57,346	\$40.09/ton	\$25.49/ton	52,800 Tons	0 Tons	52,800 Tons	4,000 Tons	\$2,116,500	\$3.08/HH/month	47,397 Tons	\$26.00/ton	\$1,232,322	\$1.79/HH/month	\$4.96/HH/month	\$3,409,822	
2018	57,346	\$40.70/ton	\$26.00/ton	53,500 Tons	0 Tons	53,500 Tons	4,100 Tons	\$2,177,500	\$3.16/HH/month	47,913 Tons	\$26.00/ton	\$1,375,738	\$2.00/HH/month	\$4.97/HH/month	\$3,420,338	
2019	57,346	\$41.48/ton	\$26.43/ton	54,200 Tons	4,909 Tons	49,291 Tons	4,200 Tons	\$2,044,600	\$2.97/HH/month	58,437 Tons	\$26.00/ton	\$1,519,362	\$2.21/HH/month	\$4.98/HH/month	\$3,424,962	
2020	57,346	\$42.27/ton	\$26.86/ton	54,900 Tons	9,819 Tons	45,081 Tons	4,300 Tons	\$1,905,600	\$2.77/HH/month	60,069 Tons	\$26.00/ton	\$1,561,794	\$2.27/HH/month	\$5.07/HH/month	\$3,491,694	
2021	57,346	\$43.08/ton	\$27.29/ton	55,600 Tons	10,801 Tons	44,799 Tons	4,400 Tons	\$1,929,900	\$2.80/HH/month	61,709 Tons	\$26.00/ton	\$1,604,434	\$2.33/HH/month	\$5.17/HH/month	\$3,559,234	
2022	57,346	\$43.91/ton	\$27.72/ton	56,300 Tons	11,783 Tons	44,517 Tons	4,500 Tons	\$1,954,800	\$2.84/HH/month	63,358 Tons	\$27.00/ton	\$1,710,666	\$2.49/HH/month	\$5.36/HH/month	\$3,690,666	
2023	57,346	\$44.76/ton	\$28.15/ton	57,000 Tons	12,765 Tons	44,235 Tons	4,600 Tons	\$1,980,000	\$2.88/HH/month	64,915 Tons	\$28.00/ton	\$1,817,620	\$2.64/HH/month	\$5.56/HH/month	\$3,823,220	
2024	57,346	\$45.63/ton	\$28.58/ton	57,700 Tons	13,746 Tons	43,954 Tons	4,700 Tons	\$2,005,600	\$2.91/HH/month	66,581 Tons	\$29.00/ton	\$1,930,849	\$2.81/HH/month	\$5.76/HH/month	\$3,967,149	
2025	57,346	\$46.52/ton	\$29.00/ton	58,500 Tons	14,728 Tons	43,772 Tons	4,800 Tons	\$2,036,300	\$2.96/HH/month	67,455 Tons	\$29.00/ton	\$1,956,195	\$2.84/HH/month	\$5.91/HH/month	\$4,070,195	
2026	57,346	\$47.43/ton	\$29.43/ton	59,300 Tons	14,728 Tons	44,572 Tons	4,900 Tons	\$2,114,000	\$3.07/HH/month	68,338 Tons	\$29.00/ton	\$1,981,802	\$2.88/HH/month	\$6.07/HH/month	\$4,176,002	
2027	57,346	\$48.36/ton	\$29.86/ton	60,100 Tons	14,728 Tons	45,372 Tons	5,000 Tons	\$2,194,200	\$3.19/HH/month	69,230 Tons	\$29.00/ton	\$2,007,670	\$2.92/HH/month	\$6.23/HH/month	\$4,284,370	
2028	57,346	\$49.31/ton	\$30.29/ton	60,900 Tons	14,728 Tons	46,172 Tons	5,100 Tons	\$2,276,700	\$3.31/HH/month							

Note: Number of households kept constant for conservative rate budgeting purposes.

Fiscal Year	# Households	Calculated													Total Tipping Fees WTE+LF+Compost (\$/HH/month)	Total Disposal + Compost (\$)
		Covanta Tipping Fee Rate (\$/ton)	Landfill Tipping Fee (\$/ton)	Residential Tonnage w/ Organic Diversion To WTE (Tons)	Residential Tonnage To LF (Tons)	Residential WTE+LF Tipping Fee (\$)	WTE+LF Charge (\$/HH/month)	Residential Compost Tons With Organic Diversion	Compost Tip Fee Rate (\$/ton)	Residential Compost Tipping Fee (\$)	Compost Tipping Fee (\$/HH/month)					
2016	57,346	\$39.47/ton	\$24.99/ton	52,084 Tons	3,920 Tons	\$2,153,800	\$3.13/HH/month	46,789 Tons	\$26.00/ton	\$1,316,706	\$1.91/HH/month	\$5.04/HH/month	\$3,470,506			
2017	57,346	\$40.09/ton	\$25.49/ton	66,464 Tons	3,223 Tons	\$2,746,400	\$3.99/HH/month	46,789 Tons	\$26.00/ton	\$1,216,514	\$1.77/HH/month	\$5.76/HH/month	\$3,962,914			
2018	57,346	\$40.70/ton	\$26.00/ton	82,087 Tons	4,248 Tons	\$3,451,400	\$5.02/HH/month	47,397 Tons	\$26.00/ton	\$1,232,322	\$1.79/HH/month	\$6.81/HH/month	\$4,683,722			
2019	57,346	\$41.48/ton	\$26.43/ton	78,241 Tons	4,300 Tons	\$3,359,100	\$4.88/HH/month	52,913 Tons	\$26.00/ton	\$1,375,738	\$2.00/HH/month	\$6.88/HH/month	\$4,734,838			
2020	57,346	\$42.27/ton	\$26.86/ton	74,411 Tons	4,360 Tons	\$3,262,500	\$4.74/HH/month	58,437 Tons	\$26.00/ton	\$1,519,362	\$2.21/HH/month	\$6.95/HH/month	\$4,781,862			
2021	57,346	\$43.08/ton	\$27.29/ton	74,519 Tons	4,420 Tons	\$3,330,900	\$4.84/HH/month	60,069 Tons	\$26.00/ton	\$1,561,794	\$2.27/HH/month	\$7.11/HH/month	\$4,892,694			
2022	57,346	\$43.91/ton	\$27.72/ton	74,647 Tons	4,480 Tons	\$3,401,900	\$4.94/HH/month	61,709 Tons	\$26.00/ton	\$1,604,434	\$2.33/HH/month	\$7.27/HH/month	\$5,006,334			
2023	57,346	\$44.76/ton	\$28.15/ton	74,785 Tons	4,540 Tons	\$3,475,200	\$5.05/HH/month	63,358 Tons	\$27.00/ton	\$1,710,666	\$2.49/HH/month	\$7.54/HH/month	\$5,185,866			
2024	57,346	\$45.63/ton	\$28.58/ton	74,944 Tons	4,600 Tons	\$3,551,200	\$5.16/HH/month	64,915 Tons	\$28.00/ton	\$1,817,620	\$2.64/HH/month	\$7.80/HH/month	\$5,368,820			
2025	57,346	\$46.52/ton	\$29.00/ton	75,112 Tons	4,660 Tons	\$3,629,400	\$5.27/HH/month	66,581 Tons	\$29.00/ton	\$1,930,849	\$2.81/HH/month	\$8.08/HH/month	\$5,560,249			
2026	57,346	\$47.43/ton	\$29.43/ton	76,282 Tons	4,720 Tons	\$3,757,000	\$5.46/HH/month	67,455 Tons	\$29.00/ton	\$1,956,195	\$2.84/HH/month	\$8.30/HH/month	\$5,713,195			
2027	57,346	\$48.36/ton	\$29.86/ton	77,462 Tons	4,780 Tons	\$3,888,800	\$5.65/HH/month	68,338 Tons	\$29.00/ton	\$1,981,802	\$2.88/HH/month	\$8.53/HH/month	\$5,870,602			
2028	57,346	\$49.31/ton	\$30.29/ton	78,662 Tons	4,840 Tons	\$4,025,400	\$5.85/HH/month	69,230 Tons	\$29.00/ton	\$2,007,670	\$2.92/HH/month	\$8.77/HH/month	\$6,033,070			

Note: Number of households kept constant for conservative rate budgeting purposes.

The first table reflects projections based solely on the audited Fiscal Year 15/16 estimated quantities, with only minor growth in the disposal rate. The second table is based on the hauler supplied data, which shows significant growth in the residential disposal between Fiscal Years 15/16 and 17/18.

- **AB 939 WTE Fee.** Total is \$6/ton, with \$3.00/ton returned to Solid Waste Fund Revenue, and \$3/ton returned to Stanislaus County for Household Hazardous Waste Program.
- **AB 939 Green Waste Diversion Fee.** The City evaluated its line item expenses for the Green Waste/Forestry Fund and determined that 76% of the Forestry Cost Center expenses (Fund 4892, Cost Center 56040) are eligible for inclusion in the AB 939 Green Waste Diversion fee. The Green Waste Collection Cost Center (56030) is funded 100% through the Green Waste Diversion Fee. The balance of the Forestry Cost Center expenses will need to be funded through General Fund transfers.
- **Average Drop Box Size.** Typical 40 cubic yards.
- **Residential, Commercial, and Industrial Customer Information.** Customer Counts and Residential/Commercial/Industrial container information (number and size of carts per household, bin and drop box container sizes and frequency of pickup): Audited financial reports submitted by City's haulers. The hauler specific information is not provided herein for confidentiality purposes.
- **Cost Allocations for Rate Calculations.** The enterprise funds are funded through various revenue sources. Some of the revenue sources are non-fee related, while the more significant revenue is obtained through the various fees charged by the City. These fees are charged by the haulers and pass-through to the City. Table 4 summarizes the cost allocation percentages used in the rate model to allocate expenses that need to be funded by the various fees charged by the City to residential, commercial, and industrial customers. The percentage allocations are based on either disposal quantities by customer category, waste type, and disposal location, or in the case of the Green Waste Fund, based on consideration of the distribution of trees maintained by the City in residential, commercial, and industrial areas and the judgment of City staff. Table 5 presents the sample calculations for the cost allocations to residential, commercial and industrial users based on the above percentage distributions and anticipated non-rate revenues to be received by the City.
- **Waste, Recycling, and Disposal Quantities.** Table 6 summarizes the waste quantities beginning January 2015 that were provided by the haulers for management of MSW, organics, and recycling for residential, commercial, industrial, and self-haul customers. The hauler data includes "Organics", which is collected primarily by Residential and Commercial collection assets, and then other organics such as Green Waste, Compostables, and Woody Waste within recycled materials collected in the Industrial Drop Boxes. The City generally increases the haulers' audited disposal costs by the CPI when setting future rates. The last approved audits were for Fiscal Year 2015/16. **However, un-audited waste quantity disposal information provided by the haulers during this rate study suggests that the disposal quantities for Fiscal Year 2016/17 and 2017/18 may significantly exceed the CPI escalation rate, which is why SCS prepared the alternative rate scenario for the City's consideration pending receipt of the haulers' audited financials. The assumed disposal rates and costs will need to be confirmed when the next hauler audits are submitted.**

- Capital Expense for Equipment Replacement.** The pro forma model includes a schedule for capital purchases and amortization based on the City's projected equipment replacement dates. However, the City Solid Waste staff indicated to SCS that most of their future equipment needs, with the exception of certain assets under the Compost Fund, have sufficient reserves set aside for Fleet Management to purchase replacement equipment. **The pro forma includes a new accrual line item for unfunded equipment replacement for Compost Fund** (See Table 7). The accrual is based on a "letter of credit" methodology on a conservative basis, with interest expenses included during the 10-year accrual period when the equipment replacement fund balance is insufficient to cover the required capital expenses. If the City has sufficient capital reserves to cash-fund this expense, the accrual can be reduced to the estimated depreciation rate. The 10-year accrual calculation is shown in Table 8.

Table 4. Cost Allocation Assumptions for Residential, Commercial and Industrial Users

Enterprise Fund	Allocation%	Basis
Composting		Quantities delivered to compost facility.
Residential	95.1%	
Commercial	2.40%	
Industrial	2.40%	
Solid Waste Management		Quantities of waste managed.
Residential	50.9%	
Commercial	35.9%	
Industrial	13.2%	
Green Waste/Forestry		Recognizes that the majority of trees are in residential areas, but commercial and industrial to a lesser extent have tree common areas maintained by the City.
Residential	65.0%	
Commercial	30.0%	
Industrial	5.0%	
Carpenter Road Landfill		Quantities of waste managed.
Residential	50.9%	
Commercial	35.9%	
Industrial	13.2%	

Table 5. Example Revenue Requirements Worksheet 2019 – 2023 Projections

Revenue Requirements Worksheet					Budget	Fiscal Year				
Fund	Fund Description	Fund	Type		2018	2019	2020	2021	2022	2023
4890	Compost Operations	4890	Compost	Expenses	\$1,757,859	\$2,278,890	\$2,516,990	\$2,726,190	\$3,018,090	\$3,215,790
	Revenue offsets									
	Revenue - Fixed Sources	4890	Fixed		\$404,363	\$494,603	\$588,289	\$623,477	\$659,715	\$697,477
	Fund from reserves	4890	Reserves							
	Subtotal Fixed + Reserves				\$404,363	\$494,603	\$588,289	\$623,477	\$659,715	\$697,477
	Fund through Rates	4890	Variable		\$1,353,496	\$1,784,287	\$1,928,702	\$2,102,713	\$2,358,375	\$2,518,313
	Tonnage				68,066 Tons	81,351 Tons	94,697 Tons	98,105 Tons	101,524 Tons	104,956 Tons
	Effective Compost Tip Fee (Theoretical, See Organics Tab)				\$19.89/ton	\$21.93/ton	\$20.37/ton	\$21.43/ton	\$23.23/ton	\$23.99/ton
	Forestry/City Qty (Low Rate)									
	Commercial/Resi Qty (High Rate)									
4891	Solid Waste Management	4891	Solid Waste	Expenses	\$1,321,527	\$1,345,601	\$1,372,790	\$1,428,190	\$1,457,690	\$1,487,190
	Revenue offsets									
	Revenue - Fixed Sources	4891	Fixed		\$770,271	\$861,200	\$866,600	\$872,100	\$877,700	\$883,400
	Fund from reserves	4891	Reserves							
	Subtotal Fixed + Reserves				\$770,271	\$861,200	\$866,600	\$872,100	\$877,700	\$883,400
	Fund through Rates	4891	Variable		\$551,256	\$550,401	\$572,190	\$622,090	\$579,990	\$603,790
	Residential Allocation	4891	51%		\$280,589	\$280,154	\$291,245	\$316,644	\$295,215	\$307,329
	Commercial Allocation	4891	36%		\$197,901	\$197,594	\$205,416	\$223,330	\$208,216	\$216,761
	Industrial Allocation	4891	13%		\$72,766	\$72,653	\$75,529	\$82,116	\$76,559	\$79,700
4892	Green Waste/Forestry¹	4892	Green Waste	Expenses	\$6,487,144	\$6,637,600	\$6,789,800	\$7,081,300	\$7,246,300	\$7,412,400
	Revenue offsets									
	Revenue - Fixed Sources	4892	Fixed		\$108,095	\$110,500	\$113,000	\$115,700	\$118,400	\$121,100
	Fund from reserves	4892	Reserves							
	Subtotal Fixed + Reserves				\$108,095	\$110,500	\$113,000	\$115,700	\$118,400	\$121,100
	Fund through Rates (Subtotal)	4892	Variable		\$6,379,049	\$5,636,865	\$5,766,189	\$6,170,070	\$6,316,910	\$6,461,760
			Fixed		(\$108,095)	(\$110,500)	(\$113,000)	(\$115,700)	(\$118,400)	(\$121,100)
			Additional AB 939 Fund Balance		\$0	\$0	\$0	\$0	\$0	\$0
			Total Fund through Rates		\$5,526,365	\$5,526,365	\$5,653,189	\$6,054,370	\$6,198,510	\$6,340,660
	Residential Allocation	4892	60%		\$3,827,429	\$3,315,819	\$3,391,913	\$3,632,622	\$3,719,106	\$3,804,396
	Commercial Allocation	4892	35%		\$2,232,667	\$1,934,228	\$1,978,616	\$2,119,030	\$2,169,479	\$2,219,231
	Industrial Allocation	4892	5%		\$318,952	\$276,318	\$282,659	\$302,719	\$309,926	\$317,033
	Fund through General Fund	4892			\$978,197	\$1,000,735	\$1,023,611	\$1,047,030	\$1,070,990	\$1,095,540
4893	Landfill	4893	Landfill	Expenses	\$141,053	\$2,739,200	\$142,300	\$148,300	\$151,800	\$155,200
	Revenue offsets									
	Revenue - Fixed Sources	4893	Fixed		\$0	\$0	\$0	\$0	\$0	\$0
	Fund from reserves	4892	Reserves		\$0	\$2,600,000	\$0	\$0	\$0	\$0
	Subtotal Fixed + Reserves				\$0	\$2,600,000	\$0	\$0	\$0	\$0
	Fund through Rates	4893	Variable		\$141,053	\$539,200	\$142,300	\$148,300	\$151,800	\$155,200
	Residential Allocation	4893	51%		\$71,796	\$274,453	\$72,431	\$75,485	\$77,266	\$78,997
	Commercial Allocation	4893	36%		\$50,638	\$193,573	\$51,086	\$53,240	\$54,496	\$55,717
	Industrial Allocation	4893	13%		\$18,619	\$71,174	\$18,784	\$19,576	\$20,038	\$20,486

¹ Approximately 76% of the Forestry Cost Center is eligible for funding through the AB 939 Greenwaste Diversion fee; with the remaining 24% funded through General Fund transfer.

Table 6. Waste to Energy, Organic, Landfill, and Recycling Quantities

Commercial				
Fiscal Year	WTE	Organic	LF	Recycling
2016	39,589 Tons	441 Tons	3,204 Tons	1,797 Tons
2017	38,723 Tons	728 Tons	10,349 Tons	2,436 Tons
2018	38,042 Tons	850 Tons	15,528 Tons	3,064 Tons
2019	38,540 Tons	860 Tons	15,730 Tons	3,100 Tons
2020	39,040 Tons	870 Tons	15,930 Tons	3,140 Tons
2021	39,550 Tons	880 Tons	16,140 Tons	3,180 Tons
2022	40,060 Tons	890 Tons	16,350 Tons	3,220 Tons
2023	40,580 Tons	900 Tons	16,560 Tons	3,260 Tons
2024	41,110 Tons	910 Tons	16,780 Tons	3,300 Tons
2025	41,640 Tons	920 Tons	17,000 Tons	3,340 Tons
2026	42,180 Tons	930 Tons	17,220 Tons	3,380 Tons
2027	42,730 Tons	940 Tons	17,440 Tons	3,420 Tons
2028	43,290 Tons	950 Tons	17,670 Tons	3,460 Tons

Drop Box				
Fiscal Year	WTE	Organic	LF	Recycling
2016	11,976 Tons	33,981 Tons	6,742 Tons	5,344 Tons
2017	10,460 Tons	35,130 Tons	7,662 Tons	4,776 Tons
2018	11,671 Tons	31,102 Tons	5,775 Tons	11,595 Tons
2019	11,820 Tons	31,510 Tons	5,850 Tons	11,750 Tons
2020	11,970 Tons	31,920 Tons	5,930 Tons	11,900 Tons
2021	12,130 Tons	32,330 Tons	6,010 Tons	12,050 Tons
2022	12,290 Tons	32,750 Tons	6,090 Tons	12,210 Tons
2023	12,450 Tons	33,180 Tons	6,170 Tons	12,370 Tons
2024	12,610 Tons	33,610 Tons	6,250 Tons	12,530 Tons
2025	12,770 Tons	34,050 Tons	6,330 Tons	12,690 Tons
2026	12,940 Tons	34,490 Tons	6,410 Tons	12,850 Tons
2027	13,110 Tons	34,940 Tons	6,490 Tons	13,020 Tons
2028	13,280 Tons	35,390 Tons	6,570 Tons	13,190 Tons

Residential				
Fiscal Year	WTE	Organic	LF	Recycling
2016	52,084 Tons	37,433 Tons	3,920 Tons	0 Tons
2017	66,464 Tons	45,103 Tons	3,223 Tons	0 Tons
2018	82,087 Tons	43,212 Tons	4,248 Tons	0 Tons
2019	83,150 Tons	43,770 Tons	4,300 Tons	0 Tons
2020	84,230 Tons	44,340 Tons	4,360 Tons	0 Tons
2021	85,320 Tons	44,920 Tons	4,420 Tons	0 Tons
2022	86,430 Tons	45,500 Tons	4,480 Tons	0 Tons
2023	87,550 Tons	46,090 Tons	4,540 Tons	0 Tons
2024	88,690 Tons	46,690 Tons	4,600 Tons	0 Tons
2025	89,840 Tons	47,300 Tons	4,660 Tons	0 Tons
2026	91,010 Tons	47,910 Tons	4,720 Tons	0 Tons
2027	92,190 Tons	48,530 Tons	4,780 Tons	0 Tons
2028	93,390 Tons	49,160 Tons	4,840 Tons	0 Tons

Self Haul				
Fiscal Year	WTE	Organic	LF	Recycling
2016	0 Tons	12,255 Tons	47,993 Tons	5,369 Tons
2017	0 Tons	15,252 Tons	52,878 Tons	6,983 Tons
2018	0 Tons	18,025 Tons	35,615 Tons	6,939 Tons
2019	0 Tons	18,260 Tons	36,080 Tons	7,030 Tons
2020	0 Tons	18,500 Tons	36,550 Tons	7,120 Tons
2021	0 Tons	18,740 Tons	37,030 Tons	7,210 Tons
2022	0 Tons	18,980 Tons	37,510 Tons	7,300 Tons
2023	0 Tons	19,230 Tons	38,000 Tons	7,390 Tons
2024	0 Tons	19,480 Tons	38,490 Tons	7,490 Tons
2025	0 Tons	19,730 Tons	38,990 Tons	7,590 Tons
2026	0 Tons	19,990 Tons	39,500 Tons	7,690 Tons
2027	0 Tons	20,250 Tons	40,010 Tons	7,790 Tons
2028	0 Tons	20,510 Tons	40,530 Tons	7,890 Tons

Totals						
WTE	Organic	LF	Recycling	AB 939 Basis	Total Managed	Diverted
103,649 Tons	84,110 Tons	61,858 Tons	12,510 Tons	103,649 Tons	262,127 Tons	36.9%
115,647 Tons	96,213 Tons	74,112 Tons	14,195 Tons	115,647 Tons	300,167 Tons	36.8%
131,800 Tons	93,189 Tons	61,166 Tons	21,598 Tons	120,000 Tons	307,754 Tons	37.3%
133,510 Tons	94,400 Tons	61,960 Tons	21,880 Tons	120,000 Tons	311,750 Tons	37.3%
135,240 Tons	95,630 Tons	62,770 Tons	22,160 Tons	120,000 Tons	315,800 Tons	37.3%
137,000 Tons	96,870 Tons	63,600 Tons	22,440 Tons	120,000 Tons	319,910 Tons	37.3%
138,780 Tons	98,120 Tons	64,430 Tons	22,730 Tons	120,000 Tons	324,060 Tons	37.3%
140,580 Tons	99,400 Tons	65,270 Tons	23,020 Tons	120,000 Tons	328,270 Tons	37.3%
142,410 Tons	100,690 Tons	66,120 Tons	23,320 Tons	120,000 Tons	332,540 Tons	37.3%
144,250 Tons	102,000 Tons	66,980 Tons	23,620 Tons	120,000 Tons	336,850 Tons	37.3%
146,130 Tons	103,320 Tons	67,850 Tons	23,920 Tons	120,000 Tons	341,220 Tons	37.3%
148,030 Tons	104,660 Tons	68,720 Tons	24,230 Tons	120,000 Tons	345,640 Tons	37.3%
149,960 Tons	106,010 Tons	69,610 Tons	24,540 Tons	120,000 Tons	350,120 Tons	37.3%

Notes:

1. Based on data provided by the City's Haulers, Bertolotti and Gilton, January 2016-September 2017. AB 939 max rate based on 120,000 tons/year.
2. "Organic" includes: Residential, Commercial, Drop Box, and Self Haul "Organic", plus the "Wood", "Other: Green Waste", and Other: Compostables and Feed" that is included in the Recycling category quantities reported by the Haulers.
3. 2018 quantities based on 3-month data (July-Sept) and organics quantities adjusted for seasonal trends. 2019 and beyond escalated based on projected growth rates.

Table 7. Compost Fund Equipment Funded and Unfunded Replacement Asset List

Compost Operations 56030										
Equip ID	Year	Make	Model	Description	Odometer	VIN	In-Service Date	Acquisition Cost	Projected Replacement Year	Fund Status
31353	2013	CHEVROLET	C1500	TRK 1/2 TON PU	44294	1GCRCPEA2DZ150962	10/30/2012	\$ 22,828	2022	Funded
40499	2004	FORD	F250	TRK 3/4 TON EXT CAB 4X4	80068	1FTNX21S84ED66553	7/22/2004	\$ 36,625	2018	Funded
40840	2008	STERLING	LT8500	TRK 54.7 14YD DUMP	41924	2FZHAWBS38AZ93997	6/5/2008	\$ 140,328	2018	Funded
41081	2010	PETERBILT	348	TRK 62.0 18YD DUMP	35810	2NP3LN0X8AM108457	12/9/2009	\$ 113,902	2020	Funded
41250	2012	FORD	F450	TRK 16.5 W/UTILITY/CRANE 4X4	4677	1FDUF4HY5CEA83901	12/14/2012	\$ 95,220	2022	Funded
50390	2003	JOHN DEERE	644J	LOADER	25581	DW644JX595439	6/1/2003	\$ 163,175	**	Unfunded
50391	2003	JOHN DEERE	644J	LOADER	19026	DW644JX595457	6/1/2003	\$ 163,175	**	Unfunded
50492	2004	WILDCAT	SPB-718	WINDROW TURNER	5600	6640504	6/1/2004	\$ 260,000	**	Unfunded
51116	2011	HYUNDAI	760-9	FRONT LOADER	4720	HHIHLLO1EB0000201	5/18/2011	\$ 154,640	**	Unfunded
51393	2013	KUBOTA	7040SUHD	TRACTOR 4WD W/BUCKET	615	43510	3/28/2014	\$ 33,963	**	Unfunded
59890	1998	HYSTER	H80XM	FORKLIFT	1363	K005D06247Y	6/1/1998	\$ 27,073	**	Unfunded
70718	2007	DIAMOND Z	DZH 5000-18	GRINDER, TRAILER MOUNTED COMPOST SCREEN, TRAILER	5471	1D9FX403X7C147018	6/1/2007	\$ 602,778	**	Unfunded
71121	2011	MCCLOSKEY	621RE	MOUNT	4014	70778	6/1/2011	\$ 312,120	**	Unfunded
71201	2012	BILLY	DL1801VE	BILLY GOAT DEBRIS LOADER COMPRESSOR TRAILER	0	31113264	8/7/2014	\$ 3,186	**	Unfunded
71313	2013	ATLAS	XAS 185	MOUNTED	134	4500A1011DR041904	4/26/2013	\$ 13,829	**	Unfunded
88888	1988	WALTON	TRAILER	TRAILER, FUEL TANK	0	1W90C1423J1063752	6/1/1988	\$ -	**	Unfunded
89848	1998	MORGAN	FLATBED	TRAILER, FLATBED WITH RAMPS	0	1B9MF162XW0811979	11/3/1998	\$ -	**	Unfunded
	2018	International	7600	4,000 gallon Water Tank Truck		3HAGSSNT4JL001059	12/13/2017			Unfunded

Table 8. Accrual Calculation for Unfunded Equipment Purchase for Compost Operation

Fiscal Year	Balance BOY	Capex	Reserve Contribution	Interest	Balance EOY
2018	\$0	-\$378,263		\$0	-\$378,263
2019	-\$378,263	-\$1,061,500	\$293,871	-\$15,131	-\$1,161,023
2020	-\$1,161,023	\$0	\$293,871	-\$46,441	-\$913,593
2021	-\$913,593	-\$917,700	\$293,871	-\$36,544	-\$1,573,966
2022	-\$1,573,966	\$0	\$293,871	-\$62,959	-\$1,343,054
2023	-\$1,343,054	-\$15,800	\$293,871	-\$53,722	-\$1,118,705
2024	-\$1,118,705	-\$37,900	\$293,871	-\$44,748	-\$907,481
2025	-\$907,481	-\$3,500	\$293,871	-\$36,299	-\$653,409
2026	-\$653,409	\$0	\$293,871	-\$26,136	-\$385,674
2027	-\$385,674	\$0	\$293,871	-\$15,427	-\$107,230
2028	-\$107,230	-\$182,352	\$293,871	-\$4,289	\$0
Period (Unfunded Assets)	Total Capex	Average			
5-year need	\$2,357,463	\$471,493/yr			
10-year need	\$2,414,663	\$241,466/yr			
Projected Depreciation (Unfunded Assets)					
5-year average 2019-2023	\$167,460/yr				
10-year average (2019-2028)	\$186,131/yr				

Notes:

1. The accrual calculation assumes all capital equipment replacement would be fully paid for during the 10-year period 2019-2028. If the City has the funds to pay cash for these equipment purchases, the interest expense can be removed; however, the approach shown above is conservative and assumes 4% interest expense. The 10-yr. average capex of approximately \$242,000/year could be used in the case of a cash purchase.
2. Depreciation expense (not including any adjustment for salvage value) is shown for information purposes, and only begins when asset is purchased. Using depreciation expense for the accrual would not fully fund the asset during the planning period.

- **Future Compost Operations Tipping Fee Calculation.** The current tipping fees for the compost operation are summarized in Table 2 for the various customers using the facility and compost sale rates. Outside Haulers pay a higher tipping fee; internal City customers pay a lower tipping fee. The rate model calculates the rates to fund the compost operations. The calculated rate is compared to the current rate. If the calculated rate is lower than the current rate, the rate is kept the same as the previous year as a conservative approach. The revenue from the sale of compost is not sufficient to cover the costs of the operations. The tipping fee is needed to provide the balance of the funds for the operation.
- **SB 1383 – Short-Lived Climate Pollutants.** This bill requires the State Air Resources Board, no later than January 1, 2018, to approve and begin implementing a comprehensive strategy to reduce emissions of short-lived climate pollutants. The bill targets a 50 percent reduction in the level of the statewide disposal of organic waste from the 2014 level by 2020 and a 75 percent reduction by 2025. The bill authorizes local jurisdictions to charge and collect fees to recover the local

jurisdiction's costs incurred in complying with the regulations. This imposes a state-mandated local program by adding to the duties of local governments related to organic waste in landfills. The City's existing organics recycling collection and composting program will help the City to comply with the requirements of SB 1383, however the City will need to work with its haulers to ensure all commercial customers are recycling organics, and the City is in compliance with other aspects of the law and future regulations. The pro forma accounts for the increased organics diversion that is anticipated as a result of SB 1383. Table 9 summarizes the estimated organics diversion required to meet the SB 1383 goals. The diversion will decrease tip fees paid to Covanta and increase composting tip fee revenue to the City, as well as increased sales of compost. These factors are incorporated into the rate model. We assume actions will be initiated in 2019, and then gradually increase thereafter to achieve the 50 % and 75% diversion goals for 2020 and 2025, respectively. **The City will need to conduct more extensive assessment of programmatic, staffing, facility, equipment, and permit changes at the compost operation to meet the SB 1383 goals.** However, for the purposes of this rate analysis, SCS assumed that certain labor, equipment, and materials costs would increase incrementally per the following schedule as organic diversion increases, and then remain steady thereafter as shown in Table 10.

- **Staffing Changes.** Moss Adams has conducted an efficiency study for the City's Solid Waste Division and made recommendations for improvements². **In response, the Solid Waste and Green Waste/Forestry Funds are proposing staffing changes. Solid Waste's proposed staffing changes are shown in Table 11.** The proposed Integrated Waste Planning Manager position salary is estimated based on other comparable City positions; however, the position will need to be created. **Green Waste/Forestry is proposing significant reorganization as well as adding one Operations Supervisor to the Forestry Division at a cost of \$108,000/year** (total salary and benefits). The rate model shows these staffing changes becoming effective 7/1/2018 (i.e., next fiscal year).
- **Operating Reserve. Beginning in 2021, a 2% operating reserve is added as an expense to each Fund budget.** This reserve would exclude one-time special, significant capital or special project expenditures.
- **Cart Costs (96 gallon).** \$75/cart (delivered).
- **MSW Densities (source: US EPA)**
 - In carts: 275 lbs./cy³
 - Un-compacted yard waste: 250 lbs./cy

² Moss Adams, City of Modesto Solid Waste Division Efficiency Study, September 2016.

³ The City allows a maximum of 100 pounds per cart.

Table 9. Estimated Organics Diversion to Achieve SB 1383 Goals

Organics Generated and Captured											
	Baseline Data (Projected)	(Actual)	(Actual)	(Projected)	(Projected)	(Projected)	(Projected)	(Projected)	(Projected)	(Projected)	(Projected)
	2014	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
All Business Sectors											
Waste Generation											
Total Waste Generated (tons/year)	158,100 Tons	165,507 Tons	189,759 Tons	192,966 Tons	195,470 Tons	198,010 Tons	200,600 Tons	203,210 Tons	205,850 Tons	208,530 Tons	211,230 Tons
Organic Waste											
Food Scraps	44,843 Tons	46,932 Tons	53,847 Tons	53,700 Tons	54,398 Tons	55,103 Tons	55,824 Tons	56,549 Tons	57,284 Tons	58,029 Tons	58,780 Tons
Compostable Paper	15,050 Tons	15,751 Tons	18,103 Tons	18,126 Tons	18,362 Tons	18,600 Tons	18,843 Tons	19,088 Tons	19,336 Tons	19,588 Tons	19,841 Tons
Greenwaste	19,901 Tons	20,831 Tons	23,314 Tons	21,867 Tons	22,152 Tons	22,439 Tons	22,733 Tons	23,029 Tons	23,328 Tons	23,632 Tons	23,937 Tons
Total Organics	79,794 Tons	83,514 Tons	95,263 Tons	93,694 Tons	94,912 Tons	96,143 Tons	97,401 Tons	98,666 Tons	99,948 Tons	101,248 Tons	102,559 Tons
SB 1383 with 2014 baseline data											
Food Scraps		0 Tons	0 Tons	0 Tons	11,211 Tons	22,421 Tons	24,664 Tons	26,906 Tons	29,148 Tons	31,390 Tons	33,632 Tons
Compostable Paper		0 Tons	0 Tons	0 Tons	3,762 Tons	7,525 Tons	8,277 Tons	9,030 Tons	9,782 Tons	10,535 Tons	11,287 Tons
Greenwaste		0 Tons	0 Tons	0 Tons	4,975 Tons	9,950 Tons	10,945 Tons	11,941 Tons	12,936 Tons	13,931 Tons	14,926 Tons
Total Organics		0 Tons	0 Tons	0 Tons	19,948 Tons	39,897 Tons	43,887 Tons	47,876 Tons	51,866 Tons	55,856 Tons	59,845 Tons
<i>Percent of Total Organics Diverted</i>		0.0%	0.0%	0.0%	25.0%	50.0%	55.0%	60.0%	65.0%	70.0%	75.0%
<i>Tonnage Added to Program Each Year to Reach Goal</i>		0 Tons	0 Tons	0 Tons	19,948 Tons	19,948 Tons	3,990 Tons	3,990 Tons	3,990 Tons	3,990 Tons	3,990 Tons
Commercial / Roll Off / Self Haul											
Waste Generation											
Total Waste Generated (tons/year)	104,600 Tons	109,503 Tons	120,072 Tons	106,631 Tons	108,020 Tons	109,420 Tons	110,860 Tons	112,300 Tons	113,760 Tons	115,240 Tons	116,730 Tons
Organic Waste											
Food Scraps	30.7% of Waste Generated	32,144 Tons	33,651 Tons	36,899 Tons	32,768 Tons	33,195 Tons	33,625 Tons	34,068 Tons	34,510 Tons	34,959 Tons	35,414 Tons
Compostable Paper	10.2% of Waste Generated	10,623 Tons	11,121 Tons	12,194 Tons	10,829 Tons	10,970 Tons	11,112 Tons	11,259 Tons	11,405 Tons	11,553 Tons	11,704 Tons
Greenwaste	16.6% of Waste Generated	17,389 Tons	18,204 Tons	19,961 Tons	17,726 Tons	17,957 Tons	18,190 Tons	18,429 Tons	18,669 Tons	18,911 Tons	19,157 Tons
Total Organics		60,156 Tons	62,976 Tons	69,054 Tons	61,324 Tons	62,123 Tons	62,928 Tons	63,756 Tons	64,584 Tons	65,424 Tons	67,132 Tons
SB 1383 with 2014 baseline data											
Food Scraps		0 Tons	0 Tons	0 Tons	8,036 Tons	16,072 Tons	17,679 Tons	19,287 Tons	20,894 Tons	22,501 Tons	24,108 Tons
Compostable Paper		0 Tons	0 Tons	0 Tons	2,656 Tons	5,311 Tons	5,843 Tons	6,374 Tons	6,905 Tons	7,436 Tons	7,967 Tons
Greenwaste		0 Tons	0 Tons	0 Tons	4,347 Tons	8,694 Tons	9,564 Tons	10,433 Tons	11,303 Tons	12,172 Tons	13,041 Tons
Total Organics		0 Tons	0 Tons	0 Tons	15,039 Tons	30,078 Tons	33,086 Tons	36,094 Tons	39,101 Tons	42,109 Tons	45,117 Tons
<i>Percent of Total Organics Diverted</i>		0.0%	0.0%	0.0%	25.0%	50.0%	55.0%	60.0%	65.0%	70.0%	75.0%
<i>Tonnage Added to Program Each Year to Reach Goal</i>		0 Tons	0 Tons	0 Tons	15,039 Tons	15,039 Tons	3,008 Tons	3,008 Tons	3,008 Tons	3,008 Tons	3,008 Tons
Residential											
Waste Generation											
Total Waste Generated (tons/year)	49,800 Tons	52,084 Tons	66,464 Tons	82,087 Tons	83,150 Tons	84,230 Tons	85,320 Tons	86,430 Tons	87,550 Tons	88,690 Tons	89,840 Tons
Organic Waste											
Food Scraps	25.5% of Waste Generated	12,699 Tons	13,281 Tons	16,948 Tons	20,932 Tons	21,203 Tons	21,478 Tons	21,756 Tons	22,039 Tons	22,325 Tons	22,615 Tons
Compostable Paper	8.9% of Waste Generated	4,427 Tons	4,630 Tons	5,908 Tons	7,297 Tons	7,392 Tons	7,488 Tons	7,585 Tons	7,683 Tons	7,783 Tons	7,884 Tons
Greenwaste	5.0% of Waste Generated	2,512 Tons	2,627 Tons	3,353 Tons	4,141 Tons	4,195 Tons	4,249 Tons	4,304 Tons	4,360 Tons	4,417 Tons	4,474 Tons
Total Organics		19,638 Tons	20,539 Tons	26,209 Tons	32,370 Tons	32,789 Tons	33,215 Tons	33,645 Tons	34,082 Tons	34,524 Tons	35,427 Tons
SB 1383 with 2014 baseline data											
Food Scraps		0 Tons	0 Tons	0 Tons	3,175 Tons	6,349 Tons	6,984 Tons	7,619 Tons	8,254 Tons	8,889 Tons	9,524 Tons
Compostable Paper		0 Tons	0 Tons	0 Tons	1,107 Tons	2,214 Tons	2,435 Tons	2,656 Tons	2,878 Tons	3,099 Tons	3,320 Tons
Greenwaste		0 Tons	0 Tons	0 Tons	628 Tons	1,256 Tons	1,382 Tons	1,507 Tons	1,633 Tons	1,759 Tons	1,884 Tons
Total Organics		0 Tons	0 Tons	0 Tons	4,909 Tons	9,819 Tons	10,801 Tons	11,783 Tons	12,765 Tons	13,746 Tons	14,728 Tons
<i>Percent of Total Organics Diverted</i>		0.0%	0.0%	0.0%	25.0%	50.0%	55.0%	60.0%	65.0%	70.0%	75.0%
<i>Tonnage Added to Program Each Year to Reach Goal</i>		0 Tons	0 Tons	0 Tons	4,909 Tons	4,909 Tons	982 Tons	982 Tons	982 Tons	982 Tons	982 Tons
Total Organics By Year From Baseline											
	Baseline										
Commercial/Industrial/Self-Haul	60,156 Tons										
Residential	19,638 Tons	15,039 Tons	30,078 Tons	33,086 Tons	36,094 Tons	39,101 Tons	42,109 Tons	45,117 Tons			
Totals	79,794 Tons	4,909 Tons	9,819 Tons	10,801 Tons	11,783 Tons	12,765 Tons	13,746 Tons	14,728 Tons			
Percent Reduction/Diversion		25%	50%	55%	60%	65%	70%	75%			

Table 10. Estimated Increase in O&M Costs as a Function of the Increased Organics Diversion to Compost Facility

Item	Fiscal Year						
	2019	2020	2021	2022	2023	2024	2025
Organics Increase From 2017 Tonnage to Compost Facility See Tab 5.7	33%	64%	72%	79%	87%	94%	102%
Total Organics Diversion From 2014 Baseline	25%	50%	55%	60%	65%	70%	75%
Incremental Increase in O&M Costs	20%	20%	10%	10%	0%	0%	0%
Cumulative Increase in O&M Costs	20%	40%	50%	60%	60%	60%	60%

SB 1383 Goal Achieved

Table 11. Proposed Staffing Changes for Solid Waste and Green Waste/Forestry Funds

Solid Waste Division Additional Staff FY 18/19					
Assumptions					
1. Reallocate current Solid Waste Enforcement Officer position to a Solid Waste Enforcement Supervisor					
2. Reallocate current Admin TechII position to an Admin Analyst I					
3. Eliminate the Solid Waste Manager position					
4. Reallocate the Integrated Waste Specialist to an Integrated Waste Planning Manager					
5. Add 1 Solid Waste Enforcement Officer					
Current Allocations in budget - fully benefited					
1. Admin Tech II (currently vacant)					\$ 74,537.00
2. Solid Waste Enforcement Officer					\$ 86,546.38
3. Solid Waste Manager (currently vacant)					\$ 163,679.37
4. Integrated Waste Specialist					\$ 136,067.49
Proposed 2018 New/Reclassified Allocations					
	2019	2020	2021	2022	2023
	(Step A)	(Step B)	(Step C)	(Step D)	(Step E)
1. Add 1 new Solid Waste Enforcement Officer	\$ 69,483.14	\$ 72,957.30	\$ 76,605.17	\$ 80,435.43	\$ 84,457.20
2. Reallocate SWEO to SWEO Supervisor (incls 2.5% from fire)	\$ 92,985.22	\$ 97,634.48	\$ 102,516.21	\$ 107,642.02	\$ 113,024.12
3. Cost already recognized in budget for SWEO	\$ (86,546.38)	\$ (86,546.38)	\$ (86,546.38)	\$ (86,546.38)	\$ (86,546.38)
4. <u>Total Cost Increase</u>	\$ 6,438.84	\$ 11,088.10	\$ 15,969.82	\$ 21,095.64	\$ 26,477.74
5. Reallocate Admin Tech II to Admin Analyst I	\$ 80,188.56	\$ 84,197.99	\$ 88,407.89	\$ 92,828.29	\$ 97,469.70
6. Cost already recognized in budget for Admin Tech II	\$ (74,537.00)	\$ (74,537.00)	\$ (74,537.00)	\$ (74,537.00)	\$ (74,537.00)
7. <u>Total Cost Increase</u>	\$ 5,651.56	\$ 9,660.99	\$ 13,870.89	\$ 18,291.29	\$ 22,932.70
	(Step A)	(Step B)	(Step C)	(Step D)	(Step E)
Reallocate Integrated Waste Specialist to Integrated Waste Planning Manager (See Note 1)	\$ 143,184.00	\$ 150,343.20	\$ 157,860.36	\$ 165,753.37	\$ 165,753.37
9. Cost already recognized in budget for Integrated Waste Spc	\$ (136,067.49)	\$ (136,067.49)	\$ (136,067.49)	\$ (136,067.49)	\$ (136,067.49)
10. <u>Total Cost Increase</u>	\$ 7,116.50	\$ 14,275.70	\$ 21,792.86	\$ 29,685.88	\$ 29,685.88
11. Eliminate Solid Waste Manager Position	\$ (163,679.37)	\$ (163,679.37)	\$ (163,679.37)	\$ (163,679.37)	\$ (163,679.37)
Total Proposed Increase to Solid Waste Budget	\$ (74,989.32)	\$ (55,697.28)	\$ (35,440.63)	\$ (14,171.15)	\$ (125.86)
Notes: for SW Fund Changes					
a. Does include benefited rate as of 17/18					
b. All Step A's are set at current rate. There is a 2% increase that will be effective June 26, 2018					
c. Does not include any estimates for union or benefit increases					
SW Management believes the 2018 budget should be allocated for all positions at step b; SW will recognize a savings at the end of FY if					
d. positions are filled in July.					
e. SWEO Supervisor would move to an MCMA Position					
f. Admin Analyst would be an MCMA Position					

Green Waste/Forestry					
	2019	2020	2021	2022	2023
Estimated Cost for one Ops Supervisor: \$108,000/year (total salary + supplemental + benefits)	\$ 108,000.00				
Note: 1. Integrated Waste Planning Manager position salary is estimated based on other comparable City positions; position needs to be created.					

[For budgeting purposes, the savings for 2019 are subtracted from the City's previous personnel salary budget estimate and then the result is escalated by the CPI in subsequent years.]

2.3 RATE ANALYSIS RESULTS AND RECOMMENDATIONS

The following tables present the results of the pro forma rate analysis based on the assumptions and inputs detailed in Section 2.2.

- **Table 12** - Summary of Existing and Proposed Schedule of Fees (2018 – 2023)
- **Table 13** - Summary of Projected Revenue and Expense for Compost Fund 4890 (2018 – 2023)
- **Table 14** - Supporting Cost and Revenue Analysis for Compost Operation 2018-2025
- **Table 15** - Summary of Projected Revenue and Expense for Solid Waste Fund 4891 (2018 – 2023)
- **Table 16** - Summary of Projected Revenue and Expense for Green Waste/Forestry Fund 4892 (2018 – 2023)
- **Table 17** - Summary of Projected Revenue and Expense for Carpenter Road Landfill Fund 4893 (2018 – 2023)

The following observations, conclusions, and recommendations are offered for the City's consideration.

- **Compost Fund**
 - **Rate Sufficiency.** Current tipping fees and compost product pricing appear to be sufficient to support the City's Compost operations. **SCS recommends no change in the Compost tipping fees at this time. Compost product rates should be adjusted annually to accommodate inflation and other factors.**
 - **Fund Balance.** At the beginning of Fiscal Year 2017/18, the Compost Fund had a positive beginning fund balance of approximately \$253,000. With the existing tipping fee and anticipated compost sales, the fund balance should increase, which will provide reserves for operational contingencies and market fluctuations.

Table 12. Summary of Existing and Proposed Schedule of Fees (2018 – 2023)

Fees		Rates					
		Budgeted FY 17-18	Projected FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
		2018 Current	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected
Residential Rate, City Methodology (See Note 2) Based on Audited 2015/2016 Financials with Adjustments for Coyanta and Compost Tip Fee Increases							
Projected Residential Rate		\$30.60/HH/month	\$33.09/HH/month	\$33.28/HH/month	\$33.85/HH/month	\$33.65/HH/month	\$34.06/HH/month
Hauler Costs (Note 1)	Calculated>>>	\$21.39/HH/month	\$22.91/HH/month	\$22.92/HH/month	\$23.01/HH/month	\$23.11/HH/month	\$23.30/HH/month
Fees							
Carpenter Road Landfill Mitigation Fee ⁴		\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.11/HH/month	\$0.11/HH/month
Billing Fee		\$1.11/HH/month	\$1.16/HH/month	\$1.19/HH/month	\$1.22/HH/month	\$1.25/HH/month	\$1.28/HH/month
Franchise Fee		\$3.09/HH/month	\$3.29/HH/month	\$3.31/HH/month	\$3.37/HH/month	\$3.35/HH/month	\$3.39/HH/month
Green Waste Diversion Fee ²		\$4.26/HH/month	\$4.82/HH/month	\$4.93/HH/month	\$5.28/HH/month	\$5.40/HH/month	\$5.53/HH/month
Recycling Fee		\$0.25/HH/month	\$0.41/HH/month	\$0.43/HH/month	\$0.47/HH/month	\$0.43/HH/month	\$0.45/HH/month
Residential Rate, SCS Alternative Analysis (Assuming Disposal Rates Per Hauler Supplied Data for FY 16/17 through Sept 2017) (See Note 3)							
Projected Residential Rate		\$30.60/HH/month	\$35.21/HH/month	\$35.47/HH/month	\$36.11/HH/month	\$35.99/HH/month	\$36.48/HH/month
Hauler Costs (Note 1 and Note 3)	Calculated>>>	\$21.39/HH/month	\$24.82/HH/month	\$24.89/HH/month	\$25.05/HH/month	\$25.22/HH/month	\$25.48/HH/month
Fees							
Carpenter Road Landfill Mitigation Fee ⁴		\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.11/HH/month	\$0.11/HH/month
Billing Fee		\$1.11/HH/month	\$1.16/HH/month	\$1.19/HH/month	\$1.22/HH/month	\$1.25/HH/month	\$1.28/HH/month
Franchise Fee		\$3.09/HH/month	\$3.50/HH/month	\$3.53/HH/month	\$3.59/HH/month	\$3.58/HH/month	\$3.63/HH/month
Green Waste Diversion Fee ²		\$4.26/HH/month	\$4.82/HH/month	\$4.93/HH/month	\$5.28/HH/month	\$5.40/HH/month	\$5.53/HH/month
Recycling Fee		\$0.25/HH/month	\$0.41/HH/month	\$0.43/HH/month	\$0.47/HH/month	\$0.43/HH/month	\$0.45/HH/month
Commercial Fees							
Litter Abatement Fee		\$0.22 cy/month	\$0.59 cy/month	\$0.59 cy/month	\$0.59 cy/month	\$0.59 cy/month	\$0.59 cy/month
Carpenter Road Landfill Mitigation Fee ⁴		\$0.91 cy/month	\$0.95 cy/month	\$0.95 cy/month	\$0.95 cy/month	\$0.27 cy/month	\$0.27 cy/month
Commercial- Recycling Fee		\$0.22 cy/month	\$0.97 cy/month	\$1.00 cy/month	\$1.09 cy/month	\$1.02 cy/month	\$1.06 cy/month
Green Waste Diversion Fee		\$7.79 cy/month	\$9.45 cy/month	\$9.67 cy/month	\$10.36 cy/month	\$10.60 cy/month	\$10.84 cy/month
Industrial (Drop Box) Fees							
Carpenter Road Landfill Mitigation Fee ⁴		\$5.00/pull	\$13.79/pull	\$13.79/pull	\$13.79/pull	\$3.88/pull	\$3.97/pull
Industrial - Recycling Fee		\$5.00/pull	\$14.07/pull	\$14.63/pull	\$15.91/pull	\$14.83/pull	\$15.44/pull
Green Waste Diversion Fee		\$14.00/ton	\$15.64/ton	\$15.79/ton	\$16.69/ton	\$16.86/ton	\$17.03/ton

Notes:

- Hauler costs are based on audited costs and include direct, indirect costs, profit, dumping fees, and interest expense, with no escalation included, and includes a fuel surcharge fee of \$0.53/HH/mn for April 2017 through March 2018.
- Per the City analysis (2/27 email), 73% of the Forestry Cost Center (56040) and 100% of the Collection Cost Center (56020) are eligible for funding through the AB939 Green Waste diversion fee, with the 27% balance in the Forestry Cost Center being covered by the General Fund. General Fund transfer can be adjusted to meet specific goals the City wants to achieve with respect to the ending Net Fund Balance. Also this analysis assumes a General Fund contribution beginning in Fiscal Year 2017/18 and continuing forward cover the 24% of the Forestry Cost Center expenses not covered by AB 939 Green Waste Diversion Fee.
- The alternative analysis for the residential rates prepared by SCS considers anticipated potential additional disposal costs based on preliminary unaudited disposal records provided by the haulers during this rate study for FY 16/17 and FY 17/18, which suggest disposal quantities and costs may exceed the CPI adjusted audited FY 15/16 quantities and disposal costs. The FY 2016/2017 hauler audits have not been submitted.
- The landfill mitigation project budget increased from \$2.6M to \$3.6M; therefore, the landfill mitigation fee was continued forward through FY 20/21 to provided additional revenue.

Table 13. Summary of Projected Revenue and Expense for Compost Fund 4890 (2018 – 2023)

Compost Fund 4890	Budgeted	Projected	Projected	Projected	Projected	Projected
	FY 17-18	FY 18-19 ²	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	2018	2019	2020	2021	2022	2023
REVENUE						
Cost Center 56030 (37040) Compost Op	\$1,724,000	\$2,380,434	\$2,818,135	\$2,938,906	\$3,060,980	\$3,289,828
Transfer In From Fund 4891						
Transfer In from Fund 4892						
Transfer In from Fund 5110 (Stores)	\$4,363					
TOTAL REVENUE	\$1,728,363	\$2,380,434	\$2,818,135	\$2,938,906	\$3,060,980	\$3,289,828
EXPENDITURES						
Cost Center 56030 (37040) Compost Op	\$1,699,311	\$2,226,971	\$2,465,071	\$2,623,971	\$2,911,671	\$3,103,471
Transfer Out to Fund 3100						
Transfer Out to Fund 4210 ¹	\$51,919	\$51,919	\$51,919	\$51,919	\$51,919	\$51,919
Transfer Out to Fund 4891						
Transfer Out to Fund 5230	\$6,629	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,757,859	\$2,278,890	\$2,516,990	\$2,675,890	\$2,963,590	\$3,155,390
Fund Balance Calculation						
Beginning Fund Balance	\$282,193	\$252,696	\$354,241	\$655,385	\$918,401	\$1,015,791
Net Increase(decrease)	(\$29,496)	\$101,544	\$301,144	\$263,016	\$97,390	\$134,438
Net Fund Balance	\$252,696	\$354,241	\$655,385	\$918,401	\$1,015,791	\$1,150,229
CAFR Adjustment						
Ending Fund Balance	\$252,696	\$354,241	\$655,385	\$918,401	\$1,015,791	\$1,150,229

¹Transfer to Fund 4210 for Compost Land loan which will be paid off in FY 2042-43

²Assumes rate increase begins July 1, 2018.

Table 14. Supporting Cost and Revenue Analysis for Compost Operation 2018-2025

Compost Sale Projections							
Item	Fiscal Year						
	Actuals 2017	Projected 2018	Projected 2019	Projected 2020	Projected 2021	Projected 2022	Projected 2023
Incoming Tonnage							
CS - PW - Tip Fee - Outside Customers	91 Tons	92 Tons	93 Tons	94 Tons	95 Tons	96 Tons	97 Tons
CS - PW - Tip Fee Pruned Refuse/Forestry	17,144 Tons	17,367 Tons	17,593 Tons	17,822 Tons	18,054 Tons	18,289 Tons	18,527 Tons
CS - PW - Tip Fee Haulers - Residential and Commercial	46,789 Tons	47,397 Tons	48,013 Tons	48,637 Tons	49,269 Tons	49,909 Tons	50,558 Tons
CS - PW - Tip Fee Leaves	3,169 Tons	3,210 Tons	3,252 Tons	3,294 Tons	3,337 Tons	3,380 Tons	3,424 Tons
Additional Tonnage From Regulatory Changes (SB 1383)							
Residential	0 Tons	0 Tons	4,900 Tons	9,800 Tons	10,800 Tons	11,800 Tons	12,800 Tons
Commercial/Industrial	0 Tons	0 Tons	7,500 Tons	15,050 Tons	16,550 Tons	18,050 Tons	19,550 Tons
Total Additional Tonnage for SB 1383 from Baseline 2014	0 Tons	0 Tons	12,400 Tons	24,850 Tons	27,350 Tons	29,850 Tons	32,350 Tons
Total Incoming Tonnages	67,193 Tons	68,066 Tons	81,351 Tons	94,697 Tons	98,105 Tons	101,524 Tons	104,956 Tons
Percentage Increase from 2017 Tonnage Received			21%	41%	46%	51%	56%
Rates (See Rate Calculation Below for 2019 and beyond)							
CS - PW - Tip Fee - Outside Customers	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$27.00/ton
CS - PW - Tip Fee Pruned Refuse/Forestry	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$16.00/ton
CS - PW - Tip Fee Haulers - Residential and Commercial	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$27.00/ton
CS - PW - Tip Fee Leaves	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$16.00/ton
Additional From Regulatory Changes	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$27.00/ton
Tip Fee Revenue							
CS - PW - Tip Fee - Outside Customers	\$2,400	\$2,400	\$2,400	\$2,400	\$2,500	\$2,500	\$2,600
CS - PW - Tip Fee Pruned Refuse/Forestry	\$257,200	\$260,500	\$263,900	\$267,300	\$270,800	\$274,300	\$296,400
CS - PW - Tip Fee Haulers - Residential and Commercial	\$1,216,500	\$1,232,300	\$1,248,300	\$1,264,600	\$1,281,000	\$1,297,600	\$1,365,100
CS - PW - Tip Fee Leaves	\$47,500	\$48,200	\$48,800	\$49,400	\$50,100	\$50,700	\$54,800
Additional From Regulatory Changes	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial/Industrial	\$0	\$0	\$195,000	\$391,300	\$430,300	\$469,300	\$527,850
Subtotal, \$	\$1,523,600	\$1,543,400	\$1,885,800	\$2,229,800	\$2,315,500	\$2,401,200	\$2,592,350
Effective Tip Fee, \$/ton	\$22.67/ton	\$22.68/ton	\$23.18/ton	\$23.55/ton	\$23.60/ton	\$23.65/ton	\$24.70/ton
Compost Sales							
Ratio Out/In	43.5%	43.5%	43.5%	43.5%	43.5%	43.5%	43.5%
Effective Rate	\$13.23/ton	\$13.54/ton	\$13.85/ton	\$14.17/ton	\$14.50/ton	\$14.83/ton	\$15.17/ton
CS - PW - Compost Sales	\$386,800	\$400,889	\$490,103	\$583,689	\$618,777	\$654,915	\$692,577
Summary of Tonnage for Rate Estimates							
Forestry/City Qty (Low Rate)	20,313 Tons	20,577 Tons	20,845 Tons	21,116 Tons	21,391 Tons	21,669 Tons	21,951 Tons
Commercial/Resi Qty (High Rate)	46,880 Tons	47,489 Tons	60,506 Tons	73,581 Tons	76,714 Tons	79,855 Tons	83,005 Tons
	67,193 Tons	68,066 Tons	81,351 Tons	94,697 Tons	98,105 Tons	101,524 Tons	104,956 Tons
Forestry/City Qty (Low Rate)	30%	30%	26%	22%	22%	21%	21%
Commercial/Resi Qty (High Rate)	70%	70%	74%	78%	78%	79%	79%
Total Tip Fee Revenue Needed		\$1,352,608	\$1,784,287	\$1,928,702	\$2,102,713	\$2,358,375	\$2,518,313
Forestry/City Qty (Low Rate)		20,577 Tons	20,845 Tons	21,116 Tons	21,391 Tons	21,669 Tons	21,951 Tons
Commercial/Resi Qty (High Rate)		47,489 Tons	60,506 Tons	73,581 Tons	76,714 Tons	79,855 Tons	83,005 Tons
Rate Analysis							
Calculated Rates From Revenue Needs (See "All Fund Revenue Projections" Tab)		2018	2019	2020	2021	2022	2023
Internal City Rate		\$14.00/ton	\$15.00/ton	\$14.00/ton	\$14.00/ton	\$15.00/ton	\$16.00/ton
Commercial/Residential Rate		\$23.00/ton	\$25.00/ton	\$23.00/ton	\$24.00/ton	\$26.00/ton	\$27.00/ton
Current Rates							
Internal City Rate		\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton
Commercial/Residential Rate		\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton
Selected Rate (Choose Higher of Calculated or Existing Rates, Conservative for Funding)							
Internal City Rate		\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$15.00/ton	\$16.00/ton
Commercial/Residential Rate		\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$26.00/ton	\$27.00/ton
Effective Rate		\$22.67/ton	\$23.18/ton	\$23.55/ton	\$23.60/ton	\$23.65/ton	\$24.70/ton

Table 15. Summary of Projected Revenue and Expense for Solid Waste Fund 4891 (2018 – 2023)

Solid Waste Fund 4891	Budgeted	Projected	Projected	Projected	Projected	Projected
	FY 17-18	FY 18-19 ¹	FY 19-20	FY 20-21	FY 21-22	FY 22-23
	2018	2019	2020	2021	2022	2023
REVENUE						
Cost Center 56010 (37025)	\$1,010,271	\$1,413,589	\$1,443,450	\$1,500,977	\$1,458,380	\$1,489,529
Transfer In from Fund 1310						
Transfer In from Fund 4890						
TOTAL REVENUE²	\$1,010,271	\$1,413,589	\$1,443,450	\$1,500,977	\$1,458,380	\$1,489,529
EXPENDITURES						
Cost Center 56010 (37025)	\$1,316,039	\$1,345,601	\$1,372,790	\$1,400,690	\$1,429,090	\$1,457,990
Transfer Out to Fund 4890						
Transfer Out to Fund 4892						
Transfer Out to Fund 5230	\$5,488	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,321,527	\$1,345,601	\$1,372,790	\$1,400,690	\$1,429,090	\$1,457,990
Fund Balance Calculation						
Beginning Fund Balance	\$100,306	(\$210,950)	(\$142,961)	(\$72,301)	\$27,986	\$57,277
Net Increase(decrease)	(\$311,256)	\$67,989	\$70,660	\$100,287	\$29,290	\$31,539
Net Fund Balance ²	(\$210,950)	(\$142,961)	(\$72,301)	\$27,986	\$57,277	\$88,816
CAFR Adjustment						
Ending Fund Balance	(\$210,950)	(\$142,961)	(\$72,301)	\$27,986	\$57,277	\$88,816
Projected Customer Units	57,346 HH	57,346 HH	57,346 HH	57,346 HH	57,346 HH	57,346 HH

¹Assumes rate increase begins July 1, 2018.

²Assumes additional fund requirement of \$66000/year added for a 3-year period beginning in FY 18/19 to eliminate negative fund balance.

Table 16. Summary of Projected Revenue and Expense for Green Waste/Forestry Fund 4892 (2018 – 2023)

	Budgeted FY 17-18	Projected FY 18-19 ¹	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
Green Waste/Forestry Fund 4892	2018	2019	2020	2021	2022	2023
REVENUE						
CC 56020 (37035) Green Waste Collection	\$88,306	\$90,300	\$92,300	\$94,500	\$96,700	\$98,900
CC 56025 Green Waste Revenue	\$4,738,929	\$5,526,800	\$5,654,400	\$6,056,300	\$6,199,200	\$6,340,700
CC 56040 Community Forestry	\$19,789	\$20,200	\$20,700	\$21,200	\$21,700	\$22,200
CC 56045 Tree Nursery						
CC 56050 Mistletoe Abatement						
CC 56055 Green House Gas Emission Reduction						
Transfer In from Fund 0100 ²	\$978,197	\$1,000,735	\$1,023,611	\$1,047,030	\$1,070,990	\$1,095,540
Transfer In from Fund 1330	\$80,000					
Transfer In from Fund 4891						
Transfer in from Fund 4895	\$393,920					
TOTAL REVENUE²	\$6,299,141	\$6,638,035	\$6,791,011	\$7,219,030	\$7,388,590	\$7,557,340
EXPENDITURES						
CC 56020 (37035) Green Waste Collection	\$2,230,610	\$2,390,000	\$2,445,100	\$2,501,400	\$2,558,900	\$2,617,500
CC 56040 Community Forestry	\$4,151,942	\$4,247,600	\$4,344,700	\$4,444,100	\$4,545,800	\$4,650,000
CC 56045 Tree Nursery	\$150					
CC 56050 Mistletoe Abatement	\$0					
CC 56055 Green House Gas Emission Reduction	\$0					
101006 Breakroom Project						
Transfer Out to Fund 0100						
Transfer Out to Fund 1341 (Cal Fire Grant Match)	\$0					
Transfer Out to Fund 1370						
Transfer Out to Fund 4890						
Transfer Out to Fund 5230	\$24,592	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$6,407,294	\$6,637,600	\$6,789,800	\$6,945,500	\$7,104,700	\$7,267,500
Fund Balance Calculation						
Beginning Fund Balance	\$0	(\$108,153)	(\$107,718)	(\$106,507)	\$167,023	\$450,913
Net Increase (decrease)	(\$108,153)	\$435	\$1,211	\$273,530	\$283,890	\$289,840
Net Fund Balance	(\$108,153)	(\$107,718)	(\$106,507)	\$167,023	\$450,913	\$740,753
CAFR Adjustment						
Ending Fund Balance (Reserves)	(\$108,153)	(\$107,718)	(\$106,507)	\$167,023	\$450,913	\$740,753

¹ Assumes rate increase beginning July 1, 2018.

² Per the City analysis (2/27 email), 76% of the Forestry Cost Center (56040) and 100% of the Collection Cost Center (56020) are eligible for funding through the AB939 Green Waste Diversion Fee, with the 24% balance in the Forestry Cost Center being covered by the General Fund. General Fund transfer can be adjusted to meet specific goals the City wants to achieve with respect to the ending Net Fund Balance. The General Fund Transfers are shown to begin in Fiscal Year 2017/2018 and continuing forward to fund the 24% of the Forestry Cost Center not covered by the AB 939 Green Waste Diversion Fee.

**Table 17. Summary of Projected Revenue and Expense for
 Carpenter Road Landfill Fund 4893 (2018 - 2023)**

Carpenter Road Landfill Fund

	Budgeted FY 17-18	Projected FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
Carpenter Road Landfill Fund 4893	2018	2019	2020	2021	2022	2023
REVENUE						
Cost Center 56016 (56015, 37010)	\$555,002	\$608,900	\$608,900	\$608,900	\$151,800	\$155,200
TOTAL REVENUE	\$555,002	\$608,900	\$608,900	\$608,900	\$151,800	\$155,200
EXPENDITURES						
Cost Center 56016 (56015, 37010)	\$136,052	\$139,200	\$142,300	\$145,500	\$148,800	\$152,200
Landfill Cleanup Project		\$3,600,000				
Transfer Out to Fund 5230	\$5,001	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$141,053	\$3,739,200	\$142,300	\$145,500	\$148,800	\$152,200
Fund Balance Calculation						
Beginning Fund Balance	\$1,883,412	\$2,297,361	(\$832,939)	(\$366,339)	\$97,061	\$100,061
Net Increase (decrease)	\$413,949	(\$3,130,300)	\$466,600	\$463,400	\$3,000	\$3,000
Ending Fund Balance	\$2,297,361	(\$832,939)	(\$366,339)	\$97,061	\$100,061	\$103,061
CAFR Adjustment						
Ending Fund Balance	\$2,297,361	(\$832,939)	(\$366,339)	\$97,061	\$100,061	\$103,061

¹Assumes rate increase beginning July 1, 2018. Budget for mitigation increased from \$2.6 million to \$3.6 million.

- **Operating Reserve.** A 2% operating reserve fund has been added beginning in 2021. This is a new expense item.
 - **Equipment.** SCS recommends that a new equipment accrual expense line item be added to the budget for the purchase of compost equipment that currently is not being funded through the current budgeted reserve allocations (See Table 7).
 - **Staffing Changes.** No immediate staffing changes are planned, but SCS recommends that the City evaluate the additional staffing that will be needed to manage the increased organics diversion as a result of SB 1383 (see below).
 - **Regulatory Changes Impacting Rates.** Increased O&M expenses have been added to the select fund budget line items beginning in 2019 to account for additional costs that will likely be incurred with the increased organics diversion in response to the SB 1383 requirements (See Table 10). Increase revenues from compost sales as organics diversion increases helps to offset expenses. However, the pro forma rate model assumes that all of the compost product generated from the facility is sold per the assumed market prices. The organics diversion will increase compost tipping revenues, with corresponding reduction in disposal costs. The reduced disposal costs will also result in a decrease in the revenue from the AB 939 Fee (\$3/ton), which directly affects the revenue to the Solid Waste Fund.
 - **Compost Facility Capacity.** SCS recommends the City conduct a detailed assessment of programmatic, staffing, facility, equipment, and permit changes that may be required at the compost operation to meet the SB 1383 goals.
 - **Data Management.** The City maintains adequate current and historical records on material deliveries by customer type into the Compost Facility and sale of compost product. However, please see the recommendation for data management under "Solid Waste Fund".
- **Solid Waste Fund**
 - **Rate Sufficiency.** Current fees are not sufficient to support the projected expenses for the Fund. SCS recommends an increase in the residential recycling fee, and the commercial and industrial recycling and litter abatement fees to support the Fund's budget.
 - **Fund Balance.** At the beginning of the fiscal year, the Solid Waste Fund had a positive ending fund balance of approximately \$100,000; however, budgeted expenses were projected greater than revenues, and the projected fund balance at the end of the fiscal year was projected to be approximately -\$211,000. Adopting the 2018/19 rates in April of this year will reduce the negative fund balance to approximately -\$187,000. An additional \$66,000 per year in revenue requirement was added for three years beginning Fiscal Year 2018/19 to eliminate the negative fund balance. The proposed residential, commercial, and industrial fees (i.e., drop

box) presented in Table 12 would provide sufficient revenues to maintain a positive ending fund balance.

- **Operating Reserve.** A 2% operating reserve fund has been added beginning in 2021. This is a new expense item.
- **Equipment.** No changes to budgeted equipment funding is proposed.
- **Staffing Changes.** Solid Waste has identified various staffing changes it believes will improve the management and administration of the fund (See Section 2.2). These changes are incorporated into the proposed rates. The proposed staffing changes will actually result in a reduction in overall salary costs for the foreseeable future.
- **Regulatory Changes Impacting Rates.** None noted.
- **Data Management.** In the process of developing the rate model, SCS reviewed waste quantity, customer count, and bin and container data from various sources. In particular, the audited financial information submitted by the haulers differs in format, content, and organization. **SCS recommends the City work with the haulers to develop a standard, consistent format, with instructions on what should be accounted for in each line item of the audited financial statements. In addition, SCS recommends the City develop a database to store all the residential, commercial, and industrial waste, recycling, organic waste, WTE and Landfill disposal, and composting quantity data, and again, work with the City's haulers and other Solid Waste department staff to standardize data field descriptions and data input protocol and requirements.** This will facilitate preparation of future rate analyses, and assist the City with other reporting requirements.
- **Green Waste/Forestry Fund**
 - **Rate Sufficiency.** The City's current Green Waste fees are insufficient to support the Green Waste/Forestry Fund. **SCS recommends increases to the residential, commercial, and industrial Green Waste fees as shown in Table 12 to provide the needed revenues to support the Fund budget.** In addition, the City has determined that only 76% of the Forestry Cost Center expenses (Fund 4892, Cost Center 56040) are eligible for inclusion in the AB 939 Green Waste Diversion Fee, while 100% of the Green Waste Collection expenses are eligible. As such, the rate calculations have been adjusted accordingly, with the assumption that the balance of the revenue needs for the Green Waste/Forestry Fund (Fund 4892) will be funded through General Fund transfers.
 - **Fund Balance.** For Fiscal Year 2017/18, the City projected a beginning negative fund balance of approximately -\$394,000, with a projected increasing deficit. Per the City's direction, General Fund transfers are included in the rate analysis beginning in Fiscal Year 2017/18 to reduce the negative end of year fund balance. The amount of the proposed General Fund transfer is equal to 24% of the Forestry

Cost Center expense. This approach, along with other rate increases will decrease the negative fund balance going forward, but not eliminate it. Additional fees or General Fund transfers will be needed to eliminate the negative end of year fund balance.

- **Operating Reserve.** A 2% operating reserve fund has been added beginning in Fiscal Year 2021. This is a new expense item.
 - **Equipment.** No changes to budgeted equipment funding is proposed.
 - **Staffing Changes.** The Green Waste Fund is proposing adding staff beginning in Fiscal Year 2018/19 (See Section 2.2), which would add approximately \$108,000 per year to the budget. This salary increase is included in the rate analysis beginning in Fiscal Year 2019 and beyond.
 - **Regulatory Changes Impacting Rates.** As noted above, SB 1383 requires the increased diversion of organics from disposal, with diversion goals set for 2020 and 2025. This rule does not directly affect the Green Waste Fund from a budgetary perspective. The major costs associated with this bill are covered under the Compost, WTE, and Landfill charges.
 - **Data Management.** A more definitive basis should be established for the allocation of the residential, commercial, and industrial green waste diversion fees. **SCS recommends that the cost allocation be based on an inventory of the location of the City maintained trees as a function of residential, industrial, and commercial zoning. SCS recommends that this information be coordinated with the City's GIS system and included as a separate layer in the GIS system.**
- **Carpenter Road Landfill Fund**
 - **Rate Sufficiency.** The City has used the Landfill Mitigation Fee to accrue reserves to complete the landfill cleanup project, which is scheduled for Fiscal Year 2019 at an estimated budget of \$3.6 million (increase from previous estimate of \$2.6 million). Based on the allocation methodology outlined in the assumptions, **SCS recommends that the residential rate be kept at \$0.50/HH/month through Fiscal Year 2020/2021, and then decreased thereafter. This will provide the additional \$1 million in revenue needed for the landfill mitigation project. The commercial rate should be increased to \$0.95/cy/month from \$0.91/cy/month, and the drop box pull rate for industrial customers increased to \$13.79/pull from \$5.00/pull through FY 2020/2021. The City should consider reducing the landfill mitigation fees as noted in Table 12 following the completion of the landfill cleanup project. A decision on this recommendation can be deferred for the time being.** This approach will provide the funds to support the landfill cleanup project and post-closure care of the landfill.
 - **Fund Balance.** The Carpenter Road Landfill Fund had a beginning fund balance for Fiscal Year 2017/18 of approximately \$2.3 million, with budgeted net increase

of approximately \$0.413 million. The proposed rates through Fiscal Year 2020/2021 should accrue sufficient revenue to complete the \$3.6 million landfill mitigation project.

- **Equipment.** No changes to budgeted equipment funding proposed.
- **Staffing Changes.** No changes proposed.
- **Regulatory Changes Impacting Rates.** No changes proposed.
- **Operating Reserve.** A 2% operating reserve fund has been added beginning in 2021. This is a new expense item.
- **Data Management.** No data management changes are recommended.
- **Timing of Rate Adjustment.** **SCS recommends that the fee rates shown for Fiscal Year 2018/19 be adopted.** The rate analysis assumes the new rates will become effect July 1, 2018 (Fiscal Year 2018/19).

3.0 METHODOLOGY FOR ADDITIONAL SERVICES

3.1 GARBAGE - SECOND CART

Table 18 summarizes the City’s fee schedule for household garbage and green waste carts:

Table 18. City of Modesto Standard Container Rates

Container Size	Rate
96-Gallon Garbage	
a. 96-gallon (MSW+Organics) – First Cart	\$30.60/HH/month
b. 96-gallon – Garbage Second Cart	\$21.44/HH/month
c. 96-gallon – Organic Second Cart	\$10.27/HH/month

The City indicated that it does not have documentation on the basis for second cart rates. SCS was tasked with developing a methodology for assessing the actual cost of the second cart and recommending a possible new rate schedule and approach to the second cart pricing. Currently, the hauler retains all the revenue from the second cart.

The rate for the second cart needs to cover the following fixed and variable cost elements:

- Capital cost for cart
- Incremental replacement/maintenance costs
- Incremental disposal costs
- Incremental collection costs
- Any surcharge cost to be applied as disincentive to use a second cart.

Table 19 provides SCS’s approach to assessing the second cart cost based on the following methodology:

1. Calculate the fixed + variable + profit costs for collection, and estimate the \$/HH/month costs (using hauler provided customer counts).
2. Estimate the tonnage of MSW in the 2nd cart as a function of the % capacity used. For the purpose of this analysis, SCS considered 50%, 75%, and 100%.
3. Calculate the disposal cost of the additional cart @ the % utilization times the MSW disposal costs (\$40.70/ton), and express as \$/HH/month.
4. Estimate capital, maintenance, and replacement cost of carts, and evaluate amortization for a 5-year and 10-year period, and express in \$/HH/month.

Table 19. Second Cart Analysis- Garbage

Basis for Additional Cart						
1. MSW Disposal Cost \$40.70/ton						
	Covanta JPA Agreement					
	CPI Adjustment 2017					
	AB939 Fee					
	LF Costs					
2. Current Rates						
	First cart	\$30.60/HH/mn		100%		
	2nd cart MSW	\$21.44/HH/mn		70%		
	2nd cart green waste	\$10.27/HH/mn		34%		
3. MSW Density in Cart 275 lbs/cy EPA: 250-300 lb/cy uncompacted MSW						
4. CY/Gallon conversion 0.00495 cy/gal						
5. Container size						
	Gallons		90 gal			
	Cubic Yards		0.45 cy			
6.						
	Tonnage, % Capacity	Tons	Per Year	Rate	Disposal Costs	SHH/Mn
	25%	0.015 tons/pickup	0.80 tons/yr	\$40.70/ton	\$32.40/yr	\$2.70/HH/mn
	50%	0.031 tons/pickup	1.59 tons/yr	\$40.70/ton	\$64.84/yr	\$5.40/HH/mn
	75%	0.046 tons/pickup	2.39 tons/yr	\$40.70/ton	\$97.23/yr	\$8.10/HH/mn
	100%	0.061 tons/pickup	3.19 tons/yr	\$40.70/ton	\$129.67/yr	\$10.81/HH/mn
7. Cart Costs						
	Capital		\$70.00			
	Delivery		\$5.00			
	Total		\$75.00			
8. Amortize Period, Yrs						
				W/Repair/Replacement		
	5 yrs	\$1.25/HH/mn	\$1.44/HH/mn			
	10 yrs	\$0.63/HH/mn	\$0.72/HH/mn			
9. Customers with Additional Carts (Use Gilton as example basis)						
	Total # Customers		43347			
	Number of Customers, 2nd		1,519			
				Conclusion: Unknown distribution between 2 and 3 additional carts, does this also include additional		
	Number of Carts, 2nd		3,368	greewaste carts)		
	% of Customers		3.50%			
Typical pickup sequence						
		One Cart	Two Carts			
	Travel time	10 seconds	10 seconds			
	Pickup time	9 seconds	18 seconds			
		19 seconds	28 seconds			
		96.50%	3.50%			
	800 stop route, just one cart		15,200 sec			
	800 stops, with add'l carts		15,452 sec			
	Increased time		1.02			
	Additional Collection Costs		2%	Assume increase in Fixed + Variable costs for collecting additional carts)		

Table 19. Second Cart Analysis- Garbage

10. Hauler Collection Costs	Redacted for Confidentiality		
Fixed	[REDACTED]		
Variable	[REDACTED]		
Subtotal	[REDACTED]		
Profit, 11.11%	[REDACTED]		
Total Collection Costs	\$11.23/HH/mn		
Additional Collection Costs	\$0.22/HH/mn		
Profit Margin	[REDACTED]		
11. Incentive Factor to Encourage Waste Reduction (i.e., additional fee above base rate)	Rate, \$/HH/Month		
	Disposal Rates vs % capacity used of cart		
Disincentive Surcharge Rate	50%	75%	100%
0%	\$5.40	\$8.10	\$10.81
25%	\$5.40	\$8.10	\$10.81
50%	\$5.40	\$8.10	\$10.81
75%	\$5.40	\$8.10	\$10.81
100%	\$5.40	\$8.10	\$10.81
150%	\$5.40	\$8.10	\$10.81
200%	\$5.40	\$8.10	\$10.81
	Rate, \$/HH/Month		
	Surcharge Fee		
Disincentive Surcharge Rate	50%	75%	100%
0%	\$0.00	\$0.00	\$0.00
25%	\$1.35	\$2.03	\$2.70
50%	\$2.70	\$4.05	\$5.41
75%	\$4.05	\$6.08	\$8.11
100%	\$5.40	\$8.10	\$10.81
150%	\$8.10	\$12.15	\$16.22
200%	\$10.80	\$16.20	\$21.62
	Rate, \$/HH/Month		
	Amortized Capital		Additional Collection Costs
Disincentive Surcharge Rate	5 yr	10 yr	
0%	\$1.44	\$0.72	\$0.22
25%	\$1.44	\$0.72	\$0.22
50%	\$1.44	\$0.72	\$0.22
75%	\$1.44	\$0.72	\$0.22
100%	\$1.44	\$0.72	\$0.22
150%	\$1.44	\$0.72	\$0.22
200%	\$1.44	\$0.72	\$0.22
12. City Solid Waste Budget			
56010 Exp	\$1,321,527.27	Source: 2017/18 Budget	
Customers	57,339	Source: 2016 Cart Counts from Haulers	
Rate, \$/HH/Month	\$1.92/HH/mn	However, this is covered under the base rate and does not need to be included in additional cart fee.	

Table 19. Second Cart Analysis- Garbage

13. Summary of Range of Potential Charge for Additional MSW Cart (adjust slightly for proportional additional costs of hauler's contract)

Disincentive Factor (%)	Totals, \$/HH/Month					
	5-year Amortization			10-year Amortization		
	Assumed Cart Capacity Used			Assumed Cart Capacity Used		
	50%	75%	100%	50%	75%	100%
0%	\$7.06	\$9.76	\$12.47	\$6.34	\$9.04	\$11.75
25%	\$8.41	\$11.79	\$15.17	\$7.69	\$11.07	\$14.45
50%	\$9.76	\$13.81	\$17.85	\$9.04	\$13.09	\$17.16
75%	\$11.11	\$15.84	\$20.53	\$10.39	\$15.12	\$19.86
100%	\$12.46	\$17.86	\$23.28	\$11.74	\$17.14	\$22.56
150%	\$15.16	\$21.91	\$28.69	\$14.44	\$21.19	\$27.97
200%	\$17.86	\$25.96	\$34.09	\$17.14	\$25.24	\$33.97

- Estimate the % of additional collection expenses that would result from handling a second cart. We assumed a 2% increase in costs based on a theoretical routing analysis assuming 800 stops per route, about 3.5% of the customers having an additional cart. This cost is calculated by multiplying the hauler collection cost by 2%, expressed as \$/HH/month.
- Considered a range of incentive factors (i.e., additional costs) to apply, and calculate a potential range of second cart fees.
- Make a decision on the various factors to use in the calculation, and select the 2nd cart rate, see Exhibit 3 below. The City may need to make a final adjustment to account for slight differences in the hauler costs.

As can be seen from the summary table at the end of Table 19, the base cost for the second cart ranges between \$12 and \$13/HH/month assuming 100% of the disposal capacity utilized. Placing a 100% disincentive disposal charge, would increase the 2nd cart fee to \$23.28, which is comparable to the City's current 2nd cart rate. **SCS recommends that if the City continues to charge the higher second cart rate that the difference between the higher rate and the hauler's actual full costs be rebated back to the City Solid Waste Fund to support other recycling and education programs in the City. Currently, the hauler retains the additional revenue earned for the second cart.**

3.2 ORGANICS CART COLLECTION

The current rate for an additional green waste 90-gallon cart is \$10.27/HH/month, which is 34% of the first cart MSW rate. The basis for the existing rates is not documented. Based on the above methodology for the second garbage cart, the cost of the second organic cart (including the \$26/ton tipping fee) is between \$7 and \$8/HH/month as summarized in Table 20. As such, the current 2nd cart rate is reasonable and provides incentive to divert organic waste to the organics cart instead of the garbage cart, **but SCS recommends that the difference between the haulers actual costs for the cart and the tipping fee be rebated back to the City Solid Waste Fund to support other green waste diversion and enforcement activities.**

Table 20. Second Cart Analysis— Organic Waste

Incentive Factor to Reduce Quantity Generated	Totals, with 5-Year Amortization					
	% Capacity of 96 gallon carts			% Capacity of 96 gallon carts		
	50%	75%	100%	50%	75%	100%
0%	Total Base Rate + Incentive to Reduce + Additional Collection + Amortization			Total Base Rate + Incentive to Reduce + Additional Collection + Amortization		
	\$4.64/HH/mn	\$6.21/HH/mn	\$7.78/HH/mn	\$3.92/HH/mn	\$5.49/HH/mn	\$7.06/HH/mn

3.3 CONTAINER RATE SCHEDULE

The haulers contracted by the City provide yearly requests for updates of their commercial bin and drop box container rates. The proposed Fiscal Year 2018/2019 rates are based on a calculated \$/cy/month rate using the audited direct and indirect expenses (including a fuel surcharge of \$0.11/cy/month to cover additional fuel costs from April 2017 through March 2018), allowed profit, and the Fiscal Year 2018/2019 proposed fees for the lowest cost commercial bin service provider. The calculated \$/cy/month rate is used to establish the rates for the various container sizes and frequency of pickup per week. Table 21 present the results of this analysis and recommended rates for Fiscal Years 2018/2019. **The conclusion from this analysis is the proposed rates will provide sufficient revenue for the haulers.**

Table 21. Proposed FY 2018/2019 Detachable Container Rates Compared to Current Published Rates for FY2016/2017

Container Size		Current Published Rates for FY2016/2017					
		1 pickups/wk	2 pickups/wk	3 pickups/wk	4 pickups/wk	5 pickups/wk	6 pickups/wk
1-cy	1-cy	\$43.92/mn	\$87.83/mn	\$131.75/mn	\$175.66/mn	\$219.58/mn	\$263.49/mn
	2-cy	\$87.83/mn	\$175.66/mn	\$263.49/mn	\$351.33/mn	\$439.16/mn	\$526.99/mn
	3-cy	\$131.75/mn	\$263.49/mn	\$395.24/mn	\$526.99/mn	\$658.74/mn	\$790.48/mn
	4-cy	\$175.66/mn	\$351.33/mn	\$526.99/mn	\$702.65/mn	\$878.31/mn	\$1,053.98/mn
	5-cy	\$219.58/mn	\$439.16/mn	\$658.74/mn	\$878.31/mn	\$1,097.89/mn	\$1,273.47/mn
	6-cy	\$263.49/mn	\$526.99/mn	\$790.48/mn	\$1,053.98/mn	\$1,317.47/mn	\$1,581.97/mn
2-cy	1-cy	\$39.26/mn	\$78.72/mn	\$118.08/mn	\$157.44/mn	\$196.80/mn	\$236.16/mn
	2-cy	\$78.72/mn	\$157.44/mn	\$236.16/mn	\$314.88/mn	\$393.60/mn	\$472.32/mn
	3-cy	\$118.08/mn	\$236.16/mn	\$354.24/mn	\$472.32/mn	\$590.40/mn	\$709.48/mn
	4-cy	\$157.44/mn	\$314.88/mn	\$472.32/mn	\$629.76/mn	\$787.20/mn	\$944.64/mn
	5-cy	\$196.80/mn	\$393.60/mn	\$590.40/mn	\$787.20/mn	\$984.00/mn	\$1,180.80/mn
	6-cy	\$236.16/mn	\$472.32/mn	\$709.48/mn	\$944.64/mn	\$1,180.80/mn	\$1,416.96/mn

3.4 DROP BOX PICKUP CHARGE

The City posted published rate for drop box containers is \$248.22 per pickup. This rate does not include disposal costs, which are paid by the customer. An AB 939 Green Waste Diversion Fee of \$14 per ton is added to the disposal charge. The City requested that SCS develop a suggested methodology for calculating the pick-up charge.

SCS recommends the following methodology for establishing the drop box container pickup charge:

1. Review the hauler audited financial statements, which includes a breakdown in the costs for providing the drop box service.
2. Select the lowest cost provider of drop box services to evaluate rates.
3. Calculate the total of the approved direct and indirect costs, profit, plus the following pass-through costs: Franchise Fee, Mitigation Fee, Interest Expense, and Recycle Fees.
4. Verify the number of pickups per year reported by the hauler.
5. Divide the total eligible costs by the number of pickups per year to set the \$/pickup rate.

The analysis using this approach suggests that the collection fee will need to be increased to \$383 per pickup versus the current rate of \$248.22 per pickup based on the audited information provided by the hauler.

Exhibit A

Solid Waste Service Rate Study Phase II Report
City of Modesto

Table 12. Summary of Existing and Proposed Schedule of Fees (2018 – 2023)

Fee	2018	Projected FY 18-19	Projected FY 19-20	Projected FY 20-21	Projected FY 21-22	Projected FY 22-23
Residential Rate, City Methodology (See Note 2) Based on Audited 2015/2016 Financials with Adjustments for Covants and Compost Tip Fee Increases						
Projected Residential Rate						
Hauler Costs (Note 1)						
Corporate Road Landfill Mitigation Fee ⁴	\$30.60/HH/month	\$33.09/HH/month	\$33.28/HH/month	\$33.85/HH/month	\$33.65/HH/month	\$34.06/HH/month
Billing Fee	\$21.39/HH/month	\$23.91/HH/month	\$23.92/HH/month	\$23.61/HH/month	\$23.11/HH/month	\$23.30/HH/month
Franchise Fee	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.11/HH/month	\$0.11/HH/month
Green Waste Diversion Fee ¹	\$1.11/HH/month	\$1.16/HH/month	\$1.19/HH/month	\$1.27/HH/month	\$1.26/HH/month	\$1.28/HH/month
Recycling Fee	\$3.09/HH/month	\$3.29/HH/month	\$3.31/HH/month	\$3.37/HH/month	\$3.35/HH/month	\$3.39/HH/month
Other Abatement Fee	\$4.25/HH/month	\$4.82/HH/month	\$4.93/HH/month	\$5.28/HH/month	\$5.40/HH/month	\$5.53/HH/month
Compost Tip Fee	\$0.25/HH/month	\$0.41/HH/month	\$0.43/HH/month	\$0.47/HH/month	\$0.43/HH/month	\$0.45/HH/month
Projected Residential Rate	\$10.66/HH/month	\$15.23/HH/month	\$15.47/HH/month	\$16.11/HH/month	\$16.09/HH/month	\$16.48/HH/month
Hauler Costs (Note 1 and Note 3)						
Corporate Road Landfill Mitigation Fee ⁴	\$21.39/HH/month	\$24.82/HH/month	\$24.89/HH/month	\$25.05/HH/month	\$25.22/HH/month	\$25.48/HH/month
Billing Fee	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.50/HH/month	\$0.11/HH/month	\$0.11/HH/month
Franchise Fee	\$1.11/HH/month	\$1.16/HH/month	\$1.19/HH/month	\$1.27/HH/month	\$1.26/HH/month	\$1.28/HH/month
Green Waste Diversion Fee ¹	\$3.09/HH/month	\$3.50/HH/month	\$3.53/HH/month	\$3.69/HH/month	\$3.58/HH/month	\$3.63/HH/month
Recycling Fee	\$4.25/HH/month	\$4.82/HH/month	\$4.93/HH/month	\$5.28/HH/month	\$5.40/HH/month	\$5.53/HH/month
Compost Tip Fee	\$0.25/HH/month	\$0.43/HH/month	\$0.43/HH/month	\$0.47/HH/month	\$0.43/HH/month	\$0.43/HH/month
Other Abatement Fee						
Corporate Road Landfill Mitigation Fee ⁴	\$0.27 cy/month	\$0.49 cy/month	\$0.59 cy/month	\$0.59 cy/month	\$0.59 cy/month	\$0.59 cy/month
Commercial-Recycling Fee	\$0.91 cy/month	\$0.95 cy/month	\$0.95 cy/month	\$0.95 cy/month	\$0.95 cy/month	\$0.95 cy/month
Green Waste Diversion Fee	\$0.24 cy/month	\$0.67 cy/month	\$1.00 cy/month	\$1.09 cy/month	\$1.02 cy/month	\$1.08 cy/month
Corporate Road Landfill Mitigation Fee ⁴	\$7.29 cy/month	\$9.45 cy/month	\$9.87 cy/month	\$10.36 cy/month	\$10.60 cy/month	\$10.84 cy/month
Isolated - Recycling Fee	\$5.00/pull	\$1.379/pull	\$1.379/pull	\$1.379/pull	\$1.379/pull	\$1.379/pull
Green Waste Diversion Fee	\$3.00/ton	\$14.07/ton	\$14.03/ton	\$15.91/ton	\$14.83/ton	\$15.84/ton
	\$14.00/ton	\$15.44/ton	\$15.79/ton	\$16.69/ton	\$15.86/ton	\$17.03/ton

1. Hauler costs are based on audited costs and include direct, indirect costs, profit, dumping fees, and interest expense, with an escalation included, and includes a fuel surcharge fee of \$0.32/HH/ton for April 2017 through March 2018.
 2. Per the City analysis (3/27/2018), 75% of the Forestry Cost Center (560,400) and 100% of the Collection Cost Center (560,200) are eligible for funding through the A899 Green Waste diversion fee, with the 25% balance in the Forestry Cost Center being covered by the General Fund. General Fund transfer can be adjusted to meet specific goals the City wants to achieve with respect to the ending fund balance. Also, this analysis assumes a General Fund contribution beginning in Fiscal Year 2017/18 and continuing forward cover the 25% of the Forestry Cost Center expenses not covered by A8 939 Green Waste Diversion Fee.
 3. The alternative analysis for the residential rate prepared by SCS considers anticipated potential additional disposal costs based on primarily uncollected disposal records provided by the haulers during this rate study for FY 16/17 and FY 17/18, which suggest disposal expenses and costs may exceed the CP advised audited FY 15/16 quantities and disposal costs. The FY 2016/2017 hauler costs have not been substantiated.
 4. The landfill mitigation project budget amounted from \$2.6M to \$3.6M; therefore, the landfill mitigation fee was contained below FY 20/21 as provided additional revenue.

Table 21. Proposed FY 2018/2019 Container Rates Compared to Current Published Rates for FY2016/2017

		Proposed New Rates (City Methodology)					
		1 pickups/wk	2 pickups/wk	3 pickups/wk	4 pickups/wk	5 pickups/wk	6 pickups/wk
Container Size	1-cy	\$43.92/mn	\$87.83/mn	\$131.75/mn	\$175.66/mn	\$219.58/mn	\$263.49/mn
	2-cy	\$87.83/mn	\$175.66/mn	\$263.49/mn	\$351.33/mn	\$439.16/mn	\$526.99/mn
	3-cy	\$131.75/mn	\$263.49/mn	\$395.24/mn	\$526.99/mn	\$658.74/mn	\$790.48/mn
	4-cy	\$175.66/mn	\$351.33/mn	\$526.99/mn	\$702.65/mn	\$878.31/mn	\$1,053.98/mn
	5-cy	\$219.58/mn	\$439.16/mn	\$658.74/mn	\$878.31/mn	\$1,097.89/mn	\$1,317.47/mn
	6-cy	\$263.49/mn	\$526.99/mn	\$790.48/mn	\$1,053.98/mn	\$1,317.47/mn	\$1,580.97/mn
		Current Published Domestic Container Services Monthly Rates					
		1 pickups/wk	2 pickups/wk	3 pickups/wk	4 pickups/wk	5 pickups/wk	6 pickups/wk
Container Size	1-cy	\$39.36/mn	\$78.72/mn	\$118.08/mn	\$157.44/mn	\$196.80/mn	\$236.16/mn
	2-cy	\$78.72/mn	\$157.44/mn	\$236.16/mn	\$314.88/mn	\$393.60/mn	\$472.32/mn
	3-cy	\$118.08/mn	\$236.16/mn	\$354.24/mn	\$472.32/mn	\$590.40/mn	\$708.48/mn
	4-cy	\$157.44/mn	\$314.88/mn	\$472.32/mn	\$629.76/mn	\$787.20/mn	\$944.64/mn
	5-cy	\$196.80/mn	\$393.60/mn	\$590.40/mn	\$787.20/mn	\$984.00/mn	\$1,180.80/mn
	6-cy	\$236.16/mn	\$472.32/mn	\$708.48/mn	\$944.64/mn	\$1,180.80/mn	\$1,416.96/mn

MODESTO CITY COUNCIL
RESOLUTION NO. 2018-241

RESOLUTION APPROVING THE QUARTERLY FUEL ADJUSTMENTS FROM APRIL 2017 THROUGH MARCH 2018 TO THE MAXIMUM RATE SCHEDULE FOR CITY SOLID WASTE COLLECTION SERVICES OF \$0.43 PER MONTH FOR RESIDENTIAL SERVICES AND \$.10 PER CUBIC YARD PER MONTH FOR COMMERCIAL SERVICES, TO BECOME EFFECTIVE JULY 1, 2018, AND RESCINDING RESOLUTION NO. 2017-279

WHEREAS, with the adoption of Ordinance No. 3068-C.S. in November of 1997, the City no longer sets rates for the collection of garbage in Modesto, and instead performs a comprehensive review of cost information submitted by the contract garbage haulers, and

WHEREAS, the City sets the maximum rate that the haulers may charge for the various types of services provided under the contracts based on cost data prepared by the lowest cost hauler, and

WHEREAS, Section f (2) of the City's Service Agreements with its solid waste collectors requires that when the City makes adjustments to the collection services provided under the Agreements, any additional costs should be covered by adjustments to the maximum rates, and

WHEREAS, in addition, maximum rates for solid waste collection services are reviewed annually as per the Agreements with the City's garbage collection companies, and

WHEREAS, the City analyzes the audited financial statements provided by the garbage haulers, supplemental data provided by the garbage haulers, and fuel price information and forecast prices developed by the United States Department of Energy, and

WHEREAS, on June 27, 2006, by Resolution No. 2006-410, Council approved

RESCINDED
OCT 23 2018
THIS RESOLUTION WAS
RESCINDED BY MODESTO
CITY COUNCIL
NO. 2018-475

that the fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October 1/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy, Energy Information Agency, and

WHEREAS, due to the Solid Waste Rate Study the quarterly adjustments to the fuel component of the maximum rates have not been made since July 1, 2017 based on January 2017 through March 2017 fuel pricing, and

WHEREAS, staff and the rate consultant SCS Engineers, Modesto, CA have made adjustments related to the fuel component of the maximum rates and have incorporated the fuel component adjustments into the schedule of the Maximum Charges for Garbage Service **attached** hereto, marked **Attachment A**, July 1, 2018, and incorporated herein by reference, and

WHEREAS, fuel adjustments occur on a quarterly basis, if needed, and

WHEREAS, the fuel rates analyzed for this rate adjustment were based on fuel pricing from April 2017 through March 2018, and

WHEREAS, this action is to adjust maximum rates for fuel and therefore does not require environmental review, and

WHEREAS, it was found and determined by the Council of the City of Modesto that the quarterly adjustments to the fuel component of the maximum rates should be made.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the quarterly fuel adjustments from April 2017 through March

2018 to the Maximum Rate Schedule for Garbage Services, **Attachment A**, dated July 1, 2018, of \$0.43 per month for residential services and \$.10 per cubic yard per month for commercial services and shall become effective July 1, 2018 and shall remain in effect until rescinded.

BE IT FURTHER RESOLVED, that Resolution No. 2017-279 is hereby rescinded effective July 1, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

MAXIMUM CHARGES FOR GARBAGE SERVICE

STANDARD CONTAINERS

Maximum Monthly Rates (Once a Week Pickup Service)

Standard container service maximum rates shall include the following:

- One 96-gallon container for garbage and one 96-gallon container for organics recycling
- Two bulky item collections per year by appointment
- Maintenance of City trees, including collection & composting of Green Waste/Forestry materials
- Removal of illegally dumped items in streets and alleys
- Drop off program for Household Hazardous Waste at the HHW Facility

Standard container service customers may opt for smaller containers; however, maximum rates apply. Containers must be placed in a location set forth in Section 5-5.111 of the Municipal Code.

1. Standard container service

- a. The maximum rate for new sign-ups for service or changes in service that occur after October 1, 1996, shall be **\$33.09 per month** regardless of size of container. A fuel component of \$.43 per month is included in the maximum rate for April 2017 through March 2018. The fuel component may be adjusted quarterly as needed.
- b. The maximum rate for each additional garbage container shall be **\$21.44 per month, and \$10.27 per month** for each additional organics recycling container.

2. 60-gallon container service (grandfathered customers)

- a. The maximum rate for customers with 60-gallon containers who subscribed to service at an address prior to July 1, 1996 and who have not changed their service address shall be **\$24.19 per month**. No fuel component adjustment on these containers was made at this time. The fuel component may be adjusted quarterly as needed
- b. The maximum rate for each additional 60-gallon garbage container shall be **\$20.90 per month**.

3. Fuel Component adjustments - The fuel component will be analyzed quarterly and adjustments shall be made as needed. The adjustment shall

be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October 1/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy, Energy Information Agency.

**DETACHABLE CONTAINERS
Maximum Monthly Rates**

Container Size	Regular Container Maximum Rates					
	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
1 CY	\$43.92	\$87.84	\$131.76	\$175.68	\$219.60	\$263.52
2 CY	\$87.84	\$175.68	\$263.52	\$351.36	\$439.20	\$527.04
3 CY	\$131.76	\$263.52	\$395.28	\$527.04	\$658.80	\$790.56
4 CY	\$175.68	\$351.36	\$527.04	\$702.72	\$878.40	\$1,054.08
5 CY	\$219.60	\$439.20	\$658.80	\$878.40	\$1,098.00	\$1,317.60
6 CY	\$263.52	\$527.04	\$790.56	\$1,054.08	\$1,317.60	\$1,581.12

Organic Recycling Participants signed prior to 2016 Container Maximum Rates						
Container Size	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
2 CY	\$65.88	\$131.76	\$197.64	\$263.52	\$329.40	\$395.28
3 CY	\$98.82	\$197.64	\$296.46	\$395.28	\$494.10	\$592.92
4 CY	\$131.76	\$263.52	\$395.28	\$527.04	\$658.80	\$790.56
5 CY	\$164.70	\$329.40	\$494.10	\$658.80	\$823.50	\$988.20
6 CY	\$197.64	\$395.28	\$592.92	\$790.56	\$988.20	\$1,185.84
90-gallon	\$24.82	\$49.64	\$74.45	\$99.27	\$124.09	\$148.91

- Weekly rental/Detachable Containers** - Shall not exceed the rate for 1 pick-up per week for each size container.
- Fuel Component** - A fuel component of \$.10 per cubic yard per month per pick-up is included in the maximum rate for April 2017 through March 2018. The fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October/April-June; January 1/July-September; April 1/October-December. Average prices shall be

determined based on published prices for California from the Department of Energy.

DROP BOX CONTAINERS

- 1. Pick up charge** - \$383.00 per pick-up
- 2. Rental**
 - \$0.85 per day up to 7 day maximum rental
 - \$3.00 per day for boxes kept 7 or more days without servicing
 - \$10.00 per day for boxes kept 21 or more days without servicing
- 3. Disposal charge** - Actual charge to be paid by customer. Garbage company will provide up to 40 CY Drop Box containers for above stated charges subject only to load limit of transfer vehicle. An AB 939 Green Waste Diversion Fee of \$15.64 per ton is added to the disposal charges.

COMPACTORS

Front Loader Type:

Compactor Rates						
Container Size	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
3 CY	\$395.28	\$790.56	\$1,185.84	\$1,581.12	\$1,976.40	\$2,371.68
4 CY	\$527.04	\$1,054.08	\$1,581.12	\$2,108.16	\$2,635.20	\$3,162.24
6 CY	\$790.56	\$1,581.12	\$2,371.68	\$3,162.24	\$3,952.80	\$4,743.36

Roll-Off Types:

- 1. 6 CY to 40 CY** \$383.00 per pick-up
- 2. Hospital waste compactors** \$265.00 per pick-up
- 3. Washing compactor** \$30.00
- 4. Disposal Charge:** Actual charge to be paid by customer
- 5. AB 939 Green Waste Diversion Fee** \$9.45 per ton

EXTRA PICKUPS

- 1. Standard containers or equivalent** \$3.50 plus \$2.30/container
- 2. Detachable containers** \$12.00 plus \$4.15/cubic yard

SPECIAL SERVICE CONDITIONS

In situations where none of the above maximum rates reasonably apply, the cost of service is to be negotiated between the garbage company and the customer.

**DETACHABLE CONTAINER ONLY
REPLACEMENT AND CLEANING SERVICE**

1 CY	1½ CY	2 CY	3 CY	4 CY	5 CY	6 CY
\$10.12	\$11.00	\$12.10	\$15.40	\$20.24	\$25.08	\$29.92

NOTATIONS

1. Recycling Fee: The above maximum rates include a \$0.41 per month residential recycling fee; a \$0.97 per cubic yard per month commercial recycling fee; and a \$14.07 per pull industrial recycling fee.
2. Litter Abatement Fee: The above maximum rates include a \$0.59 per cubic yard per month commercial litter abatement fee.
3. AB 939 Green Waste Diversion Fee: The above maximum rates include a \$4.82 per household per month residential AB 939 Green Waste Diversion Fee; a \$9.45 per cubic yard per month commercial bin and front-loader compactor AB 939 Green Waste Diversion Fee; and a \$15.64 per ton industrial drop box AB 939 Green Waste Diversion Fee.
4. Carpenter Road Landfill Mitigation Fee: The above maximum rates include a \$.50 per household per month residential Carpenter Road Landfill Mitigation Fee; a \$.95 per cubic yard per month commercial Carpenter Road Landfill Mitigation Fee, and a \$13.79 per pull Carpenter Road Landfill Mitigation Fee on industrial wastes.
5. Pursuant to Section 11-6.16(c)(2) of the Modesto Municipal Code, the garbage company may require a deposit equivalent to two (2) months service charge from customers prior to beginning service. The deposit will be credited back to the customer after 18 months under specified conditions.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-242**

**RESOLUTION APPROVING THE ANNUAL RATE ADJUSTMENTS TO THE
MAXIMUM RATE SCHEDULE FOR CITY RESIDENTIAL,
COMMERCIAL, AND INDUSTRIAL SOLID WASTE COLLECTION
SERVICES, TO BECOME EFFECTIVE JULY 1, 2018, AND RESCINDING
RESOLUTION NO. 2017-279**

WHEREAS, with the adoption of Ordinance No. 3068-C.S. in November of 1997,
the City no longer sets rates for the collection of garbage in Modesto, and instead performs
a comprehensive review of cost information submitted by the contract garbage haulers,
and

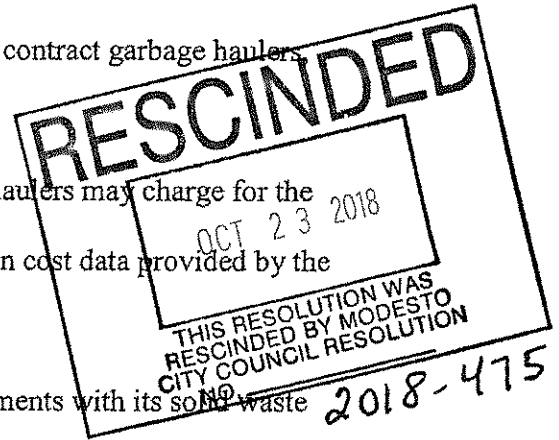
WHEREAS, the City sets the maximum rate that the haulers may charge for the
various types of services provided under the contracts based on cost data provided by the
lowest cost hauler, and

WHEREAS, Section f (2) of the City's Service Agreements with its solid waste
collectors requires that when the City makes adjustments to the collection services
provided under the Agreements, any additional costs should be covered by adjustments to
the maximum rates, and

WHEREAS, in addition, maximum rates for solid waste collection services are
reviewed annually as per the Agreements with the City's garbage collection companies,
and

WHEREAS, the City hired SCS Engineers, Modesto, CA to conduct a Solid Waste
Rate and Fee Study and to validate the City rate setting methodology, and

WHEREAS, SCS Engineers and the City analyzed the audited financial statements
provided by the garbage haulers, supplemental data provided by the garbage haulers,
current City fees, and fuel price information and forecast prices developed by the United



States Department of Energy during this rate setting process, and

WHEREAS, an adjustment for the fuel and billing components of the maximum rates has been incorporated into the Schedule of Maximum Charges for Garbage Service **attached** hereto, marked **Attachment A** and incorporated herein by reference, and

WHEREAS, on November 25, 2008, by Resolution No. 2008-650, Council approved the assessment of an AB 939 Green Waste Diversion fee that would be assessed on residential, commercial bin, and drop box wastes generated in the City of Modesto, and

WHEREAS, to continue to preserve diversion credit, make the organics composting process work, and cover the operating costs for green waste diversion, an adjustment to the Green Waste Diversion Fee is necessary in the amount of \$0.56 per household per month for residential, a \$1.66 per cubic yard per month for commercial, and \$1.64 per ton for industrial garbage, and

WHEREAS, current recycling fees of \$0.25 per household per month for residential, \$0.22 per cubic yard per month for commercial, and \$5.00 per pull for industrial garbage were adopted in June 2006 and have not been reviewed or revised since, and

WHEREAS, state laws AB 341, AB 1826, and SB 1383 have been adopted since 2006 and require mandatory commercial and organics recycling, monitoring, reporting, and enforcement; a rate adjustment to the recycling fees is necessary in the amounts of \$0.16 per household per month for residential, \$0.75 per cubic yard per month for commercial, and \$9.07 per pull for industrial garbage, and

WHEREAS, the current commercial litter abatement fee is \$0.22 per cubic yard per month and this fee has not been reviewed or revised since January 2010, while the

litter lining the streets of Modesto has increased dramatically, a commercial litter abatement fee adjustment of \$0.37 per cubic yard per month is necessary to assist in funding a litter abatement crew, and

WHEREAS, a Cleanup and Abatement Order was issued by the State in March 2015, and currently there is a Carpenter Road Landfill Mitigation fee of \$0.50 per household per month for residential, \$0.91 per cubic yard per month for commercial, and \$5.00 per pull for industrial garbage, and

WHEREAS, the City received revised mitigation costs for the clean closure of the Carpenter Road Landfill and the \$0.50 per household per month fee on the residential rate will remain, while the mitigation fee on the commercial rate will increase by \$0.04 per cubic yard per month, and the mitigation fee on the industrial pull charge will increase by \$8.79, and

WHEREAS, the City is required to conduct an annual rate review by July 1 each year, and

WHEREAS, the Solid Waste Rate Study took longer than anticipated and a July 2017 rate review did not happen, and

WHEREAS, staff will perform a mid-year rate review by January 1, 2019, and

WHEREAS, these actions are administrative actions to adjust the maximum rates for existing services and therefore do not require environmental review, and

WHEREAS, a Council Agenda report dated May 25, 2018, from the Public Works Department, a copy of which is on file in the office of the City Clerk, sets forth said recommendations, and

WHEREAS, a public hearing of the City Council was held at 5:30 p.m. on June

12, 2018, in the Tenth Street Place Chambers, located at 1010 Tenth Street, Modesto, California, during which this matter was discussed and at which time evidence, both oral and documentary, was received and heard by Council, and

WHEREAS, it was found and determined by the Council of the City of Modesto that the existing schedules of rates and charges for garbage service in the City of Modesto should be revised as recommended.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Maximum Charges for Garbage Services, as **attached** hereto, marked **Attachment A**, dated July 1, 2018, and incorporated herein by reference. Said Maximum Charges for Garbage Service shall include all other services as stipulated in the Service Agreements and shall become effective July 1, 2018 and shall remain in effect until revised or rescinded by Council.

BE IT FURTHER RESOLVED, that Resolution No. 2017-279 is hereby rescinded effective July 1, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

MAXIMUM CHARGES FOR GARBAGE SERVICE

STANDARD CONTAINERS

Maximum Monthly Rates (Once a Week Pickup Service)

Standard container service maximum rates shall include the following:

- One 96-gallon container for garbage and one 96-gallon container for organics recycling
- Two bulky item collections per year by appointment
- Maintenance of City trees, including collection & composting of Green Waste/Forestry materials
- Removal of illegally dumped items in streets and alleys
- Drop off program for Household Hazardous Waste at the HHW Facility

Standard container service customers may opt for smaller containers; however, maximum rates apply. Containers must be placed in a location set forth in Section 5-5.111 of the Municipal Code.

1. Standard container service

- a. The maximum rate for new sign-ups for service or changes in service that occur after October 1, 1996, shall be **\$33.09 per month** regardless of size of container. A fuel component of \$.43 per month is included in the maximum rate for April 2017 through March 2018. The fuel component may be adjusted quarterly as needed.
- b. The maximum rate for each additional garbage container shall be **\$21.44 per month, and \$10.27 per month** for each additional organics recycling container.

2. 60-gallon container service (grandfathered customers)

- a. The maximum rate for customers with 60-gallon containers who subscribed to service at an address prior to July 1, 1996 and who have not changed their service address shall be **\$24.19 per month**. No fuel component adjustment on these containers was made at this time. The fuel component may be adjusted quarterly as needed
- b. The maximum rate for each additional 60-gallon garbage container shall be **\$20.90 per month**.

3. Fuel Component adjustments - The fuel component will be analyzed quarterly and adjustments shall be made as needed. The adjustment shall

be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October 1/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy, Energy Information Agency.

**DETACHABLE CONTAINERS
Maximum Monthly Rates**

Container Size	Regular Container Maximum Rates					
	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
1 CY	\$43.92	\$87.84	\$131.76	\$175.68	\$219.60	\$263.52
2 CY	\$87.84	\$175.68	\$263.52	\$351.36	\$439.20	\$527.04
3 CY	\$131.76	\$263.52	\$395.28	\$527.04	\$658.80	\$790.56
4 CY	\$175.68	\$351.36	\$527.04	\$702.72	\$878.40	\$1,054.08
5 CY	\$219.60	\$439.20	\$658.80	\$878.40	\$1,098.00	\$1,317.60
6 CY	\$263.52	\$527.04	\$790.56	\$1,054.08	\$1,317.60	\$1,581.12

Container Size	Organic Recycling Participants signed prior to 2016 Container Maximum Rates					
	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
2 CY	\$65.88	\$131.76	\$197.64	\$263.52	\$329.40	\$395.28
3 CY	\$98.82	\$197.64	\$296.46	\$395.28	\$494.10	\$592.92
4 CY	\$131.76	\$263.52	\$395.28	\$527.04	\$658.80	\$790.56
5 CY	\$164.70	\$329.40	\$494.10	\$658.80	\$823.50	\$988.20
6 CY	\$197.64	\$395.28	\$592.92	\$790.56	\$988.20	\$1,185.84
90-gallon	\$24.82	\$49.64	\$74.45	\$99.27	\$124.09	\$148.91

1. **Weekly rental/Detachable Containers** - Shall not exceed the rate for 1 pick-up per week for each size container.
2. **Fuel Component** - A fuel component of \$.10 per cubic yard per month per pick-up is included in the maximum rate for April 2017 through March 2018. The fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October/April-June; January 1/July-September; April 1/October-December. Average prices shall be

determined based on published prices for California from the Department of Energy.

DROP BOX CONTAINERS

- 1. Pick up charge** - \$383.00 per pick-up
- 2. Rental**
 - \$0.85 per day up to 7 day maximum rental
 - \$3.00 per day for boxes kept 7 or more days without servicing
 - \$10.00 per day for boxes kept 21 or more days without servicing
- 3. Disposal charge** - Actual charge to be paid by customer. Garbage company will provide up to 40 CY Drop Box containers for above stated charges subject only to load limit of transfer vehicle. An AB 939 Green Waste Diversion Fee of \$15.64 per ton is added to the disposal charges.

COMPACTORS

Front Loader Type:

Compactor Rates						
Container Size	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
3 CY	\$395.28	\$790.56	\$1,185.84	\$1,581.12	\$1,976.40	\$2,371.68
4 CY	\$527.04	\$1,054.08	\$1,581.12	\$2,108.16	\$2,635.20	\$3,162.24
6 CY	\$790.56	\$1,581.12	\$2,371.68	\$3,162.24	\$3,952.80	\$4,743.36

Roll-Off Types:

- 1. 6 CY to 40 CY** \$383.00 per pick-up
- 2. Hospital waste compactors** \$265.00 per pick-up
- 3. Washing compactor** \$30.00
- 4. Disposal Charge:** Actual charge to be paid by customer
- 5. AB 939 Green Waste Diversion Fee** \$9.45 per ton

EXTRA PICKUPS

- 1. Standard containers or equivalent** \$3.50 plus \$2.30/container
- 2. Detachable containers** \$12.00 plus \$4.15/cubic yard

SPECIAL SERVICE CONDITIONS

In situations where none of the above maximum rates reasonably apply, the cost of service is to be negotiated between the garbage company and the customer.

**DETACHABLE CONTAINER ONLY
REPLACEMENT AND CLEANING SERVICE**

1 CY	1½ CY	2 CY	3 CY	4 CY	5 CY	6 CY
\$10.12	\$11.00	\$12.10	\$15.40	\$20.24	\$25.08	\$29.92

NOTATIONS

1. Recycling Fee: The above maximum rates include a \$0.41 per month residential recycling fee; a \$0.97 per cubic yard per month commercial recycling fee; and a \$14.07 per pull industrial recycling fee.
2. Litter Abatement Fee: The above maximum rates include a \$0.59 per cubic yard per month commercial litter abatement fee.
3. AB 939 Green Waste Diversion Fee: The above maximum rates include a \$4.82 per household per month residential AB 939 Green Waste Diversion Fee; a \$9.45 per cubic yard per month commercial bin and front-loader compactor AB 939 Green Waste Diversion Fee; and a \$15.64 per ton industrial drop box AB 939 Green Waste Diversion Fee.
4. Carpenter Road Landfill Mitigation Fee: The above maximum rates include a \$.50 per household per month residential Carpenter Road Landfill Mitigation Fee; a \$.95 per cubic yard per month commercial Carpenter Road Landfill Mitigation Fee, and a \$13.79 per pull Carpenter Road Landfill Mitigation Fee on industrial wastes.
5. Pursuant to Section 11-6.16(c)(2) of the Modesto Municipal Code, the garbage company may require a deposit equivalent to two (2) months service charge from customers prior to beginning service. The deposit will be credited back to the customer after 18 months under specified conditions.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-243**

**RESOLUTION APPROVING THE MAYOR'S FINAL BUDGET
MODIFICATIONS, BUDGET PRINCIPLES, AND FINANCIAL POLICIES AS
OUTLINED IN THE MAYOR'S FINAL BUDGET MODIFICATION MESSAGE
FOR FISCAL YEAR 2018-2019**

WHEREAS, as part of the City of Modesto's Final Proposed Budget for FY 2018-2019, the Mayor included his Final Budget Modifications and Budget Principles for the Council's consideration, and

WHEREAS, each year the City Council's Finance Committee makes recommendations regarding the upcoming Fiscal Year Operating Budget and Capital Improvement Program, and

WHEREAS, in the development of the FY 2018-2019 Operating Budget, the Finance Committee reviewed and recommended for City Council consideration the **attached** Proposed Budget, Budget Principles, and Financial Policies,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Final Proposed Budget inclusive of the Mayor's Final Budget Modifications, the Recommended Budget Principles, and Financial Policies as shown in **Attachments 6 and 7** and **Exhibit 5**, which are incorporated by reference herein.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Challenge, Change & Opportunity

City of Modesto 2018-19 Fiscal Year Proposed Annual Operating Budget



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 Utilities Department 91
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Introduction

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Budget Message

Mayor's Budget Message– 2018

As Mayor, I have the duty to prepare and deliver to the City Council the Mayor's Budget Message under Modesto City Charter Section 1302.1/1302A.

Under our City Charter, the Mayor has specific duties related to the budget such as providing this budget message.

For the foreseeable future, it appears that the City's Operating Budget will be adversely impacted by higher payments from the City to CalPERS for the solvency of pensions promised by the City of Modesto to current and future City government retirees. Because of this, instead of new spending proposals, my recommendation for this year's fiscal priorities for the City's Operating Budget is to increase our budget reserve in an effort to reach the minimum recommended by the Government Finance Officers Association ("GFOA").

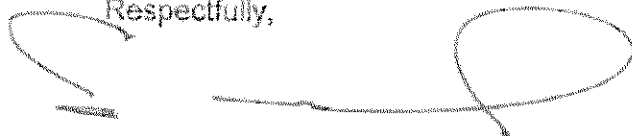
Working with the City Council and City staff, we have made significant improvements in the budget reserve of the City since Modesto citizens entrusted me with the office of Mayor. When I took office, the City's budget reserve was approximately \$3 million. We have been able to raise our General Fund reserves to \$15.8 million as of January 17, 2018. While much better, this amount is still below the minimum recommended by the GFOA. Specifically, the GFOA recommends:

" . . . at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures."

GFOA also *"recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes."* I believe the City would benefit from such a formal policy and I have attached a copy of the GFOA's statement on General Fund reserves for consideration by the City Council and our citizens.

I have asked the City Clerk to place this matter on a City Council meeting agenda for the required public hearing and any City Council and public input.

Respectfully,



TED BRANDVOLD, Mayor

2/15/2018

Fund Balance Guidelines for the General Fund



Government Finance Officers Association

BEST PRACTICE

Fund Balance Guidelines for the General Fund

BACKGROUND:

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis.¹ While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund, it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining): *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.² The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary *fund balance*, while it is subject to the same constraints on spending as GAAP *fund balance*, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP *fund balance* and budgetary *fund balance* sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP *fund balance* includes amounts from all of the subfunds, whereas budgetary *fund balance* typically does not.
3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates. In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of *unrestricted fund balance* in the general fund.

RECOMMENDATION:

GFOA recommends that governments establish a formal policy on the level of *unrestricted fund balance* that should be maintained in the general fund for GAAP and budgetary purposes.³ Such a

Asset Allocation Guidelines for the General Fund

guidance should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.⁴ In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

Appropriate Level. The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, OGA recommends, as a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balances in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.⁵ The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.⁶ Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its previous exposure to significant one-time outlays (e.g., disaster, irrevocable capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.

Use and Replenishment

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;
2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;
3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors informing the replenishment time horizon include:

Fund Balance Guidelines for the General Fund

1. The budgetary reasons behind the fund balance target;
2. Recovering from an extreme event;
3. Political continuity;
4. Fiscal planning time horizons;
5. Long-term forecasts and economic conditions;
6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Unrestricted Fund Balance Above Formal Policy Requirement. In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

Notes:

1. For the sake of clarity this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 34, *Fund Balance Reporting and Governmental Fund Type Definitions*.
3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommendation Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to “maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures” (Recommended Practice 4.1).
5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America’s largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
6. In other cases, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

This best practice was previously titled Appropriate Level of Unrestricted Fund Balance for the General Fund

JUNE 8, 2018

To the Members of the City Council and the Citizens of Modesto:

I am pleased to submit the Final Proposed Fiscal Year 2018-2019 city budget for your review and consideration. The budget is presented with confidence that our city is making great economic improvements, and with caution due to the fiscal challenges we face this next year and in the years to come.

Our local economy is improving, and we continue to see an increase in revenue from property, business license and sales taxes, which account for 59.2% of General Fund revenues. During FY17/18, the city was able to increase its General Fund emergency reserves by \$2.5 million to \$18.3 million while containing costs. This action also brings the city to within approximately \$600 thousand of the Government Finance Officers Association recommended level.

Our initial projections show significant increases in CalPERS contributions for this upcoming fiscal year, and the increases will continue in subsequent years. In short, pension costs are outpacing the growth in revenue. Also, some of our revenue streams continue to be vulnerable to change. Specifically, our Sales Tax revenues continue to be negatively impacted by consumer shifts toward online retail sales.

A few consistent themes you will notice in the upcoming fiscal year:

- Public safety will remain our priority.
- We want to be known as an organization focused on the customer experience.
- We will align resources to be an innovative and solutions-oriented organization.
- The city will embark on a refreshed Strategic Plan to guide staff on priorities of the City Council.
- Staff will actively manage vacancies, as they occur, to ensure resources are available to meet future budget challenges.
- We will work toward an aggressive pro-business approach to expand existing businesses and attract new businesses.
- We will invest in collaborative partnerships with other jurisdictions, our neighborhood groups and faith organizations.
- We will strive for an open transparent government and will make decisions based on data and evidence.

Modesto's Budget and the Strategic Plan

City staff has again worked to ensure an apportionment of resources to align with Council's priorities and vision for the city, all while aligning the budget to realistic expectations based on conservative assumptions. The Strategic Plan provides a framework for resource allocation, and the city has set forth a vision and associated General Fund budget that focuses on four core commitments:

1. **Great Safe Neighborhoods.** A city where we all work together to ensure our neighborhoods are safe and attractive, building on the diversity of our many neighborhoods. We engage our neighborhoods as our partners working together to achieve common goals and help make our community an even better place to live, work and play. **GENERAL FUND - \$105.7 MILLION (82% OF TOTAL GENERAL FUND BUDGET)**
2. **Healthy Economy and Great Quality of Life.** A city where in partnership with other governmental agencies, nonprofits, schools, and businesses, we have jobs and educational opportunities that help our

families succeed. We work with the community to expand access to cultural, entertainment and recreational opportunities for youth and families. **GENERAL FUND - \$8.1 MILLION (6% OF TOTAL GENERAL FUND BUDGET)**

3. *Vibrant Infrastructure and Sustainable Environment.* A city where there is a safe and efficient multi-modal network of transportation and a healthy environment that protects its natural resources and strives for long-term sustainability. **GENERAL FUND - \$7.4 MILLION (6% OF TOTAL GENERAL FUND BUDGET)**

4. *Effective, Responsive and Transparent Government.* A city government of continuous improvement and effective and efficient use of resources, that is responsive to community needs while operating in a transparent and accessible environment. **GENERAL FUND - \$13.3 MILLION (10% OF TOTAL GENERAL FUND BUDGET)**

Overview of the FY18/19 Proposed Budget

The total city operating expense budget for all funds, including certain Joint Power Authorities, for FY18/19 is \$383.5 million. There are four major funds within the city's budget: General, Water, Wastewater, and Internal Services. There are also a number of smaller funds, including the Golf Fund, Modesto Centre Plaza, Storm Drainage, Surface Transportation Funds, and Airport Funds. The information in the following table summarizes the city's primary funds:

Fund Name	Amount
General Fund	\$129,503,066
Water	\$10,200,000
Wastewater	\$10,200,000
Internal Services	\$10,200,000
Storm Drainage	\$10,200,000
Surface Transportation	\$10,200,000
Airport	\$10,200,000
Modesto Centre Plaza	\$10,200,000
Golf Fund	\$10,200,000
Other	\$10,200,000
Total	\$383,500,000

General Fund

As in past years, initial budget projections for the General Fund indicate a large potential shortfall. The initial projected gap for the FY18/19 General Fund Operating Budget is approximately \$17.13 million. Staff is determined to stay true to Council's intention of putting aside money for future contingencies and not to withdraw funds from General Fund Emergency Reserves. Staff also wants to ensure the continued sustainability of the city's Internal Service Funds by fully funding their allocations. This gap has been closed through permanent reductions, with the use of some one-time strategies, and without eliminating filled positions.

The table below summarizes the strategies used to close the shortfall. After all reduction strategies were taken into consideration, the General Fund FY18/19 Draft Budget is balanced with the following strategies:

Proposed Options for a Balanced Operating Budget	Amount (in millions)
Increase in departmental revenues	\$1.43
One-time transfer-back from fleet replacement	1.85
Workers compensation rate reduction (28% all funds)	1.38
Employee benefits fund reduction of ISF charges	1.18
Variance rate (6.8%)	6.54
Departmental reductions/adjustments/restructures	5.00
TOTAL PROPOSED SAVINGS	\$17.38

In FY18/19, it is projected that General Fund revenues (including transfers in from other funds) will be \$129.5 million. The city experienced stable and slowly-increasing revenues in its General Fund over the last 7 years. Current revenues show steady increases in the city's Property Tax revenues which includes both the property portion of the revenue as well as the Vehicle License Fee Swap revenue. These two sources make up the city's Property Tax revenue, which is estimated to increase 6.7% from FY17/18 to FY18/19. Sales Tax revenues show a slight increase of 2.6% over FY17/18. Although there is a shift in retail sales to online shopping, Sales Tax revenues continue to slowly rise with increased fuel prices in the latter half of FY17/18.

Revenue Category	Amount (in millions)
Property Tax	\$33.44
Sales Tax	31.24
Utility Users Tax	21.12
Business License Tax	12.00
Franchise Fees	4.73
Transient Occupancy Tax	2.70
Construction Revenues	2.40
Motor Vehicle Fees	0.22
Departmental Revenues	16.48
Cannabis Revenues	1.50
One-Time Revenues	1.43
Transfers-In from Other Funds	2.24
TOTAL REVENUE	\$129.50

Total General Fund expenditures, including transfers out, in the Proposed Budget are \$136 million, before applying a vacancy factor of 6.8% which equates to savings of \$6.5 million. This brings the total Proposed Budget down to \$129.5 million. Public Safety (Police and Fire) continues to be the primary spending priority of the General Fund with \$97.8 million or 75.5% of its resources being allocated to support this function. Of this amount, \$65.7 million supports the Police Department and \$32.1 million supports the Fire Department. While the Strategic Plan Commitment of Great Safe Neighborhoods is the city's number one priority, there are other essential and quality of life services that need to be provided in complement to achieve the Strategic Plan Commitments.

Fund Name	Revenue
Wastewater	43,775,771
Public Safety	97,800,000
Police	65,700,000
Fire	32,100,000
Public Works	15,000,000
Community Development	10,000,000
Health Services	8,000,000
Library	5,000,000
City Administration	4,000,000
Other	3,000,000
Transfers Out	2,000,000
Other	1,000,000

Wastewater Fund

The Wastewater Fund provides for wastewater services to customers in the Cities of Modesto, Empire and a portion of Ceres. This service area equates to over 200,000 residents. The system consists of approximately 70 miles of trunk lines, 670 miles of sanitary lines and 40 wastewater lift stations. Wastewater is treated at the Sutter Primary Treatment Plant and the Jennings Secondary Treatment Plant.

Wastewater Fund revenues come from monthly service charges to residents at rates established by the Council. Total revenue for FY18/19 is estimated to be \$58.4 million including a planned rate increase of 5% that will

take effect July 1, 2018. This rate increase will be used to pay debt service costs on existing projects and fund system improvement projects.

Wastewater Capital Improvement Program expenses for FY18-19 are projected to be \$48.6 million and are in addition to the annual operating and debt service expenses.

Budget Line Item	Amount
Water	58,686,427
Water Treatment Plant	12,500,000
Water Distribution System	17,500,000
Water Production	10,000,000
Water Administration	5,000,000
Water Conservation	3,000,000
Water Infrastructure	10,686,427
Water Research	0
Water Quality	0
Water Safety	0
Water Security	0
Water Systems	0
Water Treatment	0
Water Utility	0
Water Wastewater	0
Water Wastewater Treatment	0

Water Fund

The city provides drinking water to residents in the areas of Modesto, Empire, Salida, Grayson, Del Rio, parts of Ceres and Turlock, and County areas adjacent to the city system equating to approximately 250,000 residents. The city collects monthly service charges from the residents within the service area, which represent the primary source of revenues for the Fund. Beginning in FY16/17, the city embarked on water conservation efforts in response to the drought. Governor Brown mandated a statewide 25% reduction in urban water use, based on 2013 levels, and a 36% reduction for Modesto’s water users. The city established a 25% reduction goal and was successful in achieving a 27% cumulative savings. Now that the drought has ended, staff anticipates increased water usage during the summer months as the city adjusts the water schedule to a 3-day-a-week cycle.

In addition, during FY16/17, the city successfully increased water rates with proposed increases scheduled for the next 5 years. This is expected to generate an additional \$123.6 million of revenues over 5 years, which will equip the Fund to meet its commitment to bond holders, construct several necessary capital projects, and support day-to-day operations of the water system.

The capital improvement program for the water utility system in FY18/19 is projected to be \$48.8 million and includes major capital projects for downstream improvements related to the strengthening and replacement of various components of the water system, state-mandated water meter installation, and wellhead treatment. These projects are funded through the existing revenue stream generated from monthly service charges.

The FY18/19 Water Fund budget does not have any capital expenditures related to the Modesto Regional Water Treatment Plant (MRWTP), which historically have been paid for by the Modesto Irrigation District (MID), and funded through long-term financing by MID and the city under a treatment and delivery project.

Fund Name	Amount
Police	10,788,100
Fire	10,155,100
Public Works	12,972,000
Internal Service	49,894,291
Library	1,277,800
Public Safety	1,277,800
Water	2,320,000
Sanitation	2,320,000
Stadium	7,250,000
Recycling	7,250,000
Capital	13,600,000
Debt	13,600,000

Internal Service Fund

Internal Service Funds (ISF) are used to contain revenues and expenditures for services that are provided between departments. Types of internal service funds include Fleet services, Information Technology services, Building services, Mail services, Insurance services, and Employee Benefit services. City departments can bill out for the various services they provide, and collect back those fees as revenues to pay for the cost of providing said services.

This has become more critical as the city has moved onward and outward from the Great Recession. During those times, many of the reserve balances in the ISFs were used to assist in balancing the city’s

budget. Due to this necessary practice, some of the reserve levels in certain Internal Service Funds have become perilously low. It is important, as the city continues to move out of the recession, that some of these reserve balances be allowed to grow back to appropriate levels without the practice of taking continued rate reductions. While this current proposed budget for FY18/19 does include a rate reduction in the Workers Compensation Fund for all funds of 28%, it is likely the last year this option for savings can be practiced without seriously harming the fund balance.

Each year the city will continue to closely monitor the expenses and fund balances of each Internal Service Fund and ensure that appropriate levels are maintained. When balances begin to grow beyond necessity, then those funds will be considered for return back to the original contributing fund (much like the proposed adjustment of returning \$1.85 million from the General Fund Fleet Replacement Reserves back into the General Fund). These funds had accumulated over the years to the point where the fund balance was an overly healthy \$4.7 million for the Fleet Replacement Reserves designated for General Fund replacement vehicles and equipment. Analyzing the fund balance and future replacements, it was considered a prudent action to return some of these funds back to the General Fund again to keep the Fleet Replacement ISF Fund balance at an appropriate level.

In Closing

I am honored to serve our great city under the leadership of an engaged Council, and alongside caring and compassionate people who want to make Modesto better. Working together, I am confident that we can find the tools to make Modesto a vibrant economic center. We have a journey ahead of us in solving the city’s fiscal challenges, but if we remain diligent this coming year, and continually look at enhancing our organizational structure for efficiencies, I’m confident we will have an effective and sustainable local government.

In accordance with MMC Section 1302.2 of the city’s Charter, I submit the FY18/19 Final Proposed Budget to Council for consideration.

My thanks to those responsible for the preparation of this year’s Proposed Budget. This document represents a tremendous amount of time and talent by the city’s department directors and key members of their staff. I wish to extend my gratitude to the City Council for its support of our workforce.

Joseph P. Lopez
Interim City Manager

FY 2018-19 Proposed Reductions

FY 2018-19 General Fund
Reductions Taken/Adjustments Approved

Department	Reduction/Adjustment Description	Rev/Exp	Redux/Adj	Additional FTEs	Reduction of FTEs	Amount
City Attorney's Office	Reduction in Legal Services Expenses	Exp	Redux	-	-	\$ 62,500
City Manager's Office	Move Filled Executive Assistant Position (Salary and Benefits) to Information Technology Department	Exp	Redux	-	-1.00	\$ 88,657
City Manager's Office	Move Filled Administrative Analyst I/II Position (Salary and Benefits) to Police Department	Exp	Redux	-	-1.00	\$ 95,955
City Manager's Office	Hold 2 Deputy City Manager Positions vacant for 5 months (Salary and Benefits)	Exp	Redux	-	-	\$ 191,676
City Manager's Office	Add 1.0 Management Analyst Position to the City Manager's Office (Salary and Benefits)	Exp	Adj	1.00	-	\$ (125,000)
City Manager's Office	Fund 1.0 Administrative Analyst I Position from Utilities in the CMO 50% with GF	Exp	Adj	-	-	\$ (50,148)
Community & Economic Development	Reduction of Discretionary Budget	Exp	Redux	-	-	\$ 168,875
Community & Economic Development	Elimination of Direct Charge Agreement with Community Development Division	Exp	Redux	-	-	\$ 16,558
Community & Economic Development	Reduction in Contract Expense for Chief Building Official, Plan Check, Inspection and Code Enforcement	Exp	Redux	-	-	\$ 173,283
Community & Economic Development	Eliminate Vacant Senior Planner Position in the Planning Division (Salary and Benefits)	Exp	Redux	-	-1.00	\$ 107,588
Community & Economic Development	Reclassify Associate Planner to Business Analyst (Salary and Benefits)	Exp	Adj	1.00	-1.00	\$ (14,744)
Community & Economic Development	Add 1.0 Code Enforcement Officer II position (Salary and Benefits)	Exp	Adj	1.00	-	\$ (105,239)
Finance Department	Increased Finance Department Revenues	Rev	Redux	-	-	\$ 11,440
Finance Department	Reduction of Discretionary and Salary and Benefits Budgets (Non-position related)	Exp	Redux	-	-	\$ 70,631
Finance Department	Add 1.0 Senior Buyer to be funded by Utilities and 3.0 Buyer Positions	Exp	Adj	4.00	-	\$ (234,783)
Finance Department	Approve Restructure of Customers Services which includes adding 1.0 Financial Analyst III; Eliminating the Customer Service Manager and Upgrade of 2.0 Supervisor Positions	Exp	Adj	1.00	-1.00	\$ 2,928
Fleet Replacement Reserves	Transfer Back from Fleet Replacement Reserves to the General Fund Only	Rev	Redux	-	-	\$ 1,850,000
Human Resources Department	Freeze Vacant Senior HR Analyst Position (Salary and Benefits)	Exp	Redux	-	-1.00	\$ 105,353
Information Technology	Loss in Direct Charge Revenue from creation of Executive Assistant in IT Department that used to go to Finance Department for half time use of position in Finance	Rev	Adj	-	-	\$ (41,206)
Modesto Fire Department	Increased MFD Departmental Revenues	Rev	Redux	-	-	\$ 445,353
Modesto Fire Department	Freeze 5 Vacant Relief Engineer Positions (Salary and Benefits)	Exp	Redux	-	-5.00	\$ 648,000
Modesto Fire Department	Reduction in Suppression Overtime	Exp	Redux	-	-	\$ 700,000
Modesto Fire Department	Reduction to MFD Discretionary Budgets (all cost centers)	Exp	Redux	-	-	\$ 256,314
Modesto Fire Department	Additional Fire Department Revenue Increases	Rev	Redux	-	-	\$ 150,000
Modesto Police Department	Reduction of Discretionary Budget	Exp	Redux	-	-	\$ 1,000,000
Modesto Police Department	Increase in MPD Revenues	Rev	Redux	-	-	\$ 800,000
Modesto Police Department	Reduction of Overtime Budget for MPD	Exp	Redux	-	-	\$ 550,000
Modesto Police Department	Fund Cadet Program with savings from 3 Vacant Police Officer Positions	Exp	Redux	-	-	\$ 300,000
Modesto Police Department	Add Classification for Assistant Police Chief (Salary and Benefits)	Exp	Adj	1.00	-	\$ -
Modesto Police Department	Add 1.0 Administrative Analyst I/II Position (Salary and Benefits) from the Budget Division in City Manager's Office	Exp	Adj	1.00	-	\$ (104,460)
Modesto Police Department	Reclassify 1.0 Police Community Services Officer to 1.0 Public Safety Information Coordinator	Exp	Adj	1.00	-1.00	\$ (43,196)
Office of the City Auditor	Reduction to Budget	Exp	Redux	-	-	\$ 25,041
Office of the City Auditor	Reclassify Executive Assistant to Senior Auditor position but hold vacant for 6 months (Salary and Benefits)	Exp	Redux	-	-	\$ 45,000
Parks, Recreation and Neighborhoods	Increased Revenues in PR&N Budgets	Rev	Redux	-	-	\$ 60,000
Parks, Recreation and Neighborhoods	Remove budget for King Kennedy Door Repair	Exp	Redux	-	-	\$ 60,000
Parks, Recreation and Neighborhoods	Reduction in Discretionary Budget	Exp	Redux	-	-	\$ 36,300
Parks, Recreation and Neighborhoods	Parks Reorganization (Creates Parks, Recreation and Neighborhoods Director Positions while freezing Business Manager in CEDD along with other restructuring)	Exp	Adj	1.00	0.00	\$ (120,000)
Public Works Department	Reduction of Discretionary Budget	Exp	Redux	-	-	\$ 700,000
Public Works Department	Reduction in Watering Expense Budget	Exp	Redux	-	-	\$ 526,805
Public Works Department	Approve 1.0 Maintenance Worker; 2.0 Service and Maintenance Aides (1000 hr) and Discretionary budget for Litter Cleanup Program	Exp	Adj	1.00	-	\$ (133,938)

FY 2018-19 PROPOSED REDUCTIONS

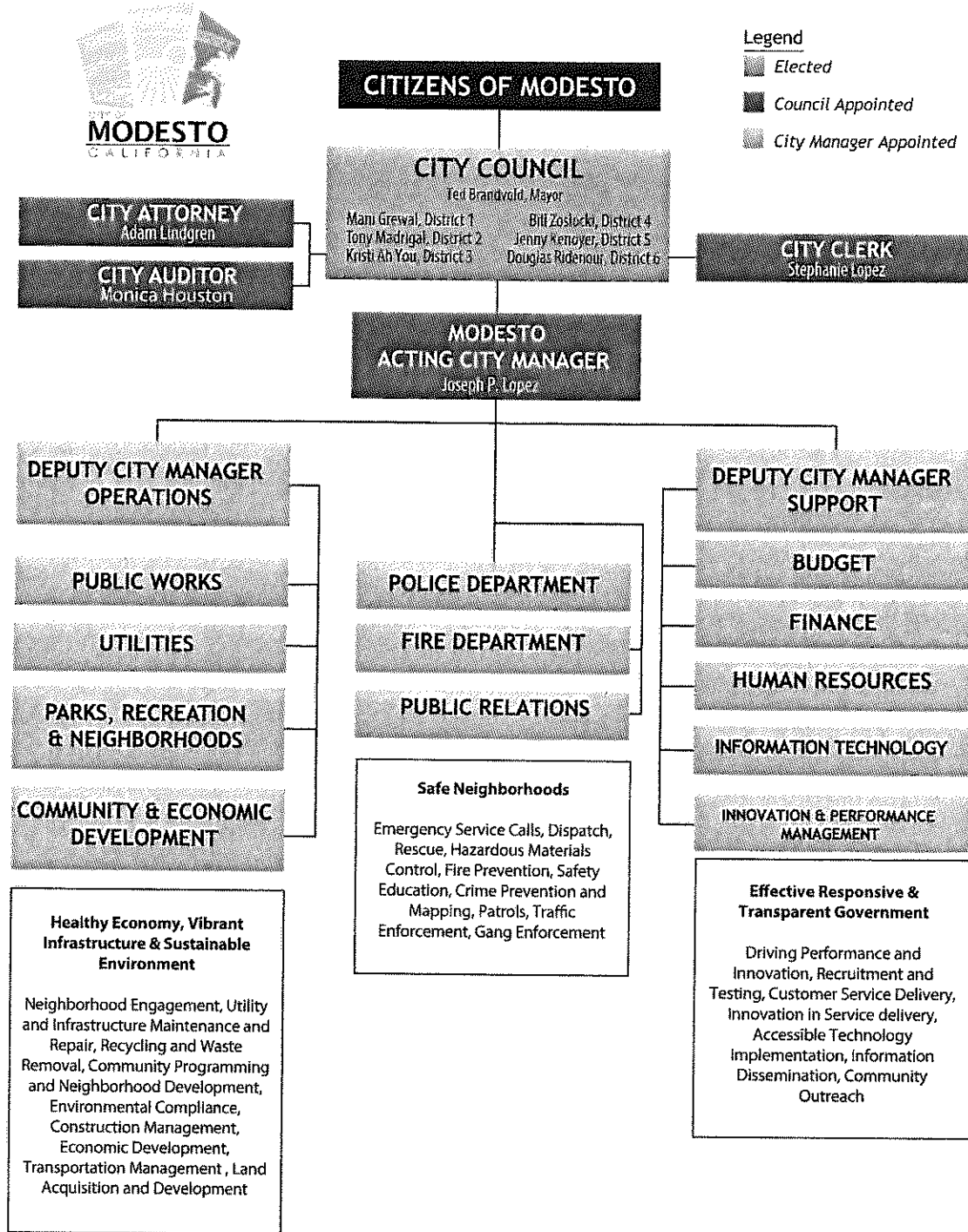
FY 2018-19 Non-General Fund

Reductions Taken/Adjustments Approved

Department	Fund	Fund Description	Reduction/Adjustment Description	Rev/Exp	Redux/Adj	Additional FTEs	Reduction of FTEs	Amount
Community & Economic Development	1300	Capital Improvement Support Fund	Create the Classification and Add 1.0 Assistant City Engineer Position (Salary and Benefits)	Exp	Adj	1.00	-	\$ (172,700)
Community & Economic Development	1300	Capital Improvement Support Fund	Add 1.0 Administrative Analyst I/II Position (Salary and Benefits)	Exp	Adj	1.00	-	\$ (86,500)
Information Technology	5230	Information Technology Fund	Employee Email and Access License for all employees	Exp	Adj	-	-	\$ (60,000)
Information Technology	5230	Information Technology Fund	Add 1.0 Executive Assistant (Salary and Benefits) from City Manager's Office Offset with Reduction in Expense from Direct Charges going away	Exp	Adj	1.00	-	\$ (40,264)
Public Works Department	1700	Surface Transportation Fund	High Voltage Street Light Circuit Conversions	Exp	Adj	-	-	\$ (600,000)
Public Works Department	1700	Surface Transportation Fund	Add 1.0 Electrician - Traffic & Buildings (Salary and Benefits) and vehicle and equipment costs	Exp	Adj	1.00	-	\$ (142,615)
Public Works Department	1700	Surface Transportation Fund	Add 1.0 Electrician Assistant (Salary and Benefits)	Exp	Adj	1.00	-	\$ (71,976)
Public Works Department	4891	Solid Waste Funds	Solid Waste Reorganization	Exp	Adj	-	-	\$ 98,014
Utilities Department	4100	Water Fund	Ford F550 Chlorine Tank	Exp	Adj	-	-	\$ (180,000)
Utilities Department	4100	Water Fund	Add 1.0 Water Superintendent Position (Salary and Benefits) and Discretionary Budget	Exp	Adj	1.00	-	\$ (135,729)

Organization Structure

CITY OF MODESTO ORGANIZATIONAL CHART



Revised April 4, 2017

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Employee Compensation

- Modesto City Employees Association (MCEA) signed a new contract effective March 8, 2016 that will expire on March 9, 2019. Employees were granted a 2% salary adjustment effective September 20, 2016, 2% effective June 27, 2017 and 2% effective June 26, 2018. Identified positions in the market study were approved to be brought within 10% of the market, with 50% of adjustments in year 1 (minus COLA) and the remaining 50% in year two. Employees were also provided a one-time retention stipend (non-PERS) of \$500 effective September 20, 2016.
- Modesto Confidential and Management Association (MCMA) signed a contract effective March 8, 2016 that will expire on June 30, 2019. Employees were granted a 2% salary adjustment effective July 12, 2016, 2% effective June 27, 2017 and 2% effective June 26, 2018. Identified positions in the market study were approved to be brought within 10% of the market, with 50% of adjustments in year 1 (minus COLA) and the remaining 50% in year two. Employees were also provided a one-time retention stipend (non-PERS) of \$500 effective July 26, 2016.
- The Modesto Police and Fire Non-Sworn Association (MPNSA) signed a contract effective March 24, 2016 that will expire on June 30, 2019. Employees were granted a 2% salary adjustment effective September 20, 2016, 2% effective June 27, 2017 and 2% effective June 26, 2018. Identified positions in the market study were approved to be brought within 10% of the market, with 50% of adjustments in year 1 (minus COLA) and the remaining 50% in year two. Employees were also provided a one-time retention stipend (non-PERS) of \$500 effective September 20, 2016.
- The Modesto City Fire Fighters Association (MCFFA) has a current contract that became effective July 1, 2013 that will expire on June 30, 2018. Employees were granted a 2.5% salary adjustment effective April 19, 2016, 2% effective June 28, 2016, 2% effective December 27, 2016 and 2% effective and July 27, 2017. In addition, the EMT allowance was eliminated and is now included in base salaries, with base salaries increased by 5%.
- The Modesto Police Officers Association (MPOA) signed a contract effective July 1, 2016 that will expire on June 30, 2019. Employees were granted a 2% salary adjustment effective January 10, 2017, 2.5% effective June 27, 2017, 3% effective June 26, 2018, with an additional adjustment equal to the change in CPI- U Western Cities equivalent to no less than 2% and no more than 4% effective June 25, 2019. Employees were also provided a one-time retention bonus of \$1,000 effective November 1, 2016.
- Modesto Police Management Association (MPMA) has a current contract that became effective on January 1, 2017 that will expire on September 3, 2019. Employees were granted a 2% salary adjustment effective January 10, 2017, 2.5% effective June 27, 2017, 3% effective June 26, 2018, with an additional adjustment equal to the change in CPI- U Western Cities equivalent to no less than 2% and no more than 4% effective June 25, 2019.
- Unrepresented managers include management and confidential employees, inclusive of Department Directors, Deputy Directors, and Police and Fire management. Employees were granted a 2% salary adjustment effective July 12, 2016, 2% effective June 27, 2017 and 2% effective June 26, 2018. Identified positions in the market study were approved to be brought within 10% of the market, with 50% of adjustments in year 1 (minus COLA) and the remaining 50% effective March 7, 2017. Employees were also provided a one-time retention stipend (non-PERS) of \$500 effective July 26, 2016.

EMPLOYEE COMPENSATION

Financial Policies

Budget Adoption Level

The city wide, legally adopted level for the budget of any program is by department at the Fund level.

General Fund Reserve

The Council has established the unappropriated reserve's minimum level to be 8% of the current appropriations for operating expenditures and operating transfers-out.

Forecasting Model

For the General, Enterprise, Internal Service and Capital Project and other major funds the Finance Department will maintain either a 5 or 10-year financial forecasting model to assess the City's ability to respond to changes in anticipated revenue levels, capital improvement program needs and changes proposed in operating costs. (The use of a 5 or 10-year model will depend on the conditions that apply to each fund.)

Enterprise Funds and other Non-General Fund Operations

These activities should be self-supporting and should maintain reserve levels that are adequate to protect against fluctuations in revenue and expenditure levels. Activities that deviate from this requirement shall be identified for the City Council annually at the time of budget adoption. Exempt from this requirement are those funds that account solely for grant funds.

Inter-fund Loans and Loans to Component Units

Loans between funds and loans to other component units of the city should be considered in light of a multi-year business plan that demonstrates a reasonable ability to repay the loan. All inter-fund loans and loans to component units, either existing or proposed, shall be identified for the City Council at the time of budget adoption. Generally, inter-fund loans and loans to component units shall be established with a repayment deadline that reflects the earliest feasible opportunity for repayment of the loan. Interest rates charged on the loan shall be based on the actual rate of return earned by the City's investment portfolio during the 12-month period immediately preceding a payment date.

Note that the terms and conditions for existing loans between the City and the former Redevelopment Agency are governed by one or more separate resolutions adopted at the time the loans were approved and are subject to the laws put into place by recent redevelopment dissolution legislation passed by the State of California.

Interest Allocation

Interest shall be allocated quarterly to all funds based on their average monthly balances during each quarter.

Direct Charges between Fund

Costs charged between funds such as force-account labor and other direct costs shall be charged on the basis of actual cost and not on the budgeted amount, unless a separate contract exists between the managers of the two programs allowing the use of the budgeted amount as the basis for the charge.

Inter-fund Transfers

Unless direction is given at the time an inter-fund transfer is approved that the amount to be transferred between funds is not subject to adjustment based on a share of cost formula, all inter-fund transfers shall be based upon the sending fund's pro rata share of any project costs or other obligation that is the basis for the transfer. Therefore, a reconciliation of the share of costs allocable to the fund(s) from which resources are to be transferred shall be performed prior to the year-end closing of the city's financial records and shall become the basis for determining the actual amount of any resources to be transferred. It is the intent of this policy that any transfers designed to provide a subsidy to the operations of another fund shall not exceed the amount needed to provide sufficient resources to make revenues equal expenditures unless other direction is provided by the City Council.

All inter-fund transfers and their purpose shall be identified to the Council annually, at the time of the budget adoption.

Multi-year Appropriations

Appropriations for certain grants and on-going Capital Improvement Program projects that were authorized in previous years and that are not fully expended shall be deemed valid until revoked.

FINANCIAL POLICIES

Appropriations related to certain developer-funded expenditures may also be treated as multi-year appropriations.

Fund Replacement Reserves

In order to provide future resources for the replacement or repair of depreciable assets, each fund shall establish a list of depreciable assets, including useful lives and replacement costs that will determine the amount to be set-aside annually to allow the timely replacement or repair of these assets. Each program manager shall also establish a plan for funding the reserve and shall disclose the adequacy of the reserve level annually to the City Council as part of the annual budget adoption process.

Budget Adjustment Authority

Any adjustment that would appropriate any amount from the General Fund Emergency Reserves must receive Council approval to be appropriated. The authority to approve any other type of budget adjustment in the amount of \$25,000 or less is delegated to the Director of Finance. The authority to approve any other type budget adjustment between \$25,001 and \$50,000 is delegated to the City Manager. Authority for any budget adjustment over \$50,000 is delegated to the parties shown below with the exception of the General Fund Emergency Reserves appropriation:

City Council

- ◆ Appropriation of undesignated reserves
- ◆ Appropriation of new revenues
- ◆ Does not include Developer Payments
- ◆ Budgeting inter-fund transfers
- ◆ Does not include adjustments to budgeted transfers where the intent is to subsidize an enterprise operation as shown in item (v) under the City Manager's budget adjustment authority
- ◆ Creation of inter-fund loans
- ◆ Creation of, or increase in, any multi-year appropriation except for the allocation of interest
- ◆ Addition of permanent staff positions
- ◆ Appropriation of payments for new indebtedness including

INTRODUCTION

operating leases

- ◆ All other budgetary actions not delegated to another official

City Manager

- ◆ Transfer appropriations between departments within a fund
- ◆ Changing any capital equipment appropriation
- ◆ Appropriate reserves for litigation on a case-by-case basis
- ◆ Adjust operating program appropriation levels at his/her discretion to maintain the required 8% reserve level and any reserve levels for non-GF funds
- ◆ Adjustments to Inter-fund transfers intended to balance enterprise fund operations where the cumulative total of any adjustment does not increase the original City Council approved appropriation by more than \$50,000
- ◆ Appropriate Developer Payments not previously budgeted
- ◆ Annexation Deposits
- ◆ Special District Formation Deposits
- ◆ Developer Deposits to be recognized as revenue

Director of Finance

- ◆ Appropriate unbudgeted grant interest
- ◆ Revise the allocation of Internal Service Fund charges between departments, provided that the total allocated amount does not increase (any such changes to the allocation shall not result in an increase or decrease to the total amount of discretionary appropriations provided to the affected departments)
- ◆ Changing any CIP line item appropriation
- ◆ Revoke multi-year appropriations
- ◆ Close Capital Improvement Program or Non-Capital projects
- ◆ Make technical budget corrections to implement the intent of Council-approved actions and resolutions
- ◆ Transfer fiscal appropriations between sub-funds of a single fund (except where this changes appropriation amounts for temporary agency labor and/or capital equipment purchases

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over \$5,000)

Department Director

- ◆ Transfer appropriations within a department, within a single fund (excludes appropriations related to capital equipment, capital improvement program)
- ◆ Acting as a designee of the City Manager, the Parks, Recreation, & Neighborhoods Director shall be authorized to appropriate private donations or grants made to the Fund Development Program of the Parks, Recreation, & Neighborhoods Department for specified purposes up to \$25,000

Fund Balance Information Requirements

The requirements of GASB Statement No. 54 are intended to enhance the usefulness, including the understandability, of fund

FINANCIAL POLICIES

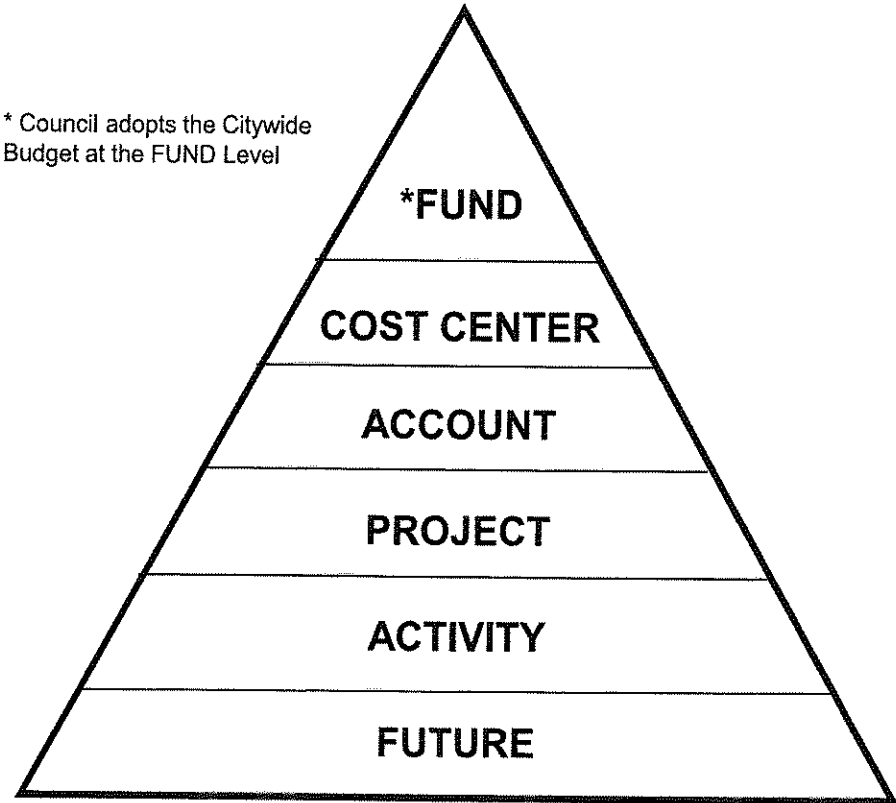
balance information, in the financial statements. The City will spend the most restricted dollars before less restricted, given equal eligibility, in the following order:

- ◆ Non-Spendable – if funds become spendable (inventories, prepaid amounts)
- ◆ Restricted (grants, bond proceeds)
- ◆ Committed (capital acquisitions, pending projects)
- ◆ Assigned (purchase orders, encumbrances)
- ◆ Unassigned (residual fund balance after deducting the other fund balance categories)

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City Financial Structure

City of Modesto Financial Structure



Financial Structure

FINANCIAL STRUCTURE

The City's financial system is organized around a structure that is commonly found in most public agencies.

FUND

Each fund represents a self-balancing group of accounts and a balance sheet that allows for the segregation of resources from all others maintained by the City.

For example, the General Fund accounting structure accumulates and tracks monies collected for the purpose of providing the services that fulfill the general government role of the City. These costs include those for central administration including the City Council, Personnel Services and the Finance Department. Other general government costs included are Police, Fire Protection and Parks, Recreation and Neighborhoods.

COST CENTER

The cost center identifier is used within the City's accounting system to identify a specific cost center assigned to a department division. Thus, a single department can have one or more cost centers assigned to it in order to capture revenues and expenses for each separate function.

For example, the Finance Department has 10 "Cost Centers" assigned to it. A separate "Cost Center" is assigned to purchasing, accounting and business license costs. These ten organizational divisions allow the revenues and expenses for each function to be captured separately.

ACCOUNT

The basic unit of the City's accounting structure is the account code. The purpose of the account code is to provide a means for separating each type of revenue and expense from another.

INTRODUCTION

For example, full-time salaries are charged to Account Code 51001 while advertising costs are accounted for in Account Code 53175.

PROJECT

A project tracks both Capital and Non-Capital (Multi-Year) revenue and expense.

For example, Capital Improvement Projects have multiple levels of costs; i.e. Engineering-Design, Construction and Administration, each level contains a budget. Within each project, there could be specific revenue funding the project such as grant revenue or city contribution.

ACTIVITY

An activity tracks expenditures for different types of tasks within a cost center. This field is typically used by cost centers within the Parks, Recreation, and Neighborhoods department for HUD, CDBG, and HOME activities.

For example, CDBG has a cost center for CDBG Administration. Within this cost center there is a need to track expenses not only for direct administration costs but for indirect administration costs as well. To keep these expenses separate within the cost center an activity field is used (01047 for Direct Administration and 01048 for Indirect Administration costs).

FUTURE

Capability within the Oracle software system to accommodate the need for future account strings.

Overview of City Funds

The following provides brief descriptions of the City's principal funds, grouped by functional area.

GENERAL FUND

The General Fund (0100) is the primary operating fund of the City. Its principal revenue sources include property tax, sales tax, utility user taxes, business licenses & franchise taxes, and certain general purpose revenues allocated by the State. Police and Fire services account for the bulk of expenditures in the General Fund, with the balance going to a variety of programs including parks, recreation, planning & economic development, and general government.

TRANSPORTATION FUNDS

Surface Transportation Fund (Special Revenue – 1700 thru 1750):

This fund accounts for the City's street maintenance & traffic operations, electrical and engineering costs. Its revenue sources include the City's share of the State gas tax, Proposition 1B funding, and a share of the local garbage collection service agreement fee. It also receives transfers from the General Fund for Maintenance of Effort requirements and traffic engineering support.

Measure L Fund (Special Revenue - 1410 and 1420):

This fund accounts for the City's local control portion of the Stanislaus County Measure L sales tax proceeds. The local control funds make up 65% of the total County Measure L funds and are categorized as follows: Local Streets and Roads (50%), Traffic Management (10%) and Bike and Pedestrian (5%). A small portion of the revenue is also for Transit Services. The funds are transferred to approved Measure L local control projects and transit as expenses are incurred. The fund also receives a transfer from the General Fund for the Maintenance of Effort requirements for Measure L and Senate Bill 1.

Local Transportation Fund (Special Revenue - 1510):

This fund accounts for the City's share of a ¼% sales tax imposed by the State and distributed to cities and counties for transportation purposes. (By law, transit services have priority over street maintenance in claiming this revenue; the LTF revenue received by

the City for transit purposes is accounted for in the Bus Fund, below.) Most of the revenue received in this fund is transferred to the Gas Tax fund for expenditure on street maintenance.

LTF Non-Motorized (Special Revenue - 1520):

This fund accounts for a portion of the Local Transportation Fund revenue that is earmarked by law for expenditure on pedestrian, bicycle, and other non-motorized transportation purposes.

Bus Funds (Enterprise – 4510 thru 4550):

These funds account for the operation of the City's transit system, including fixed-route buses, dial-a-ride, and the Modesto Amtrak station. Principal revenue sources in this fund include a portion of the State's ¼% sales tax for transportation (see Local Transportation Fund, above), transit-related grants, and rider fares.

Airport Fund (Enterprise – 4310 thru 4330):

This fund accounts for the operation of the Modesto Airport. Primary revenue sources for this fund include hangar rental fees and taxes levied on the owners of aircraft housed in Modesto. The Airport fund also receives FAA grants for capital improvements.

UTILITIES

Water Fund (Enterprise – 4100 thru 4181):

This fund accounts for the City's water utility. All expenses relating to the provision of water services are charged to this fund, which is financed with customer utility rate payments and connection fees. This fund also accounts for debt issued on behalf of the water utility and for the repayment of such debt.

Sewer Fund (Enterprise – 4210 thru 4270):

This fund accounts for the City's sewer utility. All expenses relating to the provision of sewer services are charged to this fund, which is financed with customer utility rate payments and connection fees. This fund also accounts for debt issued on behalf of the sewer utility and for the repayment of such debt.

OVERVIEW OF CITY FUNDS

Storm Drain Fund (Enterprise – 4480 thru 4489):

This fund accounts for the City's storm water drainage utility and is financed primarily with storm water drainage fees.

INTERNAL SERVICE FUNDS

Fleet Fund (Internal Service – 5400 thru 5410):

This fund accounts for the acquisition, maintenance and operation of most of the City's vehicles and heavy equipment. (Exceptions include buses, which are accounted for in the Bus Fund; and fire equipment, which is accounted for in the General Fund.) The Fleet Fund is financed by monthly "rental" charges applied to the operating budgets of departments, which use vehicles and equipment. These charges pay for the maintenance and operations of equipment as well as its eventual replacement. The portion of the rent charged for future replacement is accumulated in a distinct sub-fund (7210) of the Fleet Fund.

Information Technology (Internal Service – 5230 thru 5239):

This fund accounts for the City's acquisition, maintenance and replacement of information systems and telecommunications. Fund 7130 is financed by monthly charges to the operating budgets of City departments based on a formula encompassing various factors (such as the number of PC's in a department and special applications supported for the department). Fund 7131 was created to assist in future replacements of complex software infrastructure, such as the City's financial system.

Building Services (Internal Service – 5800 and 5809):

This fund accounts for the maintenance and operation of the City's buildings and facilities, with the exception of Tenth Street Plaza and facilities accounted for in Enterprise or Internal Service funds. The fund is financed by monthly charges applied to the operating budgets of City departments.

Central Services (Internal Service – 5100 thru 5129):

This fund accounts for a number of internal central services, including mailroom, copying & printing, and internal inventory stores. This fund is financed by monthly charges applied to operating budgets of City departments.

Insurance Funds (Internal Service – 5310 thru 5390):

These funds account for the City's self-insurance reserves (workers compensation and general liability) and for the purchase of third-party insurance (property insurance, excess liability coverage for workers compensation and general liability, employee health, vision, dental and disability coverage), as well as insurance administration costs. Employee benefit insurance is financed as a pass-through from operating budgets. Other insurance types are financed by monthly charges applied to operating budgets of City departments.

Employee Benefit Fund (Internal Service – 5510 & 5520):

This fund accounts for accrued vacation liability City-wide, as well as the cost of post-retirement employee health benefits. It is financed by monthly charges applied to operating budgets of City departments.

DEBT SERVICE FUNDS

Debt service funds (2140, 2150 and 2902):

account for principal and interest payments on certificates of participation (COP's) and bonds issued by the City other than those accounted for in Enterprise and Internal Service funds. The primary revenue sources for these funds are transfers from the General Fund and the Modesto Redevelopment Agency (RDA).

OTHER FUNDS

Capital Improvement Support (Special Revenue – 1300 & 1309):

This fund was established to account for all operations governed by a Federal Indirect Cost Allocation Plan agreement. It is financed almost exclusively by labor charges to capital improvement program (CIP) projects.

Education & Government Communication (Special Revenue – 1320):

This fund accounts for the costs of providing educational and government – related cable television programming. It is financed with transfers from the General Fund and payments from other Access Modesto agencies.

Operating Grants – Block (Special Revenue – 1340):

This fund was established to account for non-capital grants received by the City (other than grants received by Enterprise and Internal

OVERVIEW OF CITY FUNDS

Service funds). This fund receives revenues from block grant-style programs, in which the City receives a fixed amount of funding "up front." The types of expenditures incurred in this fund depend on the specific grants being received in any given year. Currently, the largest grant received in this fund is from the State's Special Law Enforcement Service Fund program.

Operating Grants – Reimbursed (Special Revenue – 1341 & 1342):

These funds were established to account for non-capital grants received by the City on a reimbursement basis. In these programs, the City incurs the "up front" cost of delivering services, then requests reimbursement for those costs from the granting agency. The types of expenditures incurred in this fund depend on the specific grants being received in any given year. Currently, the largest grant received in this fund is from the Federal COPS grant program.

American Recovery and Reinvestment Act (ARRA) Grants (Special Revenue – 4140, 3100, 1345, 1353, 1100, 1101):

These funds were established to account for the various functional grants received by the City from the ARRA of 2009. For these programs, the City incurs the "up front" cost of services, then request reimbursement for these costs from the granting agency. These grants were intended to provide stimulus to the U.S. economy in response to the national economic downturn.

Traffic Safety Fund (Special Revenue – 1600):

This fund accounts for revenues received from traffic safety fines and forfeits. Money from this fund is transferred to the General Fund to pay for traffic related maintenance and expense.

Traffic Offender Fund (Special Revenue – 1610):

This fund accounts for revenues received from a portion of vehicle release fees. Expenditures include general police operations.

Downtown Improvement District (Special Revenue – 1200):

This fund accounts for the activities of the business improvement district which covers the core downtown area of Modesto. Revenues are derived from an additional mill tax (a gross receipts tax) imposed on businesses within the area. Expenditures include various promotional programs intended to boost business activity in the area served.

CDBG – Direct (Special Revenue – 1130 and 1139):

These funds account for Federal Community Development Block Grant (CDBG) revenues received by the City. Expenditures include a variety of housing-related programs primarily targeted at low-income areas.

CDBG – NSP Entitlement (Special Revenue – 1131):

This fund accounts for Federal Community Development Block Grant (CDBG) revenues received by the City for neighborhood stabilization programs. Expenditures include a variety of housing-related programs primarily targeted at low-income areas.

Housing Loan Program (Special Revenue – 1150 & 1151):

These are revolving funds, which provide housing loans to low-income individuals. Original funding to establish the funds was received from the Federal Department of Housing and Urban Development (HUD). Current revenues in the funds reflect loan repayments, which are accumulated to make new loans.

Housing Economic Development Fund (Special Revenue – 1160):

This fund accounts for monies used to increase employment, economic activity and economic diversity in low to moderate income groups as defined by HUD.

HOME Program (Special Revenue – 1170):

This fund accounts for revenues received from HUD under the Home Investment Partnerships program.

Emergency Shelter Program (Special Revenue – 1180):

This fund accounts for emergency shelter grant revenue received from HUD.

CFF Administration (Capital Projects – 3480):

This fund accounts for administrative costs associated with the Capital Facilities Fee (CFF) program. The fund is financed with CFF revenues.

CFD Administration (Capital Projects – 3220):

This fund accounts for administrative costs associated with the Community Facilities Districts (CFD) program. The fund is financed with CFD revenues and inter-fund service credits.

OVERVIEW OF CITY FUNDS

Landscape Maintenance District (Capital Projects – 6480 & 6490):

These funds account for costs associated with the landscape maintenance within special district areas. The funds are financed with landscape maintenance district revenues.

Parking Fund (Enterprise – 4000 & 4009):

This fund accounts for the City's off-street parking facilities, including the downtown parking garages. Parking fees for validated lots and other off-street parking are the primary revenues in this fund. Operation, maintenance, and development of the parking facilities constitute the primary expenditures.

Solid Waste Fund (Compost) (Enterprise Fund – 4890 & 4899):

This fund accounts for the operational activity from the sale and operations for compost. The primary revenues from this fund come from tip fees and the sale of compost. Beginning in FY 11, this fund will account for the cost of administering the City's service agreements with private solid waste hauling firms as well as the costs of recycling programs and green waste diversion. The primary revenue sources for this fund include income from the waste energy JPA, State funding for recycling, recycling program fees. The fund also receives inter-fund service credit revenue based on staff time charged to other City programs.

Carpenter Road Landfill (Enterprise Fund – 1360):

This fund accounts for the activity for the City to maintain, mitigate and monitor the Carpenter Road Landfill, a closed disposal facility.

Golf Fund (Enterprise – 4600):

This fund accounts for the maintenance, operation, and improvement of the three City-owned golf courses. Revenues in this fund are derived primarily from green fees. Expenditures include golf course maintenance and debt service on COP's issued to finance the development of the Creekside golf course.

Centre Plaza Fund (Enterprise – 4700 thru 4710):

This fund accounts for the operation of the Modesto Centre Plaza convention and community center. The primary revenue sources for this fund include room rental fees, commissions, transfers from the General Fund.

NON-OPERATING FUNDS

These funds account for non-operating activities, such as CIP projects and long-term planning projects.

Strategic Planning Fund (Special Revenue – 1800):

This fund was established to accumulate resources for major long-term planning projects, such as updates to the General Plan. In past years, the fund's principal revenue sources have been transfers from the General Fund and from the Village I CFF Fund. Both of these revenues have been eliminated in the current year's budget, so expenditures from this fund are financed with accumulated fund balance only. The remaining budgets in this fund are for "multi-year projects," which are adopted separately from the City's annual operating budget.

CFF Funds (Capital Projects – 3410 thru 3470):

These funds account for the accumulation and expenditure of Capital Facilities Fees, which are charged to new development in the City to offset the impact of growth on community infrastructure. Each fund accounts for fees collected for a specific type of capital facility. Expenditures from these funds are governed by the City's Capital Facilities Fee plan. Expenditure budgets for these funds are adopted as part of the City's CIP.

Special Fund for Capital Outlay (Capital Projects – 3120):

This fund accounts for general City capital improvement projects and is funded from other funds including the General Fund as appropriate for the specific project.

Park Fund (Capital Projects – 3130):

This fund was established to accumulate funds for capital improvements in the City's parks. Its principal revenue sources include transfers from the General Fund and development fees. The fund also receives transfers from the Parks CFF fund (see Non-Operating Funds, above) and grant revenue.

Capital Grant Funds (Capital Projects – 3140 thru 3160):

These funds were established to accumulate funds for capital improvements for various City functions such as roads and streets and traffic related projects. Its principal revenue sources include grants from various state agencies such as Caltrans with City match

OVERVIEW OF CITY FUNDS

funds from the Surface Transportation Fund, General Fund or Capital Facility Fees.

CFD Funds (Capital Projects – 3200 thru 3292):

These funds account for the accumulation and expenditure of Community Facilities District capital and maintenance levies. Expenditures from these funds include CIP project costs and debt service on bonds issued to finance earlier capital projects. CFD funds are organized by district. Budgets for the CFD funds are adopted as part of the City's CIP.

OTHER AGENCIES FUNDS

Other Agencies funds represent the finances of outside agencies for which the City of Modesto acts as fiscal agent. The City performs day-

to-day accounting and treasury functions for these entities, but they are governed by independent boards and are not City departments. Budgets for agency funds are adopted by their respective governing boards and are outside the City's operating budget process. Notable agency funds include the following:

- ◆ Industrial Fire Joint Powers Agency (6100)
- ◆ Stanislaus Drug Enforcement Agency (6600)
- ◆ Tuolumne River Regional Park (6700 thru 6799)
- ◆ Modesto Redevelopment Successor Agency (1910 and 2903)

FUND SUMMARY ADOPTED (FINANCIAL)

Fund	Fund Name	Fiscal Year	New CIP	M.Y. Operating		Transfers	FY18-19 Total	Fiscal Year	New CIP Revenue	M.Y. Operating		Transfers IN	FY18-19 Total
		Operating		Expense (Balance	Operating			Revenue		Expense (Balance	Revenue		
		Expense	Expense	@ 3.14.18 + New	Request	OUT	Expense	Revenue	(Including	@ 3.14.18 + New	Request	Revenue	Revenue
0100	General Fund	\$129,219,110	\$0	\$0	\$0	\$0,537,729	\$129,056,909	\$127,351,377	\$0	\$0	\$0	\$0,245,694	\$129,597,071
0100	Revenue Sharing Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0100	Utility Suspense Account	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0100	Mass. Reg. System Suspense Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
0100	Fire Department Unrestricted Non-Capital Proj.	\$0	\$0	\$0	\$74,143	\$0	\$74,143	\$0	\$0	\$142,471	\$0	\$0	\$142,471
0100	Police Fund - Smart Classes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1100	Grants - ARRA CDBG NSRF Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1101	Grants - ARRA CDBG NSRF Program	\$0	\$0	\$0	\$797,158	\$0	\$797,158	\$0	\$0	\$0	\$0	\$0	\$797,158
1103	Grants - CDBG Direct Program	\$2,000,001	\$0	\$0	\$1,151,178	\$0	\$3,817,978	\$3,849,962	\$0	\$0	\$0	\$0	\$1,151,178
1101	Grants - CDBG NSRF Entitlement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1109	CDBG Direct Program Fleet Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	CDBG Rental Rehab Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Grants - RLF Housing Loan Program	\$0	\$0	\$0	\$1,121,558	\$0	\$1,121,558	\$0	\$0	\$511,818	\$250,000	\$0	\$1,121,558
1121	Grants - RLF Direct Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1150	Public Service Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1155	Grants - RLF Program Income	\$0	\$0	\$0	\$0	\$250,000	\$250,000	\$250,000	\$0	\$0	\$0	\$0	\$250,000
1160	Housing Economic Development Fund	\$0	\$0	\$0	\$200,000	\$0	\$200,000	\$0	\$0	\$200,000	\$0	\$0	\$200,000
1170	Grants - HOME Program	\$21,128	\$0	\$0	\$3,089,288	\$0	\$3,110,416	\$77,371	\$0	\$3,089,409	\$0	\$0	\$3,167,787
1180	Grants - Emergency Shelter Program	\$167,110	\$0	\$0	\$0	\$0	\$167,110	\$168,471	\$0	\$0	\$0	\$0	\$168,471
1185	Community System of Care (CSCC)	\$245,000	\$0	\$0	\$0	\$0	\$245,000	\$245,000	\$0	\$0	\$0	\$0	\$245,000
1190	Grants - HUD Section 108 Loan	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1200	Downtown Improvement Grant Fund	\$124,884	\$0	\$0	\$0	\$0	\$124,884	\$125,000	\$0	\$0	\$0	\$0	\$125,000
1210	Downtown Moderate Community Benefit District	\$19,184	\$0	\$0	\$0	\$0	\$19,184	\$0	\$0	\$0	\$0	\$0	\$0
1200	Capital Improvement Support	\$4,824,854	\$0	\$0	\$0	\$0	\$4,824,854	\$3,044,888	\$0	\$0	\$0	\$0	\$3,044,888
1209	Capital Improvement Support - Fleet Replac.	\$0	\$0	\$0	\$0	\$0	\$0	\$1,448	\$0	\$0	\$0	\$0	\$1,448
1310	Solid Waste Special Revenue Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$11,448	\$0	\$0	\$0	\$0	\$11,448
1319	Solid Waste Fleet Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1320	Education and Government Code	\$290,371	\$0	\$0	\$0	\$0	\$290,371	\$141,388	\$0	\$0	\$142,983	\$0	\$290,371
1321	Public Educational Governmental (PEGE) Fund	\$200,000	\$0	\$0	\$0	\$0	\$200,000	\$100,000	\$0	\$0	\$0	\$0	\$100,000
1330	Developer's Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1340	Grants - Operation Break Grants	\$0	\$0	\$0	\$382,769	\$0	\$382,769	\$0	\$0	\$40,503	\$0	\$0	\$40,503
1341	Grants - Operation Grants Reimbursed	\$550,288	\$0	\$0	\$1,536,746	\$0	\$2,087,034	\$0	\$0	\$3,919,719	\$0	\$0	\$2,087,034
1342	Grants - Police	\$1,524,788	\$0	\$0	\$0	\$0	\$1,524,788	\$417,368	\$0	\$377,318	\$1,187,179	\$0	\$3,089,409
1343	Capital Loan Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1348	Grants - ARRA Public Safety	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1350	Outside Litigation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1351	Elections Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1353	Grants - Public Works (ARRA)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1360	Carpenter Road Lottery	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1370	Green Waste Diversion Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1379	Franklin Avenue Fleet Replacement Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1380	Non-Capital Parks Fund (non-Grants)	\$0	\$0	\$0	\$59,081	\$0	\$59,081	\$0	\$0	\$0	\$0	\$0	\$59,081
1410	Messiah L - Road Tax Fund	\$0	\$0	\$0	\$229,081	\$0	\$229,081	\$0,000,000	\$0	\$0	\$0	\$0	\$229,081
1510	LTP - Street and Roads Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1510	LTP - Non-Motorized Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1500	Traffic Safety Fund	\$250,408	\$0	\$0	\$0	\$0	\$250,408	\$417,780	\$0	\$0	\$0	\$0	\$417,780
1510	Traffic Offender Fund	\$175,182	\$0	\$0	\$0	\$0	\$175,182	\$182,547	\$0	\$0	\$0	\$0	\$182,547
1520	Surfate Transportation Fund	\$10,419,817	\$0	\$0	\$0	\$0	\$10,419,817	\$17,483	\$0	\$0	\$10,079,442	\$0	\$10,419,817
1520	Surfate Transportation Fleet Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$371,364	\$0	\$0	\$0	\$0	\$371,364
1710	Prop 1B - Streets Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1720	Streets LTP Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1730	Gas Tax Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1740	Garage Franchise Fees - Streets Fund	\$0	\$0	\$0	\$0	\$0	\$0	\$1,100,000	\$1,100,000	\$0	\$0	\$0	\$1,100,000
1750	Surfate Transportation Fund - MCE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1800	Economic Development Strategic Plan Fund	\$0	\$0	\$0	\$914,439	\$0	\$914,439	\$0	\$0	\$0	\$0	\$0	\$914,439
1800	Disability Access and Evaluation Fund	\$10,450	\$0	\$0	\$0	\$0	\$10,450	\$10,450	\$0	\$0	\$0	\$0	\$10,450

Fund	Fund Name	Fiscal Year Operating Expense		M.Y. Operating Expense Balance @ 0.1.18 + New Request		Transfers OUT	FY18-19 Total Expense		Transfers IN	M.Y. Operating Revenue Balance @ 0.1.18 + New Request		FY18-19 Total Revenue
		Operating Expense	New CIP Expense	Expense	Request		Expense	Request		Revenue	Request	
6000	Insurance - Major Fund	12,500,000	0	0	0	0	12,500,000	0	0	0	0	12,500,000
6100	Insurance - Capital Fund	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6200	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6300	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6400	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6500	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6600	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6700	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6800	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
6900	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7000	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7100	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7200	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7300	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7400	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7500	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7600	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7700	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7800	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
7900	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8000	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8100	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8200	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8300	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8400	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8500	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8600	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8700	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8800	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
8900	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9000	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9100	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9200	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9300	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9400	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9500	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9600	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9700	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9800	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
9900	Insurance - Other	3,410,000	0	0	0	0	3,410,000	0	0	0	0	3,410,000
TOTAL		125,000,000	0	0	0	0	125,000,000	0	0	0	0	125,000,000

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Departments

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City Council of Modesto

Mission Statement

The City Council enacts City ordinances, establishes policy for administrative staff, and approves and oversees the budget of the City. The Councilmembers serve on the following Council-level committees and are appointed to each committee by the Mayor: Safety and Communities, Finance, Economic Development, Audit and Appointments. In addition, the Council directly oversees the City's three Charter Officers: City Auditor, City Attorney, City Clerk and City Manager.

Program Description

Governs the City and enacts City ordinances, establishes policy for administrative staff, and approves and oversees the budget of the City. The Council also appoints the City Auditor, City Attorney, City Clerk, and City Manager.

Fiscal Year 2017 Accomplishments

Approved the FY 2016-17 Operating and Capital Budgets

Made important public policy decisions

Oversaw the Mayor's 100 Day Committee and updated the 2015-2018 Strategic Plan to incorporate strategies recommended by the Committee

Provided leadership and direction toward the passing of a County-wide Transportation Sales Tax Ballot Measure

Goals and Objectives: FY 2018-19

Goal 1 - Adopt the 2019-2022 Strategic Plan

Goal 2 - Improve community safety and quality of life through a combination of prevention, intervention, and suppression efforts that address crime and its underlying issues.

Goal 3 - Strengthen neighborhood development, and connect City, community and culture.

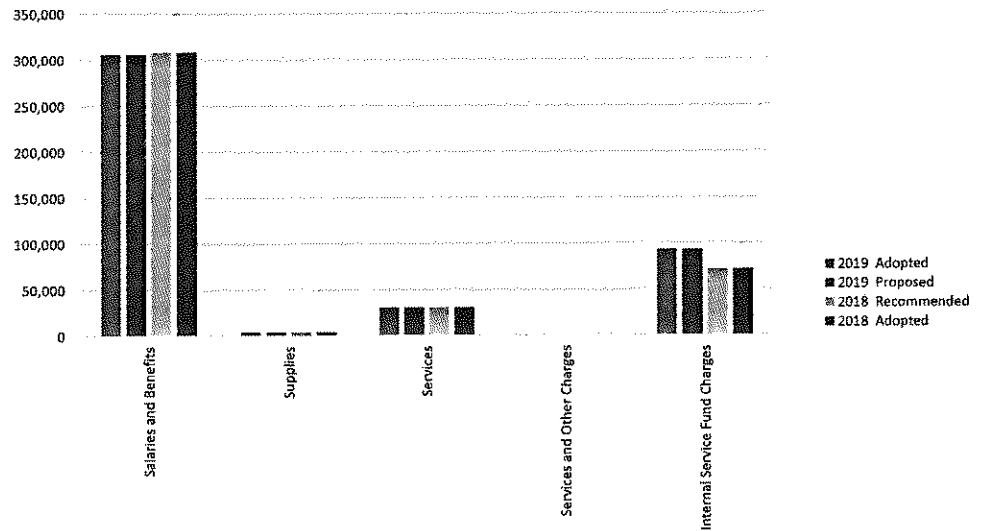
Goal 4 - Increase transparency with Council, community and staff related to the City's budget and financial management processes.

Goal 5 - Create vibrant and economically sustainable commercial, industrial and retail industries throughout the City

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$72,085	\$72,085	\$93,476	\$93,476
Salaries and Benefits	\$308,822	\$308,822	\$306,430	\$306,430
Services	\$31,000	\$31,000	\$31,000	\$31,000
Supplies	\$4,500	\$4,500	\$4,500	\$4,500
Total	\$416,407	\$416,407	\$435,406	\$435,406

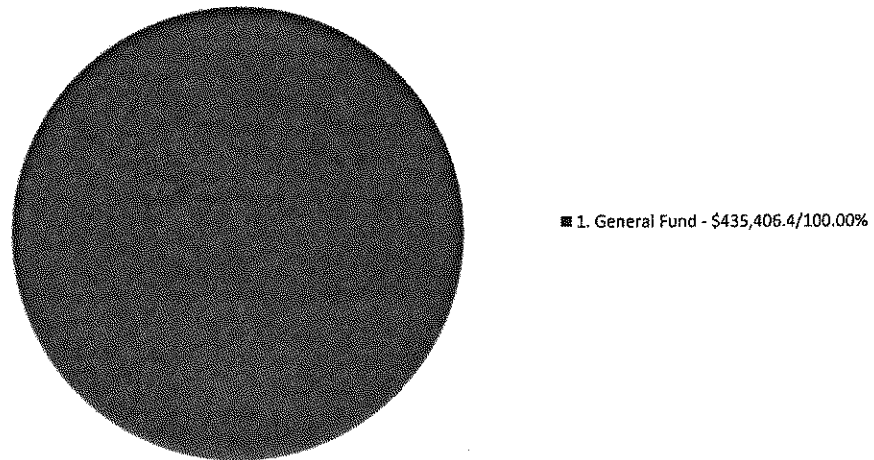
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$416,407	\$416,407	\$435,406	\$435,406
Total	\$416,407	\$416,407	\$435,406	\$435,406

CURRENT SOURCE OF FUNDING



EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
City Council	\$416,407	\$416,407	\$435,406	\$435,406
Total	\$416,407	\$416,407	\$435,406	\$435,406

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
City Council	8.00	8.00
Total	8.00	8.00

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City Manager's Office

Mission Statement

The City Manager's Office is established under the City Charter. Specifically, the City Manager's Office executes Council direction; provides strategic leadership and implements policy; provides oversight to all City departments; develops and recommends alternatives to address current and future community needs; ensures the City's financial integrity; provides information on City government to residents; ensures that City services are provided equitably and cost-effectively; and provides oversight for the development of the City budget. The City Manager's Office also ensures that information is effectively communicated to the public, City staff, elected officials, the media and residents.

Program Description

In addition to the City Manager's Office responsibilities listed above, the following is performed by this office:

Public Information Officer oversees City-wide communications, including Community and Media Relations, the City's website, social media platforms, mobile application interfaces, and collaboration with departmental leadership and public information officers.

The Budget Division manages the preparation of the annual operating and capital improvement budgets. This includes city-wide coordination and collaboration of budget priorities, funding strategies and various other duties.

Develop, implement and manage the Strategic Plan of the City.

Act as a liaison with other state and local governmental agencies, which includes representing the City at a variety of meetings and other functions. This also includes activities that carry out Council direction with respect to a variety of critical areas of concern, including water resources, transportation needs, and preservation of local control.

Began implementation the Mayor's 100 Day Committee recommendations.

Fiscal Year 2017 Accomplishments

Received the Government Finance Officers Award for Outstanding Achievement in Popular Annual Financial Reporting for the June 30, 2017 Popular Annual Financial Report.

Maintained direct and consistent contact with contracted state and federal legislative advocates, monitored the League of California Cities and other sources to identify pending legislation that may impact the City.

Was successful in partnering with Bloomberg "What Works Cities" to implement an Open Data platform for the City.

In collaboration with the Information Technology Department, re-designed the City's website and expanded the City's -presence on social media including its Facebook and Twitter pages.

Also, in collaboration with the Information Technology Department, launched a Go-Modesto mobile application to allow citizens to communicate and report issues in our community

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the City Manager's Office are:

Goal 1 - Implement Council's Strategic Priorities

The City Manager's Office will continue to provide leadership that supports the City Council; will focus on implementing the City

CITY MANAGER'S OFFICE

DEPARTMENTS

Council's strategic priorities, goals and objectives; and will continue to implement the Mayor's 100 Day Committee Recommendations.

Keep the community informed through open, transparent communication and encourage civic engagement through increased public awareness.

Implementation of the Open Data environment to enhance transparency regarding the accomplishment of the Council's Strategic Plan.

Goal 3 - Transition of Leadership

Goal 2 - Focus on Resident's Needs

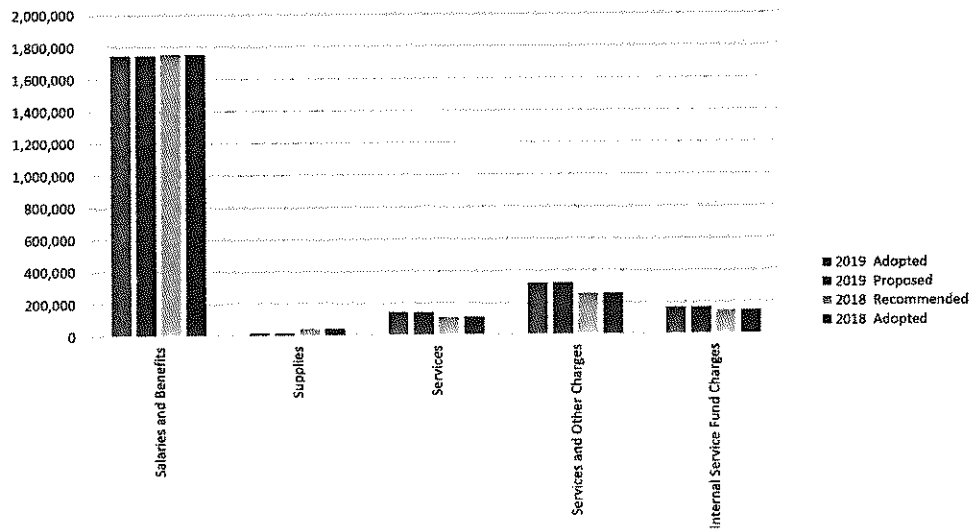
Several critical leadership positions are in transition as employees retire or separate from City service. The City Manager's Office intends to focus on workforce development to ensure competent personnel are retained or recruited for these positions.

The City Manager's Office will ensure organizational delivery of high quality services to the residents of the City with a strategic focus on public safety.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$146,793	\$146,793	\$167,743	\$167,743
Salaries and Benefits	\$1,754,631	\$1,754,631	\$1,748,062	\$1,748,062
Services	\$113,215	\$113,215	\$145,578	\$145,578
Services and Other Charges	\$257,537	\$257,537	\$323,293	\$323,293
Supplies	\$42,200	\$42,200	\$17,650	\$17,650
Total	\$2,314,376	\$2,314,376	\$2,402,326	\$2,402,326

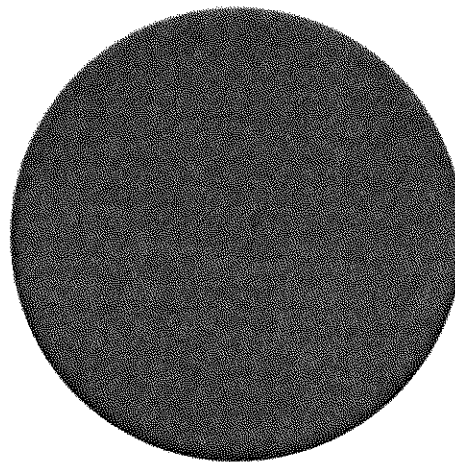
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$2,314,376	\$2,314,376	\$2,402,326	\$2,402,326
Total	\$2,314,376	\$2,314,376	\$2,402,326	\$2,402,326

CURRENT SOURCE OF FUNDING



■ 1. General Fund - \$2,402,326.1/100.00%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
City Manager's Office Division	\$1,505,761	\$1,505,761	\$1,663,124	\$1,663,124
CMO - Budget	\$808,615	\$808,615	\$739,202	\$739,202
Total	\$2,314,376	\$2,314,376	\$2,402,326	\$2,402,326

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
City Manager's Office Division	6.00	6.00
CMO - Budget	5.00	5.00
Total	11.00	11.00

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City Attorney's Office

Mission Statement

The City Attorney's Office's overarching goal is to provide outstanding legal services to the City of Modesto. The City Attorney's Office implements the City Council's and Mayor's direction and supports the efforts of Staff by providing advice on transactional matters, and litigation and prosecutorial legal services.

Successfully defended major litigation challenging implementation of City adult business ordinance

Efficiently defended the City in major police use-of-force and false imprisonment litigation

Program Description

General Legal Services

Prosecuted high volumes of municipal code violations with limited legal staff

Personnel

Specialty Advice including environmental and First Amendment

Assisted City Clerk and City Departments in responding to a high volume of public records requests

Litigation

Assisted the Human Resources Department with personnel matters, including complaints, investigations and transitions.

Fiscal Year 2017 Accomplishments

Protected legitimate health care workers and potential victims of human trafficking by writing a Massage Ordinance

Provided critical advise on emerging legal issues such as marijuana law and taxation

Improved City Parks and health care facilities by preparing a Smoking Ordinance

Reviewed agreements/amendments from all City departments

Helped create a new City revenue source by writing an Electronic Billboard Ordinance

Managed legal expenditures by freezing all outside legal counsel rates for the third straight year.

Created new economic opportunities for major jobs producing industries by updating the Sewer Capacity Bank Ordinance

City Attorney Adam Lindgren named one of the "Best Lawyers in America" in the category of Municipal Law; Assistant City Attorney Jose Sanchez named one of the Top 40 professionals under 40 by Sacramento Business Journal.

Assisted staff in preparing water and sewer rate increase approval documents

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the City Attorney's Office are:

Goal 1 - Effectively manage limited resources

One of the City Attorney's Office's critical objectives is to efficiently manage resources to meet the daily operational needs of the City in a cost-effective and timely manner, while maintaining the capacity to respond to the City's changing legal needs.

Goal 2 - Enhance communication and collaboration

Open government, clear communication and collaboration are also important objectives of the Office. The City Attorney's Office is committed to serving the City and communicating with the public in a manner that is transparent and straight-forward. The Office strives to explain the law in a way that the public understands both the applicable rules and also the legal reasons for the City's decisions. The City Attorney's Office collaborates with other agencies, local businesses and citizens to fully explore innovative legal alternatives that could benefit all involved.

Goal 3 - Develop legal framework for emerging industries and initiatives

Provide legal leadership and collaboration in crafting a framework for medical and recreational cannabis operations including the development of new ordinances and potential voter ballot initiatives.

Collaborate in the multi-departmental development of a hotel operating permit structure to ensure the health, welfare and safety of Modesto citizens as well as visitors to the City.

Goal 4 - To ensure the City is in compliance with laws, and uses legally acceptable means to accomplish the City's overall goals, policies and objectives.

Collaborate with City Manager's Office and Department Directors to coordinate an assessment of City purchasing policies in order to continue to improve the legal processes of the City in areas such as contracts and procurement.

Review and ensure timely approval of agendas for the approximately 150 meetings of the City's Brown Act legislative bodies.

Goal 5 - To enhance support to City departments

Provide Brown Act and ethics training bi-annually for staff, City officers, and City Council, especially as required by AB 1234.

Assist the designated staff development of agendas, ordinances, contracts and other legal documents.

Continue to assist staff in updating contract templates.

Goal 6 - To increase efficiency and external accessibility

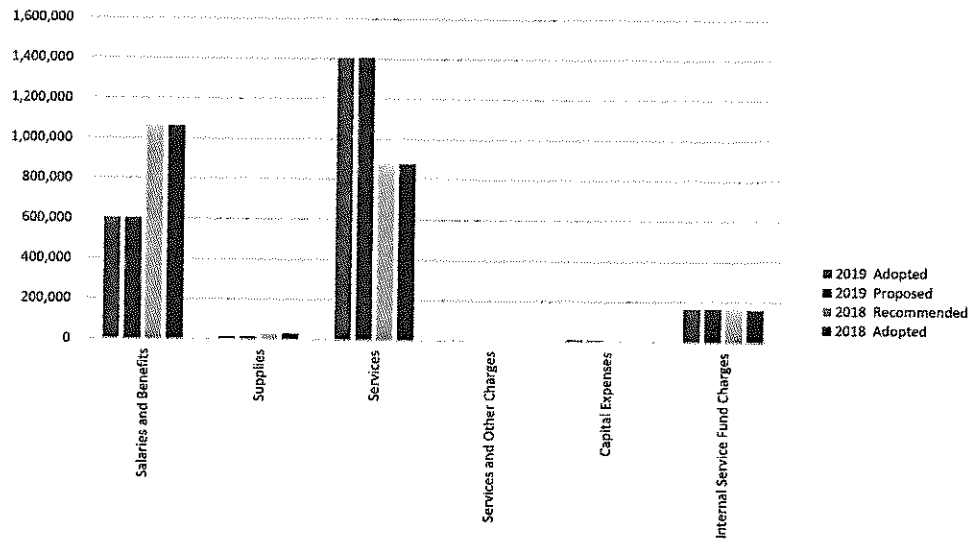
Conduct training sessions to keep City staff informed about changing laws and obligations in performance of their duties.

Enhance clear and concise communication of litigation matters, costs and resolution options to City Council by providing quarterly litigation reports.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$0	\$0	\$8,500	\$8,500
Internal Service Fund Charges	\$162,912	\$162,912	\$167,061	\$167,061
Salaries and Benefits	\$1,063,686	\$1,063,686	\$604,082	\$604,082
Services	\$879,151	\$879,151	\$1,407,198	\$1,407,198
Services and Other Charges	\$2,000	\$2,000	\$754	\$754
Supplies	\$31,000	\$31,000	\$14,250	\$14,250
Total	\$2,138,749	\$2,138,749	\$2,201,845	\$2,201,845

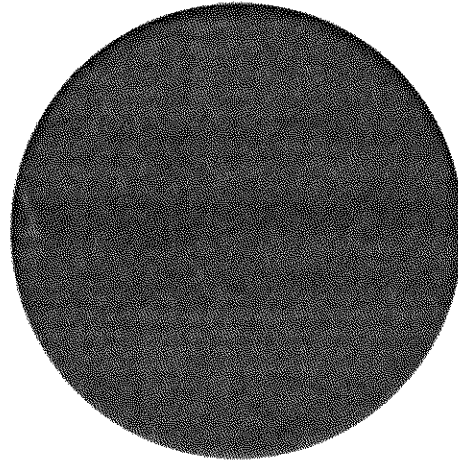
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$2,138,749	\$2,138,749	\$2,201,845	\$2,201,845
Total	\$2,138,749	\$2,138,749	\$2,201,845	\$2,201,845

CURRENT SOURCE OF FUNDING



■ 1. General Fund - \$2,201,845.1/100.00%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
City Attorney's Office Division	\$2,138,749	\$2,138,749	\$2,201,845	\$2,201,845
Total	\$2,138,749	\$2,138,749	\$2,201,845	\$2,201,845

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
City Attorney's Office Division	8.00	8.00
Total	8.00	8.00

City Clerk's Office

Mission Statement

The City Clerk's Office is established under the City Charter. We are committed to accurately recording and preserving the actions of the City Council; safeguarding vital, historic and permanent records of the City; providing information and support to the City Council, City staff and the public in a timely, courteous and fiscally responsible manner; and administering open and free elections in accordance with statutory requirements. We serve the public and City staff in an efficient, courteous, and professional manner, while performing the functions and duties of the Office in accordance with State, County and Municipal laws.

Program Description

Serves as the Elections Officer for City Council and Modesto City School Board Elections (mandated by Elections Code and City Charter Article IX Section 901)

Public Records Act Requests (mandated by Govt. Code Section 6250 - 6276.48)

Administers the Political Reform Act (mandated by Political Reform Act of 1974)

Prepares and distributes Council and Standing Committee Agendas, Records, Indexes and Maintains a Record of all Council proceedings (mandated by City Charter Article IX Section 901)

Attend and record Minutes for all Council meetings; prepare, distribute and post Standing Committee minutes (mandated by Chapter 3 of Title 2, Section 2-3.302 of the MMC)

Maintain and Update City Charter and the Modesto Municipal Code (mandated by City Charter Article IX Section 901 and Chapter 1 of Title 1, Section 1-1.08 of the MMC)

Audit Fiscal Transactions (accounts payable, e-payables, payroll, and employee wage attachments) (mandated by Chapter 3 of Title 2, Section 2-3.302 of the MMC)

Responsible for Records Management and Preservation

Provide access to Records on City of Modesto Website

Sorting, metering and delivering mail throughout City departments

Fiscal Year 2017 Accomplishments

Supported a total of 87 City Council and Standing Committee meetings.

Processed 511 Resolutions and 24 Ordinances.

Council and Standing Committee Agenda Packets on iPads for Council and Department Heads saved 272,493 pages of paper.

Successfully provided mandatory Agenda Management and Agenda Report Preparation training to staff in coordination with City Attorney and Information Technology staff.

Placed 98 ads in the Modesto Bee for public hearings, bid openings, and other events as required.

Processed 269 Agreements and recorded 243 documents with the County Clerk Recorder, and conducted 54 bid openings.

CITY CLERK'S OFFICE

DEPARTMENTS

Processed 304 external requests / 527 internal Public Records Act requests pursuant to Government Code Section 6250.

Goals and Objectives: FY 2018-19

Goal 1 - Conduct the 2017 Elections

Received and processed a total of 429 claims, summons and subpoenas, and handled approximately 2,510 customer service calls.

Conduct the Election with efficiency and transparency. Candidate Handbook will be in electronic format.

Conducted Oath or Affirmations of Allegiance for 289 new employees; and checked out 173 separated from service employees.

Keep the City Election web page updated with measure updates on a real-time basis.

Sorted, metered and delivered mail throughout City Departments (approx. 125,232 pieces of mail at a cost of \$81,145 / metered mail).

Goal 2 - Update Records Retention Schedule for all City of Modesto Departments (schedule has not been updated since 1995) - seven year process to date.

Daily mail sorting of checks, legal papers, bills, etc. from Post Office of over 1,000 pieces of mail per week.

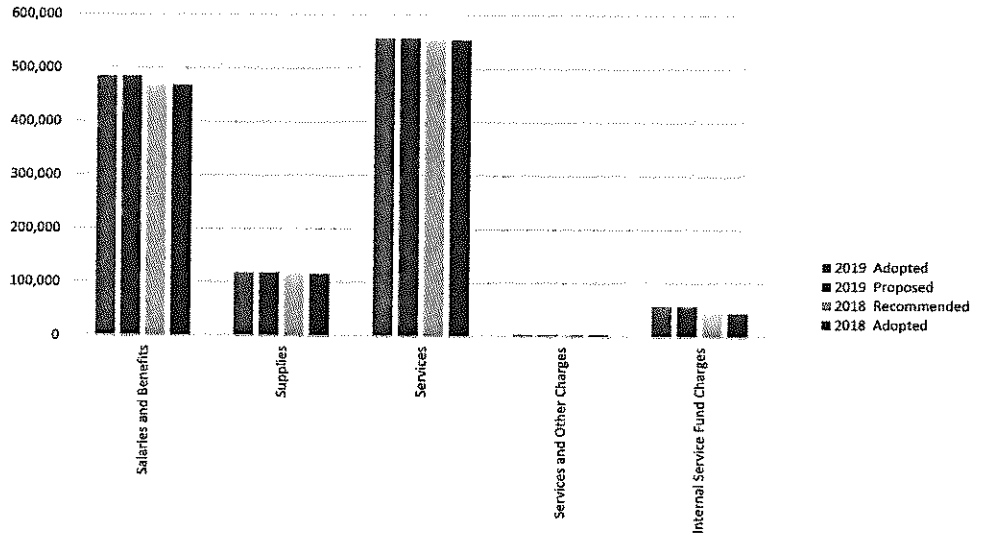
Goal 3 - Scan City's historical records for disaster recovery purposes, as well as, establish a centralized Electronic Document Repository for public access to the records. The majority of these records only exist in their original form. There are no duplicate copies.

Provided Mail Services at the following locations: City Hall, Centre Plaza, Corp Yard, Neighborhood Center at Marshall Park, Treatment Plant, Dryden, Muni, Cop Shop, MPD, Museum, Airport, Creekside and Senior Center.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$44,601	\$44,601	\$57,077	\$57,077
Salaries and Benefits	\$468,174	\$468,174	\$485,119	\$485,119
Services	\$554,044	\$554,044	\$556,700	\$556,700
Services and Other Charges	\$3,814	\$3,814	\$4,115	\$4,115
Supplies	\$115,750	\$115,750	\$118,100	\$118,100
Total	\$1,186,383	\$1,186,383	\$1,221,111	\$1,221,111

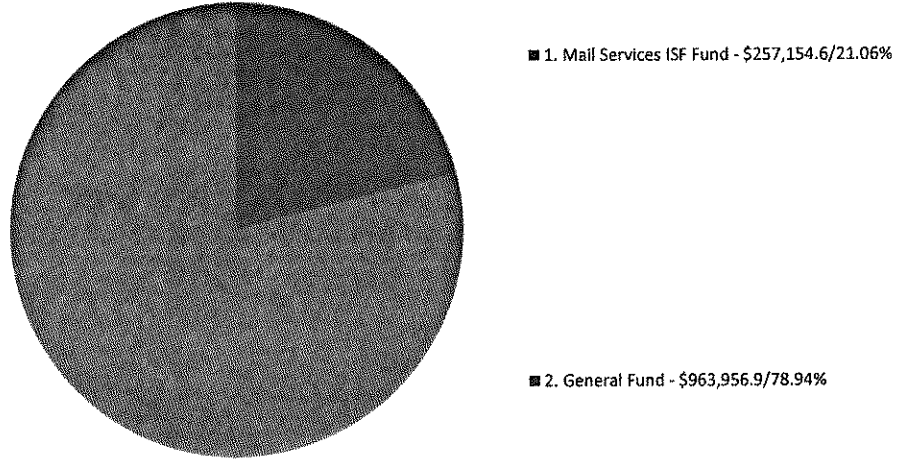
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$936,363	\$936,363	\$963,957	\$963,957
Mail Services ISF Fund	\$250,021	\$250,021	\$257,155	\$257,155
Total	\$1,186,383	\$1,186,383	\$1,221,111	\$1,221,111

CURRENT SOURCE OF FUNDING



EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
City Clerk's Office Division	\$1,186,383	\$1,186,383	\$1,221,111	\$1,221,111
Total	\$1,186,383	\$1,186,383	\$1,221,111	\$1,221,111

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
City Clerk's Office Division	5.00	5.00
Total	5.00	5.00

City Auditor

Mission Statement

The City Auditor's mission is to help the City to reduce risks, strengthen controls, and improve performance by conducting a variety of types of audits and touching all facets of the City, as well as administering the City's Ethics Hotline. The Auditor also helps the City to achieve improvements by providing support for policy development, process improvement, and training.

Conducted internal control audits related to cash handling, travel expenses (in process), and P-Cards (in process).

Developed a fraud, waste, and abuse program to support the Ethics Hotline (in process).

Program Description

The City Auditor is appointed by Council and reports directly to the Audit Committee. Based on input from the Mayor, Council, and City Manager's Office, the City Auditor develops an annual internal audit work plan that is submitted to the Audit Committee and Council for consideration and approval. Regular updates of the status of the internal audit work plan are provided periodically throughout the year to the Audit Committee and Council.

Administered all reports submitted via the Ethics Hotline.

Goals and Objectives: FY 2018-19

Goal 1 - Consistent with internal audit best practices, perform a variety of audit activities that touch various components of the City, including both internal controls testing (e.g., AR, payroll, IT controls, procurement) and performance audits (e.g., permitting, golf, emergency medical services, internal service).

Goal 2 - Given the City's initiative to enhance financial performance, conduct audits that address third-party contracts and especially those that involve the collection of revenue on the City's behalf (e.g., parking, golf, ambulance).

Goal 3 - Facilitate the development of priority financial policies.

Goal 4 - Increase transparency with Council, community and staff related to the City's budget and financial management processes.

Goal 5 - Perform other audits that support projects defined in the 100-day plan (e.g., assess opportunities for consolidating city and county services, fleet utilization study, and accounts receivable review).

Fiscal Year 2017 Accomplishments

Completed several efficiency audits of programs throughout the City (e.g., Fleet and Solid Waste) and provided recommendations for changes in policies, processes, and procedures.

Performed a review of the City's internal service funds and provided recommendations for solidifying them.

Assisted with the development of the City's first Revenue Manual, which codifies the City's multitude of revenue sources.

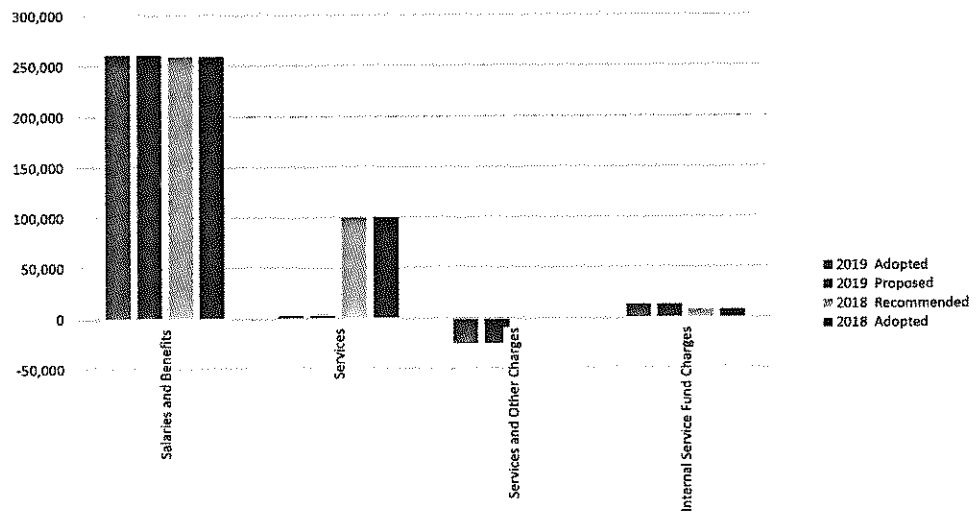
Conducted an assessment of the City's financial policies and procedures and provided recommendations for strengthening them.

Conducted a review of the North McHenry Tax Sharing Agreement between the City and the County of Stanislaus.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$8,254	\$8,254	\$13,119	\$13,119
Salaries and Benefits	\$259,502	\$259,502	\$261,294	\$261,294
Services	\$100,000	\$100,000	\$2,500	\$2,500
Services and Other Charges	\$0	\$0	(\$25,041)	(\$25,041)
Total	\$367,756	\$367,756	\$251,872	\$251,872

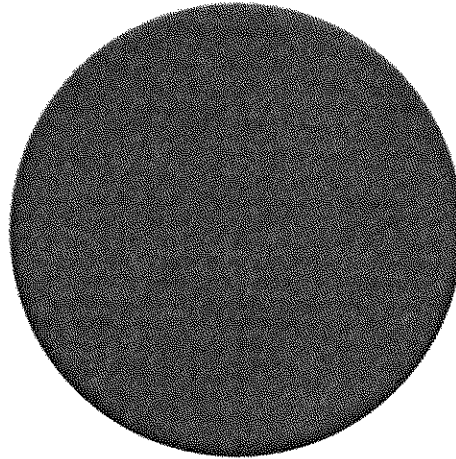
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$367,756	\$367,756	\$251,872	\$251,872
Total	\$367,756	\$367,756	\$251,872	\$251,872

CURRENT SOURCE OF FUNDING



■ 1. General Fund - \$251,872/100.00%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
City Auditor's Division	\$367,756	\$367,756	\$251,872	\$251,872
Total	\$367,756	\$367,756	\$251,872	\$251,872

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
City Auditor's Division	2.00	2.00
Total	2.00	2.00

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Finance

Mission Statement

The Finance Department strives to provide timely, quality financial information and innovative solutions with a high degree of responsiveness. The department is committed to delivering accurate information and finding solutions to fiscal challenges.

Program Description

The following is a brief summary of each division area used to achieve the Department strategic goals:

Administration: Responsible for oversight of the Finance Department to ensure the City's compliance with the Modesto Municipal Code as well as all applicable laws, regulations, policies and procedures. Manages the City's debt portfolio to ensure compliance with various bond covenants and oversees the management of the City's investment portfolio.

Accounting Division: Responsible for managing the daily activities of the accounting staff (Payroll, Accounts Payable, Accounts Receivable, Cash Management, Fixed Assets and Grant Management) to accurately record the revenues, expenditures, assets, and liabilities of the City and responsible for preparing annual financial statements and coordinating the City's annual audit.

Customer Service Division: Responsible for billing, processing and collecting the majority of the City's revenues including Utility Billing, Business License, Parking Citations and Cashiering. Operates the City's customer service lobby.

Purchasing Division: Coordinates the purchasing of goods and services for all departments and divisions within the City. Conducts various competitive procurement processes as required by the Modesto Municipal Code.

Fiscal Year 2017 Accomplishments

Received the Government Finance Officers Award for the Certificate of Achievement in Financial Reporting for June 30, 2017.

In partner with the City Manager's office, the City received the Government Finance Officers Award for Outstanding Achievement in Popular Annual Financial Reporting for the June 30, 2017 Popular Annual Financial Report.

Continued to improve the OpenGov Transparency tool to provide monthly and yearly financial information to the citizens of Modesto.

Completed a Fitch bond rating review for our Water and Wastewater Revenue Bonds and maintained an AA- bond rating for both obligations.

Implemented the Click to Gov web payment option which provides a more user-friendly payment structure including one-time payment options

Implemented various recommendations from the Mayor's 100 Day Committee which includes: providing a monthly spending report to Council which outlines spending activity for the City, successfully negotiating a reduction in the City's Letter of Credit fees under its General Fund bond obligations, and revision of the City's P-Card policy.

In conjunction with the Water Division, implemented the Water Smart Outreach Program to assist customers with water conservation efforts

FINANCE

DEPARTMENTS

In conjunction with the Water Division, implemented the Water Rate Assistance Program for low income families

Implement a new business license software which will provide enhanced functional reporting and tracking capabilities and allow customers to make on-line payments

In coordination with the City's internal auditors, develop a City-wide revenue manual which identifies all revenue sources and contains a five-year trend overview

Upgrade the City's parking citations software to improve the online payment process

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the Finance Department are:

In conjunction with the Information Technology Department, upgrade the City's Enterprise Resource Planning software

Goal 1 - Provide effective stewardship of City resources

Goal 3 - Maintain a strong internal control and low risk environment

Continue ongoing efforts with our financial advisors to manage an effective debt management portfolio

In conjunction with our internal auditors, establish a comprehensive Finance policy manual that will provide a up-to-date policy framework

Work with our investment advisors to earn the best rate of return on the City's investment portfolio with low risk

Continue to enforce and monitor internal controls to ensure financial policies and procedures are in compliance by City staff

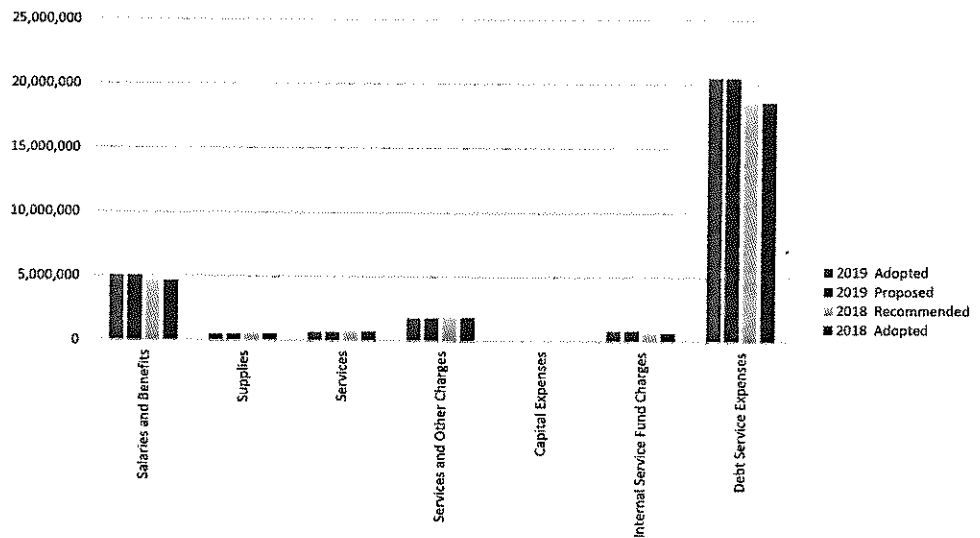
Goal 2 - Enhance operation efficiency through technology

Complete the re-engineering of the Purchasing Division to strengthen internal controls and ensure procurements are made in an efficient manner.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$15,000	\$15,000	\$0	\$0
Debt Service Expenses	\$18,617,870	\$18,617,870	\$20,532,383	\$20,532,383
Internal Service Fund Charges	\$676,470	\$676,470	\$829,345	\$829,345
Salaries and Benefits	\$4,678,041	\$4,678,041	\$5,079,520	\$5,079,520
Services	\$733,928	\$733,928	\$674,845	\$674,845
Services and Other Charges	\$1,829,945	\$1,829,945	\$1,775,130	\$1,775,130
Supplies	\$547,185	\$547,185	\$517,118	\$517,118
Total	\$27,098,439	\$27,098,439	\$29,408,341	\$29,408,341

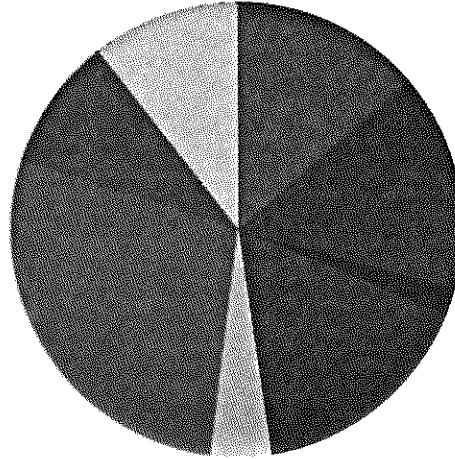
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
2006 Wastewater Revenue Bonds	\$628,758	\$628,758	\$0	\$0
2015 Wastewater Refunding Private Placement	\$2,773,207	\$2,773,207	\$2,780,408	\$2,780,408
Central Services Fund	\$57,381	\$57,381	\$0	\$0
General Fund	\$4,443,343	\$4,443,343	\$4,841,643	\$4,841,643
Inventory Purchases Fund	\$0	\$0	\$300	\$300
Public Financing Authority 98 & 07 Bonds	\$4,358,500	\$4,358,500	\$4,539,000	\$4,539,000
Sewer NVRWP (North Valley Regional Recycled Wtr Prgm) SRL	\$1,500	\$1,500	\$1,262,432	\$1,262,432
State Revolving Loan (Teritary Treatment Funding)	\$8,245,565	\$8,245,565	\$8,245,565	\$8,245,565
Wastewater Revenue Refunding Bonds Series 2018A	\$0	\$0	\$579,514	\$579,514
Water - Grants	\$36,080	\$36,080	\$36,075	\$36,075
Water 2008 Water Refunding Revenue COP 2008 Series A	\$2,574,260	\$2,574,260	\$3,089,389	\$3,089,389
Water Fund	\$3,979,845	\$3,979,845	\$4,034,015	\$4,034,015
Total	\$27,098,439	\$27,098,439	\$29,408,341	\$29,408,341

CURRENT SOURCE OF FUNDING



- 1. Inventory Purchases Fund - \$300/0.00%
- 2. Water Fund - \$4,034,015/13.72%
- 3. Water - Grants - \$36,075/0.12%
- 4. Public Financing Authority 98 & 07 Bonds - \$4,539,000/15.43%
- 5. Wastewater Revenue Refunding Bonds Series 2018A - \$579,514/1.97%
- 6. General Fund - \$4,841,642.9/16.46%
- 7. Sewer NVRWP (North Valley Regional Recycled Wtr Prgrm) SRL - \$1,262,432/4.29%
- 8. State Revolving Loan (Teritary Treatment Funding) - \$8,245,565/28.04%
- 9. 2015 Wastewater Refunding Private Placement - \$2,780,408/9.45%
- 10. Water 2008 Water Refunding Revenue COP 2008 Series A - \$3,089,389/10.51%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
FIN - Accounting	\$20,788,065	\$20,788,065	\$22,745,362	\$22,745,362
FIN - Administration	\$349,300	\$349,300	\$356,866	\$356,866
FIN - Customer Services	\$5,522,901	\$5,522,901	\$5,597,510	\$5,597,510
FIN - Purchasing	\$438,173	\$438,173	\$708,603	\$708,603
Total	\$27,098,439	\$27,098,439	\$29,408,341	\$29,408,341

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
FIN - Accounting	19.00	19.00
FIN - Administration	2.00	2.00
FIN - Customer Services	30.00	30.00
FIN - Purchasing	3.00	3.00
Total	54.00	54.00

Community and Economic Development

Mission Statement

The mission of the Community and Economic Development Department is to enhance the quality of life for residents, businesses and visitors by promoting and facilitating quality development and private investment, supporting cultural and destination amenities, and designing sustainable roads for motorized and non-motorized modes of transportation.

Program Description

The following is a brief summary of each division area:

Economic and Cultural Development/Asset Administration: This division oversees City owned assets including John Thurman Field, Golf Courses, McHenry Mansion and Museum, and Centre Plaza. The Convention and Visitor Bureau activity and Centre Plaza events are produced by this division. This division also includes marketing and facilitation efforts to attract and retain businesses and create jobs.

Community Development: This division administrates all of our federal Housing and Urban Development funding including Focus on Prevention/Continuum of Care efforts for assisting the homeless, as well as all infrastructure financing programs, including impact fees and Mello-Roos areas.

Building and Neighborhood Preservation: The Chief Building Official and staff provide development review services, inspections, and compliance with the Building Code. The Neighborhood Preservation Unit has a significant focus on reducing the impacts of tagging in the City.

Engineering: The City Engineer and staff oversee land development engineering and plan review for proposed development as well as transportation engineering and design for City roads and State road

projects within the City to enhance the safety and quality of life for the community.

Planning: This division provides long term comprehensive visioning for land development and infrastructure, as well as review of entitlement and plans for proposed development.

Fiscal Year 2017 Accomplishments

Brought the international attention of the Amgen Tour of California back as a start City.

Awarded the design contract for the first phase of Route 132, the highest ranked regional transportation project in the County.

Entered into an agreement with the Modesto Nuts to operate the John Thurman Field so that the Nuts are responsible for maintenance and the City ensures a certain amount of savings is captured for needed capital improvements to the facility.

Provided an incentive to American Health Specialty to locate their corporate headquarters downtown.

Worked with the Homeless Action Council and Continuum of Care to create a new entity (the Stanislaus Community System of Care) that will oversee the approximate \$3.2 million annual HUD funds received for the Continuum of Care with Modesto acting as the Collaborative Applicant.

Brought a marketing professional onto staff to be able to assist with marketing strategies for bringing businesses to Modesto, positioning our tourism assets, and maximizing efforts of the Convention and Visitors Bureau.

COMMUNITY AND ECONOMIC DEVELOPMENT

Provided a workplan for the City for Measure L that was passed by the voters to levy a half penny sales tax to address our aging road infrastructure.

Completed the required General Plan Housing Plan update.

Processed several significant projects including: Valley Children's Hospital on Pelandale; renovating the SOS Club into an Andre Agassi Charter School; a new hotel, a memory care facility and independent living project off of Dale Road; a rehabilitation hospital on Kiernan; an auto dealer on the corner of McHenry and Pelandale; and the Marketplace shopping center anchored by SaveMart on the corner of Oakdale and Sylvan.

Civic Partners purchased their leasehold in the 1010 Tenth Street property, and the Successor Redevelopment Agency received a payment of \$1.3 million.

Awarded the construction contract for the Roselle widening project between Floyd Avenue and Sylvan Avenue.

The City successfully defended its zoning provisions in preventing an adult cabaret from locating in the St. Stan's building.

Planning worked on subdivisions and specific plan amendments to position development in the Vintage Subdivision above the mall and in the Kiernan Business Park.

Successfully restructure the Kiernan Business Park East financing district.

The project team continued to move the Tivoli area forward for development by installing backbone utilities and completing

DEPARTMENTS

engineering required to move forward with a volunteer land dedication program.

Working with UC Merced to locate a Venture Lab for business entrepreneurs in the City.

Assisted an ABA professional basketball team to relocate from Yuba City to Modesto.

Streamlined the City's Entertainment permit process for applicants.

Obtained a digital billboard ordinance for the City along Route 99.

Elevated the City's profile with the film industry, and had an increase in filming. Note both The Last Alleycat and The Nine filmed on location in Modesto.

Worked with the Culture Commission to approve the first two public art projects under the City's Art in Public Places program.

Held several workshops to vision improvements to J Street as well as the operations of the McHenry Mansion and Museum.

Goals and Objectives: FY 2018-19

Goal 1 - Provide responsive, clear and timely development review services

Continue to gather and present data on the review process

Develop a plan for replacement of the permitting software that is almost 20 years old

DEPARTMENTS

COMMUNITY AND ECONOMIC DEVELOPMENT

Continue regular customer service skills training

Partner with the brokerage community with regard to opportunities and quickly and successfully navigating City processes

Work to develop efficiencies between departments with regard to plan review

Roll out our Measure L local roads program and move the identified regional projects that impact the City forward

Goal 2 - Promote and grow the local economy

Design improvements to J Street and Crows Landing Road

Create an Economic Development Strategic Plan that identifies available job creation properties and areas for potential growth

Complete a comprehensive update to the Capital Facilities Fee program

Complete the General Plan Amendment and launch an comprehensive update

Goal 3 - Address social inequities in housing and access to services

Continue to work on areas identified for possible annexation

Continue to work with the Stanislaus Community System of Care to develop and implement innovative programs to address homelessness issues

Continue to assess City properties to increase revenue opportunities, decrease expenses and address capital needs

Continue to refine the programs for low income residents with regard to housing needs, housing repairs, and loans

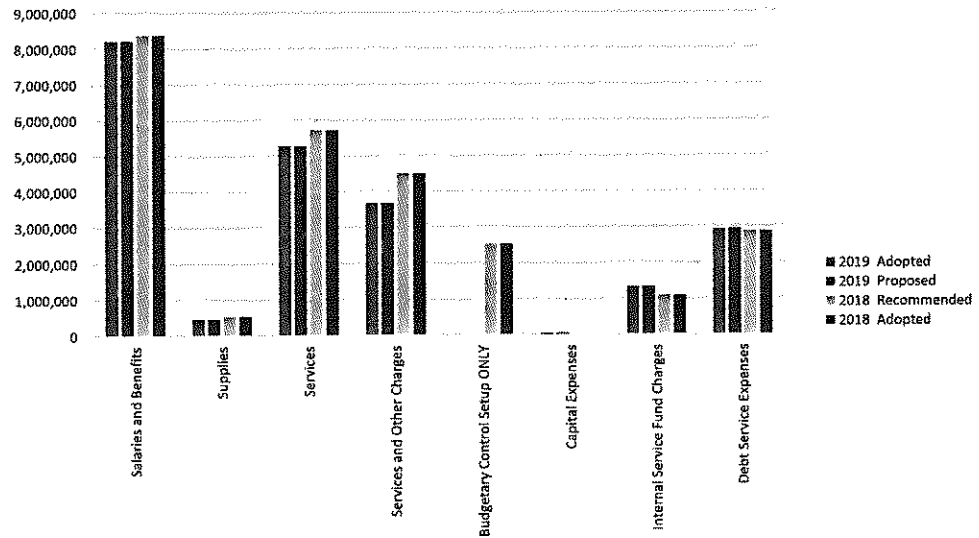
Continue to create and launch marketing materials promoting the assets of the City and promoting our business services

Continue to explore options with the County and other stakeholders for an access center, low barrier housing and a day center

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Budgetary Control Setup ONLY	\$2,538,067	\$2,538,067	\$0	\$0
Capital Expenses	\$0	\$0	\$57,906	\$57,906
Debt Service Expenses	\$2,873,344	\$2,873,344	\$2,935,654	\$2,935,654
Internal Service Fund Charges	\$1,099,596	\$1,099,596	\$1,342,078	\$1,342,078
Salaries and Benefits	\$8,385,735	\$8,385,735	\$8,230,008	\$8,230,008
Services	\$5,724,599	\$5,724,599	\$5,282,613	\$5,282,613
Services and Other Charges	\$4,503,264	\$4,503,264	\$3,690,186	\$3,690,186
Supplies	\$540,513	\$540,513	\$475,261	\$475,261
Total	\$25,665,118	\$25,665,118	\$22,013,706	\$22,013,706

USE OF FUNDING BY CATEGORY



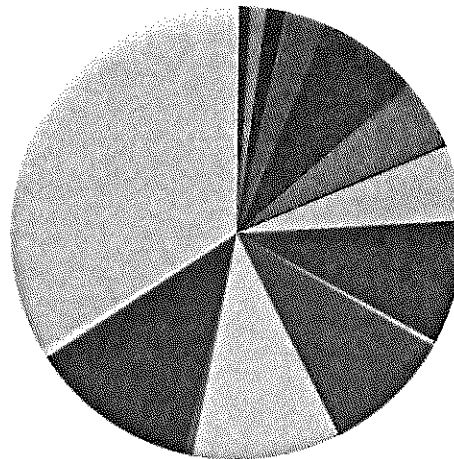
EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Facility Fees Administration Fund	\$138,012	\$138,012	\$152,272	\$152,272
Capital Improvement Support	\$1,684,325	\$1,684,325	\$1,937,446	\$1,937,446
Carver/Bangs Pelandale/Snyder CFD Fund	\$86,909	\$86,909	\$91,044	\$91,044
Coffee/Claratina CFD Fund	\$109,934	\$109,934	\$135,428	\$135,428
Community Center Operations Fund	\$1,520,575	\$1,520,575	\$1,183,158	\$1,183,158
Community System of Care (CSoc)	\$253,667	\$253,667	\$245,209	\$245,209
Disability Access and Education Fund	\$15,000	\$15,000	\$15,850	\$15,850
Enterprise Park 1998 CFD Fund	\$17,648	\$17,648	\$15,506	\$15,506
Fairview Village CFD - 2014 Debt Service Refunding	\$283,996	\$283,996	\$297,440	\$297,440
Fairview Village CFD Fund	\$164,642	\$164,642	\$169,417	\$169,417
General Fund	\$7,480,564	\$7,480,564	\$7,235,653	\$7,235,653
Golf Fund	\$2,273,209	\$2,273,209	\$2,323,410	\$2,323,410
Golf Kemper Fund	\$1,040,596	\$1,040,596	\$1,040,596	\$1,040,596
Grants - CDBG Direct Program	\$3,651,950	\$3,651,950	\$2,666,601	\$2,666,601
Grants - Emergency Shelter Program	\$179,467	\$179,467	\$167,112	\$167,112
Grants - HOME Program	\$2,615,394	\$2,615,394	\$52,235	\$52,235
Infrastructure Financing Program Administration	\$928,720	\$928,720	\$980,429	\$980,429
Kiernan Business Park East CFD Fund	\$78,149	\$78,149	\$77,382	\$77,382
Kiernan Business Park West CFD Fund	\$39,838	\$39,838	\$39,182	\$39,182
North Beyer #2 CFD Fund	\$69,540	\$69,540	\$74,886	\$74,886
North Beyer Park CFD	\$10,483	\$10,483	\$8,179	\$8,179
NorthPointe CFD Fund	\$30,101	\$30,101	\$31,471	\$31,471
RDA Successor Agency Administration Fund	\$23,322	\$23,322	\$25,962	\$25,962

EXPENDITURES BY FUND (continued)

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
RDA Successor Agency Debt Service Fund	\$2,208	\$2,208	\$3,097	\$3,097
Village One #2 CFD 2014 Debt Fund	\$1,831,259	\$1,831,259	\$1,868,816	\$1,868,816
Village One #2 CFD Fund	\$574,737	\$574,737	\$595,794	\$595,794
Village One CFD Fund	\$560,874	\$560,874	\$580,131	\$580,131
Total	\$25,665,118	\$25,665,118	\$22,013,706	\$22,013,706

CURRENT SOURCE OF FUNDING



- 1. RDA Successor Agency Debt Service Fund - \$3,097/0.01%
- 2. Fairview Village CFD Fund - \$169,417/0.77%
- 3. North Beyer Park CFD - \$8,179/0.04%
- 4. Community System of Care (CSoc) - \$245,209.4/1.11%
- 5. Enterprise Park 1998 CFD Fund - \$15,506/0.07%
- 6. Fairview Village CFD - 2014 Debt Service Refunding - \$297,440/1.35%
- 7. Disability Access and Education Fund - \$15,850/0.07%
- 8. Village One CFD Fund - \$580,131/2.64%
- 9. RDA Successor Agency Administration Fund - \$25,962/0.12%
- 10. Village One #2 CFD Fund - \$595,794/2.71%
- 11. NorthPointe CFD Fund - \$31,471/0.14%
- 12. Infrastructure Financing Program Administration - \$980,428.6/4.45%
- 13. Kiernan Business Park West CFD Fund - \$39,182/0.18%
- 14. Golf Kemper Fund - \$1,040,596/4.73%
- 15. Grants - HOME Program - \$52,235/0.24%
- 16. Community Center Operations Fund - \$1,183,158/5.37%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
CED - Administration	\$3,133,365	\$3,133,365	\$2,840,973	\$2,840,973
CED - Building Management	\$5,004,485	\$5,004,485	\$4,730,886	\$4,730,886
CED - Building Safety	\$2,636,424	\$2,636,424	\$2,858,038	\$2,858,038
CED - Community Facilities Districts	\$3,858,110	\$3,858,110	\$3,984,676	\$3,984,676
CED - Housing Urban Development Program	\$6,700,478	\$6,700,478	\$3,131,157	\$3,131,157
CED - Land Development Engineering	\$1,863,048	\$1,863,048	\$884,220	\$884,220
CED - Planning	\$1,607,969	\$1,607,969	\$1,617,251	\$1,617,251
CED - Redevelopment Agency	\$25,530	\$25,530	\$29,059	\$29,059
CED - Transportation Engineering Design	\$835,710	\$835,710	\$1,937,446	\$1,937,446
Total	\$25,665,118	\$25,665,118	\$22,013,706	\$22,013,706

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
CED - Administration	14.00	14.00
CED - Building Safety	19.00	19.00
CED - Housing Urban Development Program	10.00	10.00
CED - Land Development Engineering	6.00	6.00
CED - Planning	12.00	12.00
CED - Transportation Engineering Design	11.00	11.00
Total	72.00	72.00

Human Resources Department

Mission Statement

The mission of the Human Resources Department is to recruit, develop, and retain a diverse, well-qualified, healthy, professional and productive workforce that reflects the high standards of the community we serve, and to lead City Departments in positive employee relations, talent management, succession planning, and employee engagement.

Program Description

Human Resources Administration:

Recruitment and selection, accepting and screening applications, testing candidates and placing eligible lists, referring eligible lists to departments for all classifications resulting in job offers.

Maintain personnel records, employee files, processes related to reviews and pay increases, and processing retirements, new hires, promotions, and other actions.

Compensation Program Management includes negotiating labor contracts for 6 bargaining units.

Manage organizational training, including Sexual Harassment (AB 1825), New Employee Orientation and various Liebert Cassidy Whitmore Consortium Trainings.

Maintain strong employee relations through grievance management, investigations, negotiating labor contracts, respond/resolve issues and questions from employee unions and Equal Employment Opportunity.

Employee Benefits:

Employee Benefits Administration

Annual Open Enrollment Process

Employee Wellness Program

Retirement Administration

Risk Management:

General liability and property insurance services including claim administration, small claims court appearances, when necessary, property insurance management, and insurance placement.

Workers' compensation and disability management oversight.

Early Return to Work program coordination and oversight and administration of various leave usage

Employee Health and Safety Program including the Illness Prevention Program, coordinate the City wide safety committee, provide employee ergonomic evaluations

Fiscal Year 2017 Accomplishments

Benefits team negotiated terms with a new insurance broker which greatly reduced the out-of-pocket premium cost for employees and resulted in the transition of more than half of eligible employees to new a medical plan

HUMAN RESOURCES DEPARTMENT

DEPARTMENTS

Successfully negotiated all collective bargaining agreements for three year terms which included negotiated Cost-Sharing with the safety unions for a reduced CalPERS Employer Contribution

Goal 2 - Health and Wellness

Completed a comprehensive RFP for third party administrator for Workers' Compensation Claims

Partner with creative insurance brokerage firm to implement proactive measures to control future benefit and cost changes

Began publishing a monthly City wide safety newsletter to enhance workplace safety

Create and implement a expand the health and wellness program

Implemented Breakfast and Briefings for HR staff to enhance communication and training development

Increase City partnerships that enhance employee wellness and reduce claims

Goals and Objectives: FY 2018-19

Goal 1 - Organizational Training and Development

Goal 3 - Implement technology solutions that improve efficiencies and service delivery

Enhance current new hire orientation to enhance workplace culture

Implement record management solution

Develop policy requirements for new employees and new supervisors

Implement employee self-service for personnel actions

Re-establish Training University

Implement an effective performance management system

Launch online Target Solutions, our online training portal

Implement insurance certificate solution

Re-establish Leadership Academy

Implement an effective online benefits portal to empower our employees to make benefit elections from the comfort of their homes

Partner with other entities to enhance opportunities for employees

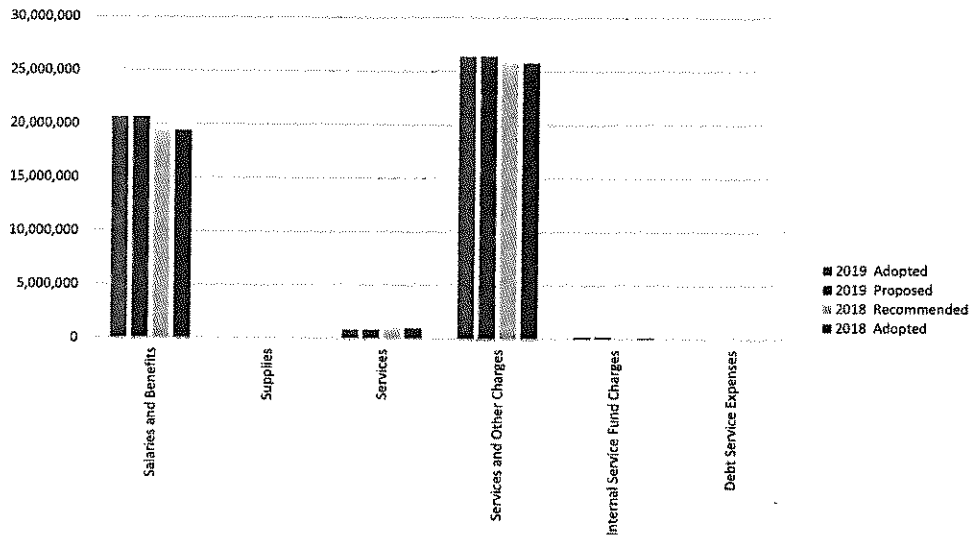
EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$187,054	\$187,054	\$233,725	\$233,725
Salaries and Benefits	\$19,407,572	\$19,407,572	\$20,670,091	\$20,670,091
Services	\$1,016,866	\$1,016,866	\$866,733	\$866,733

EXPENDITURES BY CATEGORY (continued)

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Services and Other Charges	\$25,761,837	\$25,761,837	\$26,386,953	\$26,386,953
Supplies	\$36,999	\$36,999	\$37,504	\$37,504
Total	\$46,410,328	\$46,410,328	\$48,195,006	\$48,195,006

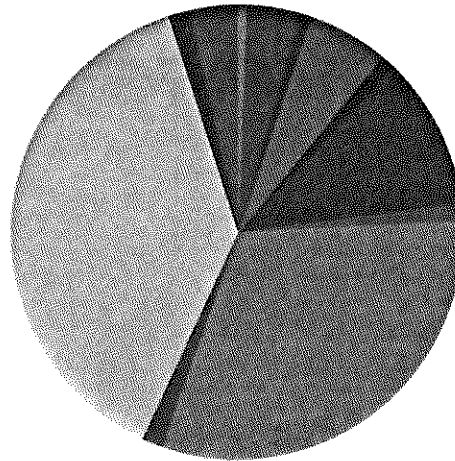
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Employee Benefits Administration Fund	\$587,212	\$587,212	\$612,206	\$612,206
Employee Benefits Management Fund	\$17,467,724	\$17,467,724	\$18,353,274	\$18,353,274
General Fund	\$1,443,694	\$1,443,694	\$1,624,558	\$1,624,558
Insurance - Administration Fund	\$698,036	\$698,036	\$716,344	\$716,344
Insurance - Dental Insurance Fund	\$1,520,100	\$1,520,100	\$1,850,000	\$1,850,000
Insurance - Disability Fund	\$283,269	\$283,269	\$410,888	\$410,888
Insurance - Health Fund	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
Insurance - Liability Insurance Fund	\$3,053,959	\$3,053,959	\$2,753,318	\$2,753,318
Insurance - Other Employee Fund	\$428,702	\$428,702	\$544,596	\$544,596
Insurance - Property Insurance Fund	\$575,000	\$575,000	\$767,986	\$767,986
Insurance - Vision Fund	\$293,172	\$293,172	\$293,172	\$293,172
Insurance - Workers Compensation Fund	\$5,059,460	\$5,059,460	\$5,268,665	\$5,268,665
Total	\$46,410,328	\$46,410,328	\$48,195,006	\$48,195,006

CURRENT SOURCE OF FUNDING



- 1. Insurance - Vision Fund - \$293,172/0.61%
- 2. Insurance - Dental Insurance Fund - \$1,850,000/3.84%
- 3. Insurance - Disability Fund - \$410,888/0.85%
- 4. Insurance - Liability Insurance Fund - \$2,753,318/5.71%
- 5. Insurance - Other Employee Fund - \$544,596/1.13%
- 6. Insurance - Workers Compensation Fund - \$5,268,665/10.93%
- 7. Employee Benefits Administration Fund - \$612,205.5/1.27%
- 8. Insurance - Health Fund - \$15,000,000/31.12%
- 9. Insurance - Administration Fund - \$716,343.9/1.49%
- 10. Employee Benefits Management Fund - \$18,353,274/38.08%
- 11. Insurance - Property Insurance Fund - \$767,986/1.59%
- 12. General Fund - \$1,624,557.6/3.37%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
HR - Employee Benefits	\$35,580,179	\$35,580,179	\$37,064,136	\$37,064,136
HR - Human Resources Administration	\$1,443,694	\$1,443,694	\$1,624,558	\$1,624,558
HR - Risk	\$9,386,455	\$9,386,455	\$9,506,313	\$9,506,313
Total	\$46,410,328	\$46,410,328	\$48,195,006	\$48,195,006

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
HR - Employee Benefits	2.00	2.00
HR - Human Resources Administration	13.00	13.00
HR - Risk	5.00	5.00
Total	20.00	20.00

Information Technology Department

Mission Statement

The Information Technology Department strives to build and empower a leading smart, digital city and provide, in alignment with the City's strategic commitments, innovative technology solutions that support City departments and the public.

Program Description

The Information Technology (IT) Department manages all information and technology assessments, acquisitions and implementations with some responsibilities for system maintenance. In addition, the department leads Open and Performance Data initiatives and Public facing/interacting systems such as the Website, payment and Civic Engagement systems. The department manages an IT Steering Committee formed by all department heads and reports on projects and programs to Council Committees.

Fiscal Year 2017 Accomplishments

Server Infrastructure updated including security review, a systems updated to reduce risk, and began an assessment of Payment Card Industry compliance

Moved various applications to a cloud format with nearly 40 systems utilizing that technology

What Works Cities Open and Performance Data initiative is in process including an OpenGov data Portal

Online website renovation was completed

Received the Digital Cities Award - #1 in California, #7 Nationwide

A civic engagement application was completed

Expanded public WiFi in at City Hall, in the City Plaza and in the Senior Center

In collaboration with various departments, implemented several new system applications including budgeting, construction management, and mobile work orders systems as well as several revenue collection systems upgrades

Implement or expanded various public safety platforms

Developed new or expanded existing revenue streams related to a DIVCA Ordinance and PEG fees which supports collection of over \$2 million of revenue each year

Utility security cameras were deployed to strategic locations in the City to protect various capital assets including the new Pelandale-US99 Interchange project

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the IT Department are:

Goal 1 - Deploy Digital City projects as supported/prioritized by IT Steering Committee

Goal 2 - Improve IT governance and alignment with City priorities

Goal 3 - Standardize and enhance service delivery of IT services with focus on customer service

Goal 4 - Clearly define systems inventory and functionality leading to strategic technology roadmap

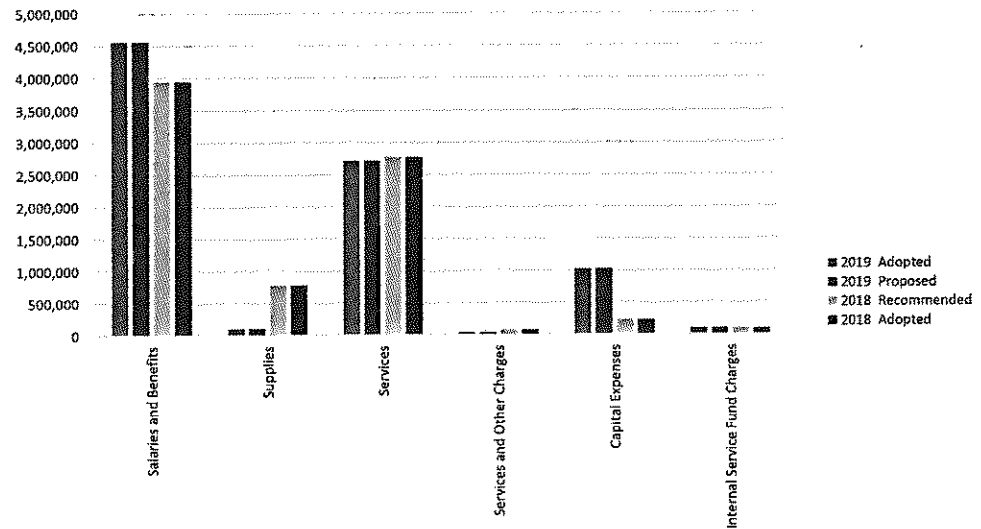
Goal 5 - Upgrade technology infrastructure to enhance Data and Security capabilities

Goal 6 - Facilitate community-impacting initiatives like LinkModesto and UC Merced

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$237,006	\$237,006	\$1,028,000	\$1,028,000
Internal Service Fund Charges	\$99,240	\$99,240	\$107,062	\$107,062
Salaries and Benefits	\$3,944,985	\$3,944,985	\$4,559,781	\$4,559,781
Services	\$2,775,302	\$2,775,302	\$2,721,042	\$2,721,042
Services and Other Charges	\$82,021	\$82,021	\$45,419	\$45,419
Supplies	\$784,623	\$784,623	\$111,399	\$111,399
Total	\$7,923,177	\$7,923,177	\$8,572,703	\$8,572,703

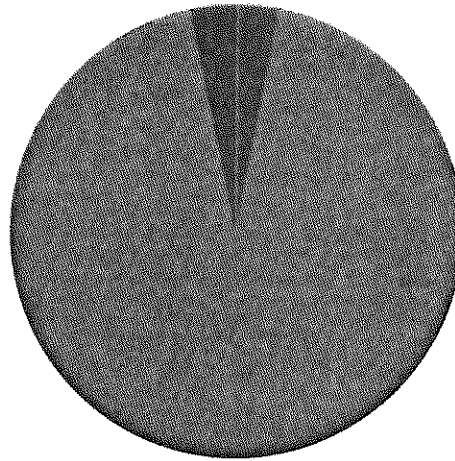
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Education and Government Cable	\$286,013	\$286,013	\$286,311	\$286,311
Information Technology Fund	\$7,412,164	\$7,412,164	\$8,036,392	\$8,036,392
Public Educational Governmental (PEG) Fund	\$225,000	\$225,000	\$250,000	\$250,000
Total	\$7,923,177	\$7,923,177	\$8,572,703	\$8,572,703

CURRENT SOURCE OF FUNDING



- 1. Public Educational Governmental (PEG) Fund - \$250,000/2.92%
- 2. Information Technology Fund - \$8,036,392.2/93.74%
- 3. Education and Government Cable - \$286,311/3.34%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
IT - Information Technology	\$1,852,766	\$1,852,766	\$1,743,607	\$1,743,607
IT - Information Technology Administration	\$1,020,685	\$1,020,685	\$1,180,759	\$1,180,759
IT - Information Technology Applications	\$1,940,978	\$1,940,978	\$2,377,971	\$2,377,971
IT - Information Technology Geographic Info Systems	\$528,067	\$528,067	\$427,262	\$427,262
IT - Information Technology Network	\$2,580,680	\$2,580,680	\$2,843,103	\$2,843,103
Total	\$7,923,177	\$7,923,177	\$8,572,703	\$8,572,703

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
IT - Information Technology Administration	3.00	3.00
IT - Information Technology Applications	12.00	12.00
IT - Information Technology Geographic Info Systems	3.00	3.00
IT - Information Technology Network	19.00	19.00
Total	37.00	37.00

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Modesto Fire Department

Mission Statement

Proudly serving, protecting and partnering with our community for a safer Modesto.

Program Description

The following is a brief summary of each division/program area used to achieve the Department strategic goals:

Office of the Fire Chief & Support: Provides administrative oversight for the department in terms of human resources and labor management, fiscal management and budget, public information, facilities and fleet maintenance, data analysis and reporting, IT support and payroll.

Operations/Suppression: Responsible for providing an "all-risk" emergency response to safeguard the citizens we serve. Calls for service include a wide spectrum of medical aids, technical rescues, public assists, hazardous materials, structure fires, vehicle accidents, and many other call types.

Fire Prevention: Responsible for improving the lives of Modesto residents by preventing fires and reducing the impact in the event a fire does occur. This is typically accomplished through inspections, permits, new development plan reviews, public education, fire and life safety training and responding to complaints regarding fire and life safety code violations.

Fiscal Year 2017 Accomplishments

Through our partnership with Modesto City Schools and AMR, we provided free hands-only CPR training to more than 2,000 junior high school students.

Our public education team provided important fire and life safety lessons to 6,200 elementary students through 20 shows over a two-

week period during Fire Prevention Month in October. This program has been running for more than 20 years and helps save lives!

We applied for and were awarded a 2016 FEMA Staffing for Adequate Fire & Emergency Response (SAFER) grant in the amount of \$2.2 million. This grant enabled us to hire 9 firefighters and reinstate Engine 11 which was closed in July 2011 due to budget reductions. The staffing of Engine 11 brings back fire suppression capabilities (water on the engine and ability to pump water from hydrants) to North Modesto, which had been served by a dry truck company (meaning there were no water capabilities).

At the end of 2016, an order was placed for 5 engines and 2 ladder trucks. During the recession, fire apparatus purchases were placed on hold - this caused an increase in our maintenance costs. When the apparatus arrive in 2018, they will provide much needed replacement of the oldest apparatus in our fleet, some of which are 27 years old!

We teamed up with the American Red Cross to provide and install smoke alarms in one and two-family dwellings. This program is intended to target the "at risk" population in Modesto - the elderly and persons of low socioeconomic status. This program will continue through 2017 with the American Red Cross providing the smoke alarms and MFD crews installing them.

We were honored to assist numerous communities throughout the state during wildfires in 2016. Modesto crews responded to 12 different fires through the State Mutual Aid System, where they provided fire suppression and filled leadership positions. The department was reimbursed for all expenses associated with the deployments and members gained tremendous experience.

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the Modesto Fire Department are:

MODESTO FIRE DEPARTMENT

DEPARTMENTS

Goal 1 - Adapt, grow and maintain flexibility as it expands service delivery capabilities.

Continue to follow the adopted strategic plan and expand services.

Adopt and implement response time, personnel and equipment standards for all response types.

Adopt a battalion chief coverage and response plan to achieve industry standards for proper span of control.

Utilize resources to ensure first out companies maintain an 85% or greater reliability.

Goal 2 - Ensure that all personnel are achieving minimum training standards and advanced training opportunities are provided for career development.

Establish standards for competency at each line position.

Develop a training plan to ensure 100% compliance with the minimum standard of 240 hours of training per year per employee.

Provide development opportunities for company officers.

Goal 3 - Achieve and maintain adequate resources, training and certification to provide special operations services to the citizens of Modesto and the surrounding region.

Obtain adequate resources for the hazardous materials, technical rescue and water rescue response programs to maintain operational readiness.

Establish and implement a tactical EMS team to work in conjunction with the MPD SWAT Team.

Goal 4 - Identify and utilize varied and innovative revenue resources to fund operational and structural improvements.

Study 3rd party insurance billing for vehicle accidents, EMS responses, haz-mat incidents, landing zone stand-by and false alarms.

Establish a public/private partnership with ambulance provider to receive reimbursement for FRALS and other related services.

Establish a fee schedule for the provision of special operations services provided to jurisdiction without such services.

Establish a capital replacement program and funding for equipment and facilities.

Goal 5 - Implement and utilize technologies that improve efficiencies.

Conduct a hardware/software analysis to determine redundancy, service gaps and required hardware/software suites for the future.

Pursue technology partnerships with local fire agencies that provide efficiencies and enhance interoperability.

DEPARTMENTS

MODESTO FIRE DEPARTMENT

Goal 6 - Ensure the Fire Prevention Division is timely in the inspection, enforcement and completion of duties.

Complete all state mandated occupancy inspections annually by implementing tablet technology to increase efficiency for inspectors.

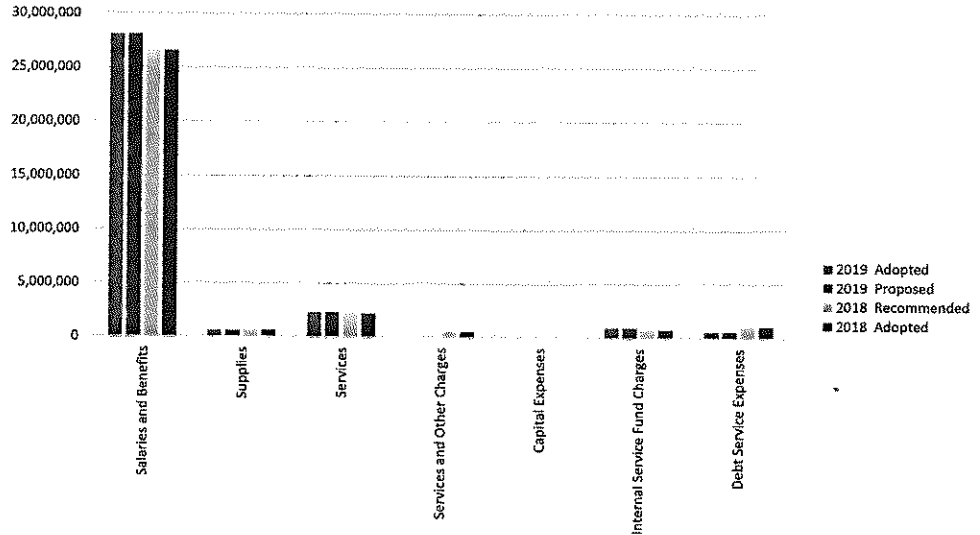
Increase public education to the community through a smoke detector program that reaches 80% of low socio-economic/high-risk areas in the community.

Complete all plan checks within 2 weeks of submission.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$49,390	\$49,390	\$61,000	\$61,000
Debt Service Expenses	\$1,081,524	\$1,081,524	\$598,545	\$598,545
Internal Service Fund Charges	\$775,179	\$775,179	\$961,256	\$961,256
Salaries and Benefits	\$26,568,025	\$26,568,025	\$28,080,455	\$28,080,455
Services	\$2,171,167	\$2,171,167	\$2,301,160	\$2,301,160
Services and Other Charges	\$516,785	\$516,785	\$90,087	\$90,087
Supplies	\$633,787	\$633,787	\$627,870	\$627,870
Total	\$31,795,857	\$31,795,857	\$32,720,373	\$32,720,373

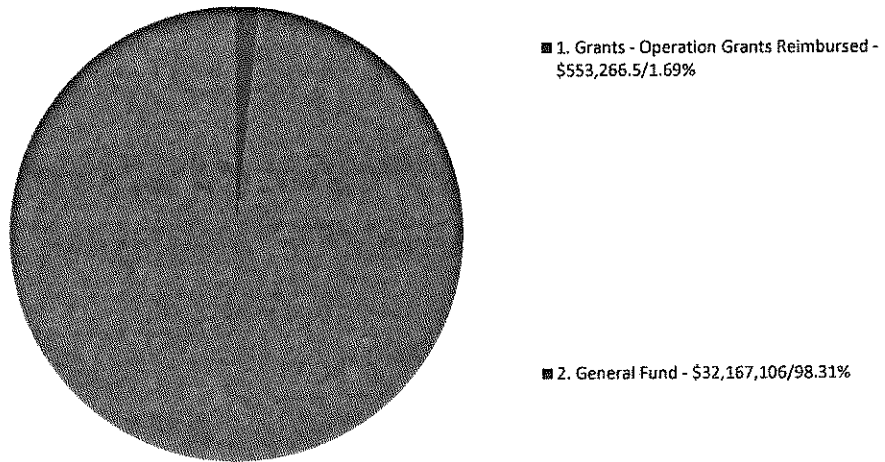
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$30,944,452	\$30,944,452	\$32,167,106	\$32,167,106
Grants - Operation Grants Reimbursed	\$851,404	\$851,404	\$553,266	\$553,266
Total	\$31,795,857	\$31,795,857	\$32,720,373	\$32,720,373

CURRENT SOURCE OF FUNDING



EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
MFD - Administration	\$1,720,231	\$1,720,231	\$1,705,596	\$1,705,596
MFD - Emergency Operations	\$24,614,843	\$24,614,843	\$26,108,782	\$26,108,782
MFD - Facilities & Fleet	\$4,069,899	\$4,069,899	\$3,329,084	\$3,329,084
MFD - Fire Prevention	\$1,390,883	\$1,390,883	\$1,576,910	\$1,576,910
Total	\$31,795,857	\$31,795,857	\$32,720,373	\$32,720,373

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
MFD - Administration	8.00	8.00
MFD - Emergency Operations	134.00	134.00
MFD - Facilities & Fleet	1.00	1.00
MFD - Fire Prevention	9.00	9.00
Total	152.00	152.00

Modesto Police Department

Mission Statement

The mission of the Modesto Police Department is to drive the crime rate down and improve the quality of life to make the City a safe place to live, work and play. We proactively enforce laws, develop long-term solutions to problems and engage in crime prevention in partnership with the community. The Modesto Police Department is a leader in Intelligence-Led Policing. We maximize the use of technology, innovative ideas and crime analysis in the deployment of our resources. The Modesto Police Department is a learning organization. We are constantly striving to excel and grow by learning from our experiences, tactics and careful examination of events in the public and private sectors. We embrace new ideas and concepts in providing safety and service to our community.

Program Description

Operations Division:

The Operations Division provides core police services to our community through innovative crime reduction strategies. The uniformed patrol personnel assigned to this Division are the first responders to emergency and non-emergency calls for service.

Units:

Area Commands

Crime Prevention

Beat Health

Traffic

Bike Patrol

Canine

Crisis Response Unit

Investigative Services Division:

The Investigative Services Division is responsible for investigating felony cases forwarded by patrol officers, and preparing the case for presentation to the District Attorney's office for prosecution.

Units:

Violent Crimes

Special Victims

Property Crimes

High Tech

ID

SGU (Gangs)

MNET (Narcotics)

FBI Task Force

SDEA

Support Services Division:

The Support Services Division provides all the logistical, technical and administrative support to each of the other divisions. This Division plays a vital role in assuring the Police Department continues to operate effectively and efficiently 24 hours a day, 7 days a week, 365 days a year.

Units:

MODESTO POLICE DEPARTMENT

DEPARTMENTS

Records

Improved officer efficiency by issuing smart phones to replace Samsung devices for viewing and marking PVRs video evidence. Additionally, officers can stay in the field longer not having to return to the station to call citizens regarding calls for service

Training

Animal Control

Hiring/Recruiting

Admin Services

Improved efficiency by acquiring new MDC terminals for the patrol fleet as well as Department of Justice authorization to allow the MDC terminals to be removed from the vehicles for officers to write reports anywhere

Information Technology

Fiscal Year 2017 Accomplishments

Ended 2016 with 6% reduction in Part I crimes compared to 2015 including a 48% reduction in Homicides, a 13.3% reduction in Burglaries and a 10.5% reduction in Auto Theft

Improved safety and communication by completing a radio replacement project switching from twenty year old VHF radios to a new P25 800MHZ Trunking System and new radios for all personnel

Awarded #1 in California and #5 in the Nation for National Night Out community participation

Implemented advanced scenario-based officer training to enhance quality of training

Developed an Unmanned Aerial Vehicle (UAV) program that has become a model program for law enforcement agencies across the State and Nation. California POST has completed a training and deployment "how to" video based on MPD's UAV program. The California Police Chiefs Association awarded MPD's UAV program with the Innovation and Technology Award.

Increased on-line reporting by 11.9%

Implemented below 100 training for employee driver safety

Improved community outreach and support as well as increased efficiency by adding two full time Area Commanders, freeing up the Watch Commanders to more closely supervise field operations. The Area Commanders are also free to focus on their area command rather than split duties

Implemented Lexipol Policy Program, which enhanced accountability

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the Modesto Police Department are:

Completed the Real Time Crime Center / Department Operations Center that has been used for large scale events such as flooding and special events. The center is used by both the Police and Fire Departments during events.

Goal 1 - Reduce Crime and the Fear of Crime

Ensure every member of the Department is committed to reducing crime and the fear of crime for our citizens by building the department philosophy around "Making Modesto Better" 1

DEPARTMENTS

Ensure the effective use and efficient deployment of public safety resources based on local need

Ensure Community-Oriented Policing is the foundation in how we provide public safety services

Ensure public safety is centered around Area Command Policing, which fosters partnerships, accountability and long-term problem-solving

Maximizing Intelligence-Led Policing with Predictive Policing software, Crime Analysts, Real-Time Crime Center and innovative technology

Increase focus on at-risk youth, as well as, gang prevention/intervention

Expand the use of CSOs, Cadets and Volunteers to aid in public safety service

Continue to build the Beat Health teams in order to address quality of life issues

Refine CrimeView meetings to incorporate more of a citywide "holistic" view

Goal 2 - Increase Community Engagement

Strive to enhance current partnerships and develop new working relationships with the people that live, work and visit our city

MODESTO POLICE DEPARTMENT

Ensure every member of the organization builds positive relationships by treating everyone they contact with dignity, compassion and respect

Use "Community-Oriented Governance" to address issues

Expand partnerships with all city departments, neighborhood groups and businesses to support public safety

Area Command Lieutenants will continue to champion efforts in reducing crime and addressing quality of life issues

Increase Neighborhood & Business Watch groups

Expand community/youth outreach and communication through meetings, public safety events and social media

Conduct a Public Service Survey

Establish a Collision Review Panel Protocol

Goal 3 - Promote Organizational Excellence

Embrace new ideas and concepts and continuously improve the safety and service to our community

Strive to foster and promote ongoing education and training, which focuses on professionalism, accountability, ethics and leadership

MODESTO POLICE DEPARTMENT

DEPARTMENTS

Continue to look at "Best Practices" within our profession and incorporate effective tactics and procedures in order to reduce crime

Foster a "life-learning" environment, which promotes on-going employee development and organizational growth at all levels

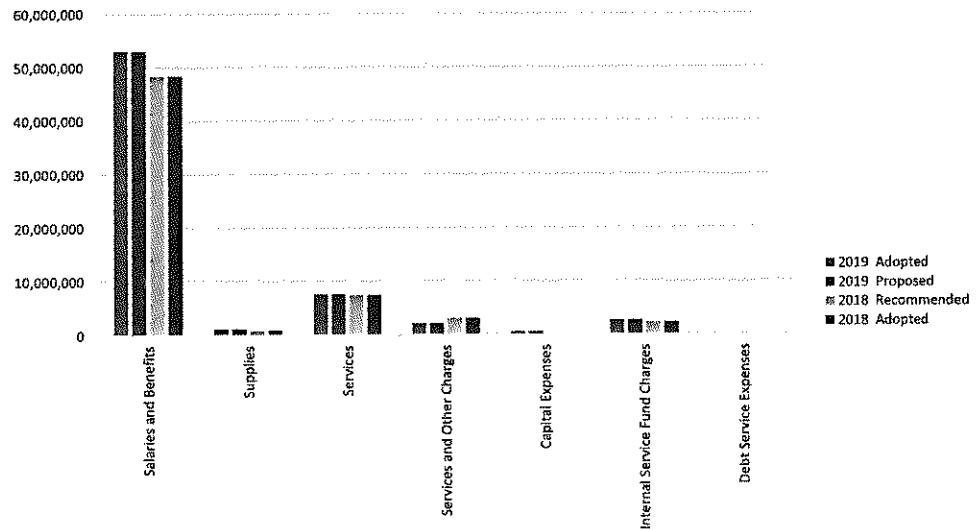
Strive to only hire high quality employees, in order to maintain excellent public service

Learn from our past experiences and practices in order to provide the best public service we can

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$165,394	\$165,394	\$635,964	\$635,964
Internal Service Fund Charges	\$2,334,925	\$2,334,925	\$2,802,241	\$2,802,241
Salaries and Benefits	\$48,470,777	\$48,470,777	\$53,120,515	\$53,120,515
Services	\$7,491,825	\$7,491,825	\$7,723,926	\$7,723,926
Services and Other Charges	\$3,167,030	\$3,167,030	\$2,175,052	\$2,175,052
Supplies	\$943,993	\$943,993	\$1,249,316	\$1,249,316
Total	\$62,573,944	\$62,573,944	\$67,707,014	\$67,707,014

USE OF FUNDING BY CATEGORY



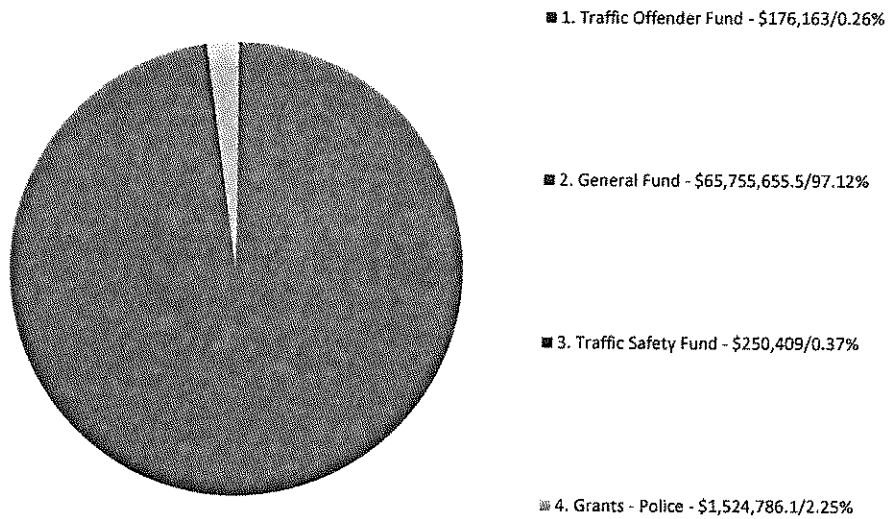
EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$60,803,714	\$60,803,714	\$65,755,656	\$65,755,656
Grants - Police	\$1,297,076	\$1,297,076	\$1,524,786	\$1,524,786

EXPENDITURES BY FUND (continued)

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Traffic Offender Fund	\$169,189	\$169,189	\$176,163	\$176,163
Traffic Safety Fund	\$303,965	\$303,965	\$250,409	\$250,409
Total	\$62,573,944	\$62,573,944	\$67,707,014	\$67,707,014

CURRENT SOURCE OF FUNDING



EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
MPD - Administration	\$2,416,343	\$2,416,343	\$2,774,902	\$2,774,902
MPD - Investigation	\$11,905,835	\$11,905,835	\$12,898,136	\$12,898,136
MPD - Operations	\$34,986,280	\$34,986,280	\$38,406,895	\$38,406,895
MPD - Support	\$13,265,486	\$13,265,486	\$13,627,080	\$13,627,080
Total	\$62,573,944	\$62,573,944	\$67,707,014	\$67,707,014

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
MPD - Administration	11.00	11.00
MPD - Investigation	64.00	64.00
MPD - Operations	207.00	207.00
MPD - Support	51.00	51.00
Total	333.00	333.00

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Parks and Recreations Neighborhood

Mission Statement

The Parks, Recreation & Neighborhoods Department serves the citizens of Modesto through quality recreation programming, welcoming community centers, active neighborhood engagement, and a wide variety of cultural awareness events. Our mission is "Creating community through people, parks, and programs."

Program Description

The Parks, Recreation & Neighborhoods Department offers numerous programs all based on the following guiding principles: Accessibility, Inclusivity, Affordability, Equity, Diversity, Sustainability, and Flexibility.

Sports & Aquatics: A couple of the highlights of the department offerings for sports related programming is Men's, Women's, Coed Competitive, and Coed Recreational Softball Leagues, the Jr. Giants Free Youth Baseball Program and Kidz Love Soccer. In addition, the department offers year-round swim lessons for all ages, summer recreational swim opportunities, and a therapeutic pool for seniors and those with disabilities.

After School Programs & Community Centers: The department partners with Modesto City Schools to operate after school programming for over 1,000 students at several local schools. In addition, the department offers youth the opportunity to engage in safe activities in a controlled environment at the Maddux Youth Center and the Neighborhood Center at Marshall Park.

Senior & Child Services: The department offerings include a wide variety of classes targeted at children within the community, including but not limited to art and dance classes, Family Movie Nights, and our CSI Camp in partnership with the Modesto Police Department. In addition, the department offers many programming options for those with special needs including Bowling, Friday Night Out, Basketball, and Senior/Disabled Swim. The department also offers a variety of programs designed around healthy aging including but not limited to

Zumba, tai chi, health awareness, bingo, the senior movie series, senior meals, pickle ball, and sewing.

Guest Services: The department manages the rental of 6 indoor facilities, 2 Regional Parks and various other park amenities available within the City for everything ranging from community events, weddings, birthday parties, etc. In addition, outdoor rentable amenities include: ballfields, tennis courts, sand volleyball courts, and picnic pavilions.

Community Events: The Department offers a wide variety of community events centered on neighborhood engagement, cultural awareness and community partnerships.

Volunteer Programs: Volunteer opportunities for neighborhood clean-ups, Love Modesto, & tagging abatement are a great example of community engagement and the fostering of civic pride.

Parks Planning & Development: The department provides current and future planning of park facilities throughout the City including parks renovations and new construction projects. In addition, the department provides the City with landscape and irrigation expertise for all landscape development within the City. Finally, the Park Partners Program offers community groups the opportunity to partner with our department to make improvements to their neighborhood parks and amenities.

Tuolumne River Regional Park (TRRP): The department provides day-to-day management of the TRRP as the managing partner of the JPA with Stanislaus County and the City of Ceres.

Fiscal Year 2017 Accomplishments

The following is a list of the Parks, Recreation & Neighborhoods Department accomplishments for FY 2016-17:

PARKS AND RECREATIONS NEIGHBORHOOD

Completed several Parks Partners Projects including the Encina Avenue Native Garden & improvements to Garrison Neighborhood Park.

Facilitated over 1,100 facility rentals consisting of over 7,000 individual bookings that served over 235,000 attendees. Served 1,249 recreation program and specialty class registrants. Served over 600 youth with the Jr. Giants Baseball Program. Served over 2,600 participants in the Adult Softball Program. Provided 228 local residents with nearly \$5,000 in financial assistance to participate in recreation programming through the Leisure Buck Program.

Engaged 1,382 volunteers in 6,456 hours dedicated to community clean-ups, special events, and miscellaneous volunteer opportunities with a value to the City equal to \$178,121.

Holiday programming served over 20,000 guests at the Celebration of Lights Parade and over 1,800 runners in the Spirit of Giving Run.

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the Department are:

Goal 1 - Plan and develop park and recreation areas and facilities.

Complete designs and/or renovations of several neighborhood park playgrounds.

Complete construction of TRRP Phase 2 and develop proposals to increase revenue in the TRRP.

Complete construction of kitchens at the Senior Citizens and Airport Neighborhood Centers.

DEPARTMENTS

Remove the Remnant Dennett Dam from the Tuolumne River.

Goal 2 - Build healthy vibrant communities by providing a diverse offering of public recreational opportunities for all age groups.

Develop a strategy to ensure that Aquatics classes and recreational swim can be fully implemented in FY 18-19.

Increase the number of revenue generating recreation programs to offset existing program expenses. This includes completion of a comprehensive parks facility and recreational program fee study to ensure the department becomes more fiscally sustainable.

Complete the implementation of a new Recreation Program Software to provide the public with a more up to date and user friendly experience.

Goal 3 - Increase departmental capacity through leveraging community resources and fund development.

Increase the number of public/private partnerships within our programs and facilities with increased service guidelines and reportable data.

Re-establish the Fund Development Program with a focus on generating funds to offset program expenses and address differing maintenance issues in our Park System.

Goal 4 - Create Great, Safe Neighborhoods by growing neighborhood leadership building community capacity and promoting self-help strategies.

DEPARTMENTS

PARKS AND RECREATIONS NEIGHBORHOOD

Assist the community in meeting the funding goal for The Awesome Spot Playground.

Identify any new community events that may help accomplish this goal.

Assist the community in various Park Partners Projects throughout the year including new pickleball courts at Beyer Park, new signage at Garrison Park, fitness equipment at Virginia Corridor and new play equipment at the highest need park.

Goal 6 - Implement youth intervention strategies to dissuade youth from juvenile delinquent behaviors.

Goal 5 - Support and engage youth and their families through positive community events and activities.

Increase Departmental programs designed to serve at-risk youth.

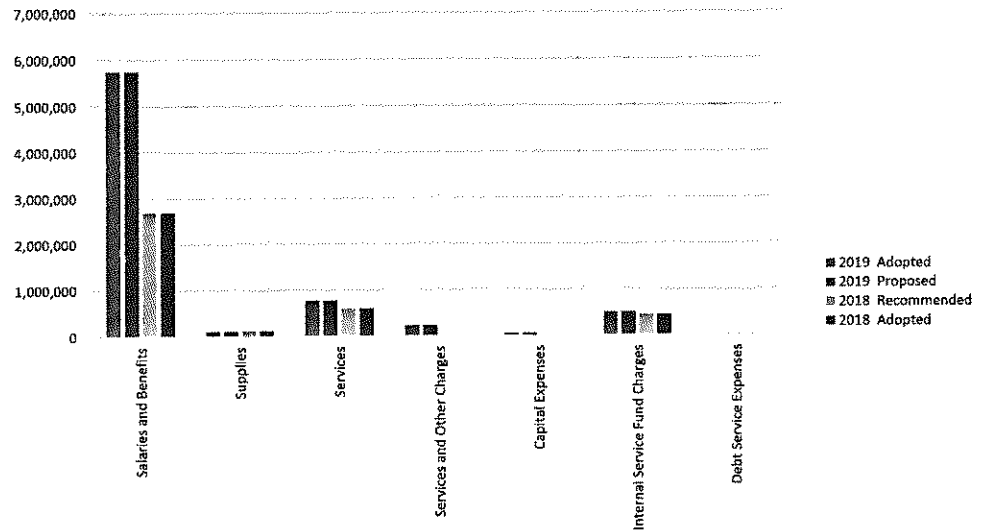
Evaluate the current community events and activities and determine alignment with goals.

Increased at-risk youth programming through partnership with Modesto PD.

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$0	\$0	\$60,000	\$60,000
Internal Service Fund Charges	\$449,437	\$449,437	\$508,270	\$508,270
Salaries and Benefits	\$2,693,625	\$2,693,625	\$5,749,892	\$5,749,892
Services	\$603,521	\$603,521	\$781,203	\$781,203
Services and Other Charges	\$17,664	\$17,664	\$232,501	\$232,501
Supplies	\$121,232	\$121,232	\$112,371	\$112,371
Total	\$3,885,479	\$3,885,479	\$7,444,237	\$7,444,237

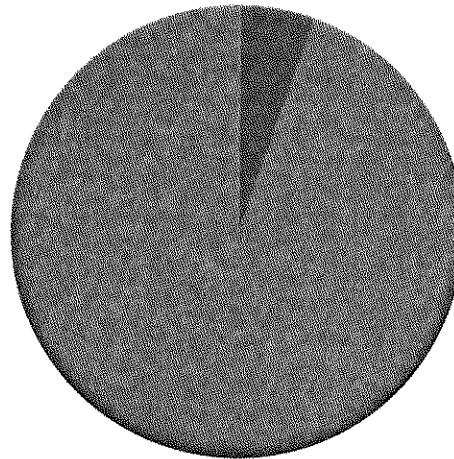
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Community Center Operations Fund	\$0	\$0	\$395,833	\$395,833
General Fund	\$3,885,479	\$3,885,479	\$7,048,404	\$7,048,404
Total	\$3,885,479	\$3,885,479	\$7,444,237	\$7,444,237

CURRENT SOURCE OF FUNDING



■ 1. Community Center Operations Fund - \$395,832.7/5.32%

■ 2. General Fund - \$7,048,403.8/94.68%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
PRN - Administration	\$1,033,037	\$1,033,037	\$1,894,434	\$1,894,434
PRN - Cultural Services	\$0	\$0	\$168,976	\$168,976
PRN - Cultural Services Administration	\$0	\$0	\$395,833	\$395,833
PRN - Operations Services	\$0	\$0	\$2,047,121	\$2,047,121
PRN - Parks Planning and Development	\$452,529	\$452,529	\$473,724	\$473,724
PRN - Recreation Administration	\$2,399,913	\$2,399,913	\$2,464,149	\$2,464,149
Total	\$3,885,479	\$3,885,479	\$7,444,237	\$7,444,237

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
PRN - Administration	7.00	7.00
PRN - Cultural Services		
PRN - Cultural Services Administration		
PRN - Operations Services	23.00	
PRN - Parks Planning and Development	3.00	3.00
PRN - Recreation Administration	10.50	10.50
Total	43.50	20.50

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Utilities Department

Mission Statement

The Utilities Department is a service-driven organization committed to building partnerships that promote a vibrant business community and engage neighborhoods with a culture of excellence where citizens get the best and employees give their best. The Utilities Department will efficiently and effectively operate, protect, and manage all water, wastewater and storm drain infrastructure and resources for the current and future needs of the community and the environment.

Program Description

The following is a brief summary of each of program used to achieve the Department strategic goals:

Regulatory Compliance and Customer Satisfaction: Provides operation of the utility assets in compliance with all regulations and to satisfy the customers, including compliance with all regulatory permits, customer satisfaction for the applicable utility services, successful water operations, successful wastewater treatment, pumping, collections, and disposal operations, and successful storm water operations.

Reliability and Asset Management: Manages utility assets to preserve the long-term, reliable operation of the assets to meet all regulatory and customer satisfaction goals, including major maintenance/CIP development and implementation for each utility, full use of the Computerized Maintenance Management System to plan, record, and optimize maintenance, successful water system maintenance, successful wastewater treatment, pumping, collection, and disposal system maintenance, successful storm water system maintenance and rehabilitation projects, plans for system growth, and sustained knowledge of utilities.

Fiscally Responsible Business Practices: Provides for managing assets cost-effectively in the long term, and to ensure that each utility is properly funded, including adequate user rates to ensure that the utilities are sufficiently funded, managing assets so that rate

increases are planned, predictable and competitive with other similar utilities, operating assets in a cost-effective manner, and allowing administrative and engineering functions to properly support operations.

Safety and Workforce Development: Provides that all employees work in a safe environment, and that they will be trained to properly complete the work, including successful safety performance, succession planning, and workforce training and development.

Sustain Effective Partnerships: Supports the goal for the Utilities Department to develop and sustain effective partnerships that influence our ability to fulfill our mission, including partnerships with the regulatory agencies, regional water partners, industrial, commercial, and residential customers, community stakeholders, community educators, and the media.

Fiscal Year 2017 Accomplishments

Completed Water and Wastewater Master Plans that provide a "roadmap" for the necessary future utilities infrastructure that supports economic development as the City grows.

Managed water supply to achieve State mandated water conservation requirements, with overall City water use reduced by 27% during the drought.

Began construction of a design/build project to implement the North Valley Regional Recycled Water Program (NVRWP). The NVRWP allows the City to sell recycled water to the farmers in the Del Puerto Water District.

Collaborated with the Manufacturer's Council of the Central Valley to provide economic incentives for the long-term growth of local food and beverage processors by modifying the City Municipal Code

UTILITIES DEPARTMENT

through a new ordinance regarding the allocation and use of sewer capacity.

Implemented a Food Service Cost Share program to help eliminate fats, oils, and grease (FOG) from restaurants being discharged into the sewer system as part of the FOG program.

Collaborated with the local dental industry to implement a Dental Amalgam Program that ensures proper disposal without overburdening regulation on their businesses.

Implemented a water rate increase to maintain compliance with existing bond covenants and fund capital projects, including a Water Rate Assistance Program that provides a cost reduction for qualifying low income water customers.

Settled litigation with the Modesto Irrigation District regarding construction of the Surface Water Treatment Plant and negotiated a new Master Stormwater Discharge Agreement.

Participated in establishing two local Groundwater Sustainability Agencies with other local water purveyors, in compliance with the Sustainable Groundwater Management Act.

Finished commissioning and successfully operated the Phase 2 tertiary wastewater treatment plant to produce recycled water of the highest quality that can be discharged to the San Joaquin River or the Delta Mendota Canal once the NVRWP project is complete.

Completed utilities infrastructure capital projects including the North Water Tank, South 9th Street Water Line Replacement, Cannery Segregation Pump Replacement, Gallo River Trunk Rehabilitation, and 2015-16 Storm Drain Improvements.

DEPARTMENTS

Implemented a mobile maintenance management system for wastewater collection field crews allowing immediate data entry and maintenance history access in the field, eliminating the need for a dedicated position to do routine data entry in the office.

Goals and Objectives: FY 2018-19

The FY 2018-19 Goals and Objectives for the Utilities Department are:

Goal 1 - Completion of the North Valley Regional Recycled Water Project

Goal 2 - Continue Implementing Technology to Minimize Staffing

Goal 3 - Manage Drinking Water to Maximize Conservation and Use of Surface Water

Maintain reasonable restrictions on water use

Work closely with MID to achieve efficiency of water treatment plant operations and maintenance activities

Goal 4 - Minimize Future Water and Wastewater Rate Increases

Evaluate and report the status of utilities funds to Council quarterly

Adapt to changing conditions and regulatory requirements

Goal 5 - Complete Planned Capital Improvement Projects

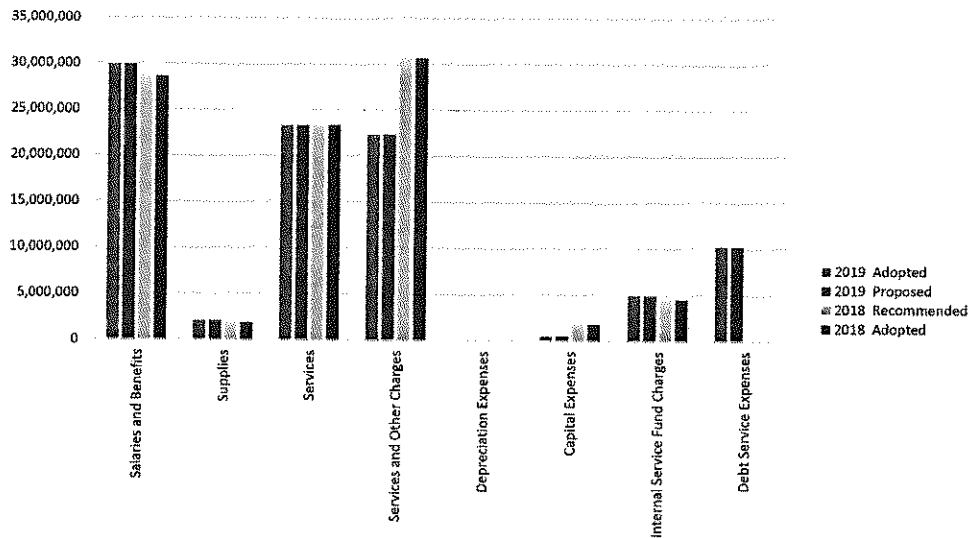
Provide the infrastructure required for industrial, commercial businesses, and residential growth

Rehabilitate existing aged infrastructure to provide reliability and prevent failure that can disrupt economic development

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$1,817,100	\$1,817,100	\$506,100	\$506,100
Debt Service Expenses	\$0	\$0	\$10,263,453	\$10,263,453
Internal Service Fund Charges	\$4,520,065	\$4,520,065	\$4,938,759	\$4,938,759
Salaries and Benefits	\$28,644,159	\$28,644,159	\$29,928,375	\$29,928,375
Services	\$23,354,490	\$23,354,490	\$23,328,090	\$23,328,090
Services and Other Charges	\$30,697,851	\$30,697,851	\$22,371,969	\$22,371,969
Supplies	\$1,876,541	\$1,876,541	\$2,104,799	\$2,104,799
Total	\$90,910,206	\$90,910,206	\$93,441,545	\$93,441,545

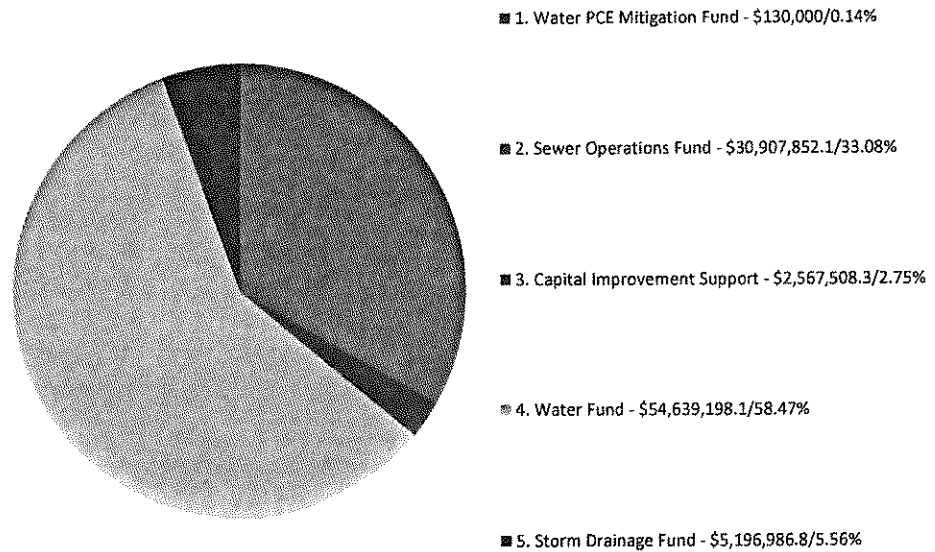
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Improvement Support	\$0	\$0	\$2,567,508	\$2,567,508
Sewer Operations Fund	\$34,021,257	\$34,021,257	\$30,907,852	\$30,907,852
Storm Drainage Fund	\$5,406,427	\$5,406,427	\$5,196,987	\$5,196,987
Water Fund	\$51,352,522	\$51,352,522	\$54,639,198	\$54,639,198
Water PCE Mitigation Fund	\$130,000	\$130,000	\$130,000	\$130,000
Total	\$90,910,206	\$90,910,206	\$93,441,545	\$93,441,545

CURRENT SOURCE OF FUNDING



EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
UPP - Administration	\$3,454,027	\$3,454,027	\$3,314,832	\$3,314,832
UPP - Capital Improvement Services	\$5,457,565	\$5,457,565	\$5,034,472	\$5,034,472
UPP - Capital Planning	\$1,745,791	\$1,745,791	\$3,484,112	\$3,484,112
UPP - Laboratory and Environmental Services	\$3,707,178	\$3,707,178	\$3,955,419	\$3,955,419
UPP - Wastewater Collections	\$10,175,539	\$10,175,539	\$9,973,996	\$9,973,996
UPP - Wastewater Electrical Services	\$1,431,222	\$1,431,222	\$1,729,278	\$1,729,278
UPP - Wastewater Operations	\$16,146,213	\$16,146,213	\$15,606,003	\$15,606,003
UPP - Wastewater Services	\$1,195,488	\$1,195,488	\$937,413	\$937,413
UPP - Water Services	\$47,597,184	\$47,597,184	\$49,406,020	\$49,406,020
Total	\$90,910,206	\$90,910,206	\$93,441,545	\$93,441,545

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
UPP - Administration	5.00	5.00
UPP - Capital Improvement Services	33.00	15.00
UPP - Capital Planning	5.00	5.00
UPP - Laboratory and Environmental Services	18.00	18.00
UPP - Wastewater Collections	45.00	45.00
UPP - Wastewater Electrical Services	9.00	9.00
UPP - Wastewater Operations	56.00	56.00

FULL-TIME EQUIVALENTS BY DIVISION *(continued)*

Division Name	2019 Recommended	2019 Adopted
UPP - Wastewater Services	5.00	5.00
UPP - Water Services	98.00	98.00
Total	274.00	256.00

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Public Works

Mission Statement

The Public Works Department provides maintenance services for our airport, streets, traffic control systems, parks, City buildings, parking, City vehicles and City trees. We also provide services such as garbage pick-up and recycling, green waste collection and public transit. Our mission is to construct and maintain public infrastructure and operate transportation systems to the highest standard of excellence and accountability in order to support a vibrant business environment and to enhance the quality of community life.

Program Description

Following is a brief summary of each division area:

Airport: The Modesto City-County Airport is owned and operated by the City. The airport is an FAA certificated facility that can provide scheduled commercial air carrier service. There are approximately 175 based aircraft consisting of jets, multi engine turbo prop, single engine planes, and helicopter operations. The airport owns 140 hangars that are leased to tenants for recreational flying, private business use and aviation related businesses.

Streets: The Street Division provides maintenance services for pavement, curbs, gutters, and sidewalks, performs monthly street sweeping and provides vegetation maintenance in the road right-of-way. Our staff also responds to emergency situations, assists with spill clean-up, flood response and provides special event support.

Traffic: The Traffic Engineering Division designs traffic signals and provides traffic signal timing and coordination. The Traffic Electrical Division provides street light maintenance and maintains traffic signals for the City, as well as Stanislaus County, Ceres and Riverbank. This division also maintains the electrical systems in all City buildings. The Traffic Operations Division maintains more than 29,173 traffic signs and directional arrows. The Traffic Operations Division also does all pavement striping for center lines, lane lines, bike lanes, pavement legends, etc.

Transit: The Transportation Division provides public transportation for the citizens of Modesto. Our Modesto Area Express (MAX) system carries over 3.1 million customers per year and has over 800 stops in and around Modesto. The Modesto ACE Express offers three non-stop trips morning and evening to the Lathrop/Manteca ACE train station. The Modesto BART Express offers two trips morning and evening to the Pleasanton/Dublin BART station. We also have stops that run to the AMTRAK station on Parker Road. In addition to Modesto Area Express (MAX), the City provides a specialized transportation service for persons with disabilities and people age 65 and older. This service is provided seven days a week, every day of the year.

Parks Operations: Parks Operations maintains and prepares City parks, trails, recreation facilities, buildings, open space areas and paths for reserved and casual use, including ballfields, play equipment, restrooms and picnic areas. Parks staff also provide support at events and volunteer activities in the parks. Additionally, Parks staff maintain firebreaks in undeveloped park land.

Building Services: Building Services oversees maintenance, repairs, and renovations at the City's 93 facilities. This division manages the various contracts we have such as pest control, custodial services, security, and fire protection. Building Services also works closely with the JPA in serving and maintaining Tenth Street Place.

Fleet: This division provides equipment and vehicle preventative maintenance and repairs, 24-hour road call and tire service, welding fabrication and Fire and Police custom builds. This division ensures that all City equipment meets safety standards. This is an Internal Service Fund, allocating all costs to internal customers through vehicle rates.

PUBLIC WORKS

DEPARTMENTS

Solid Waste: The Solid Waste Division oversees service agreements with two garbage collection companies that provide garbage and recycling services to over 57,000 residential and 11,000 commercial accounts in Modesto. Services provided also include continuous public education and outreach programs, bulky item pickup, enforcement and cleanup of illegal dumping in streets and alleys, tire and oil collection programs and enforcement, green waste collection and enforcement, implementing new programs in compliance with state environmental legislation, daily customer service, grant management, and management of internal recycling programs. The Compost Facility receives green waste from all City residential customers, commercial accounts, City leaves, and forestry materials for processing into compost. The compost is then sold to the public and utilized in Citywide projects. Solid Waste also oversees the Carpenter Road Landfill and is a JPA with Stanislaus County and Covanta Energy for processing of waste-to-energy.

Green Waste/Forestry: The Forestry division manages trees and plants contained in public right-of-ways, including streets, parks, median islands, and more. Forestry is responsible for planting, pruning, removal of street/parks trees, and maintenance of a computerized tree database with nearly 100,000 City trees. Forestry staff also respond to citizen inquiries regarding right-of-way issues, unsafe trees, tree service, and provide emergency response after storms.

Parking: Parking Services is an enterprise fund and as such reinvests all revenue dollars back into the parking facilities operation, infrastructure, area security, beautification and customer service. Services include building maintenance and upgrades (sweeping, washing, painting, garbage removal, landscaping, elevator maintenance, tagging removal, etc.). Customer service staff and tech staff oversee parking agreements with businesses and City/County employees.

Fiscal Year 2017 Accomplishments

Successfully negotiated tenancy for an avionics installation company at the Airport

Applied for an FAA grant to update existing Airport Layout Plan

19th year as a Blue Seal of Excellence Fleet Facility

16 consecutive years of CHP inspections resulting in zero infractions in Fleet division

Purchased four City buses, delivered in April 2017

Placed a new commuter bus in service

Grant funding for the Bus Maintenance Facility was used to design a shade structure, design parts room expansion and purchase various other required tools and accessories

Collected and disposed of waste from 57,000 residences and 7,000 businesses (4.5 pounds/person/day)

Converted 106,000 tons of waste into energy

Powered 19,000 homes with renewable energy

Cared for 120,000 trees

Composted 59,708 tons of organic material

Recycled 138 tons of Hazardous Waste and 36,265 gallons of oil

DEPARTMENTS

PUBLIC WORKS

Collected 1,974 tons of bulky items

Goals and Objectives: FY 2018-19

Develop a plan to monitor parks, including expanded police presence and a possibility of a Park Patrol

Filled 16,232 potholes

Management of the AB 341 and AB 1826 Enforcement Programs

Removed and replaced 35,610 square feet of sidewalk

Complete the mitigation work at the closed Carpenter Road Landfill

Filled 50,000 sand bags

Complete and implement a Garbage Rate Study and Annual Rate Review

Slurry sealed 78.6 lane miles

Slurry seal an additional 80 lane miles

Converted 146 high voltage street lights to LED

Installed school safety beacons on Tuolumne Boulevard at Yosemite Avenue

Install new traffic signals at Prescott and Mount Vernon, Roselle and Belharbor, Floyd and Millbrook, and traffic signal upgrades at 9th and B Streets, and at 7th Street and I, G and H Streets

Installed a speed hump on Sheffield Lane near Sunrise Avenue

Explore funding opportunities for Citywide traffic signal upgrades

Replaced, repaired, installed, or maintained 2,815 traffic signs

Implement smartphone app to provide real time bus arrival prediction information

MAX provided 3,108,307 unlinked passenger trips in FY 2015/2016 for residents and visitors of Modesto, Salida, Empire and other unincorporated areas

Start new contractor on MAX system

Upgraded the Automatic Vehicle Location system

Acquire four new electric buses

Held Family Cycling Festival and Bike to Work Day

Implement Transit Improvement Plan

Completed SR 99/Pelandale Avenue Interchange construction

Review and adjust Airport and Parking fees

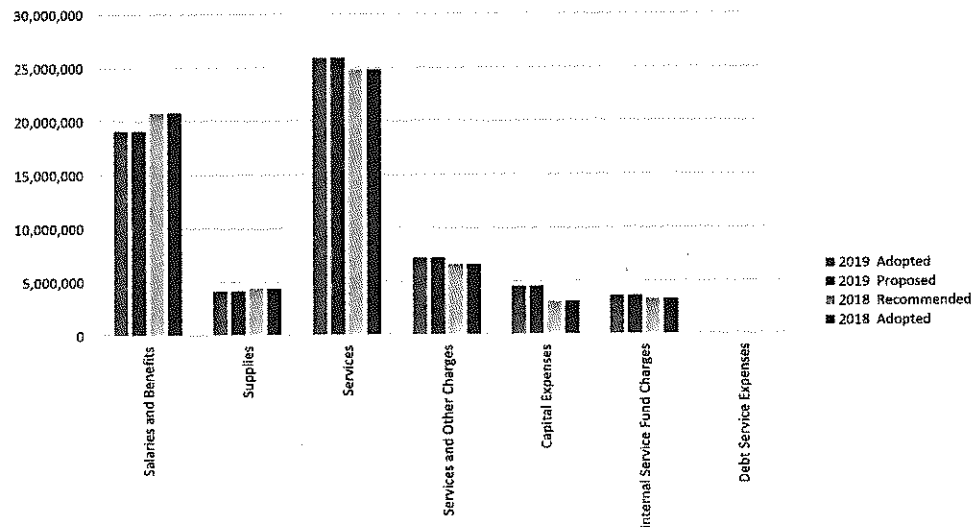
Implement recommendations of Fleet Efficiency Study

Complete Facilities Master Plan (FMP) for City-owned buildings

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Capital Expenses	\$3,115,000	\$3,115,000	\$4,540,756	\$4,540,756
Internal Service Fund Charges	\$3,323,809	\$3,323,809	\$3,638,644	\$3,638,644
Salaries and Benefits	\$20,820,887	\$20,820,887	\$19,127,329	\$19,127,329
Services	\$24,837,954	\$24,837,954	\$25,912,325	\$25,912,325
Services and Other Charges	\$6,629,744	\$6,629,744	\$7,226,049	\$7,226,049
Supplies	\$4,403,395	\$4,403,395	\$4,159,527	\$4,159,527
Total	\$63,130,789	\$63,130,789	\$64,604,630	\$64,604,630

USE OF FUNDING BY CATEGORY



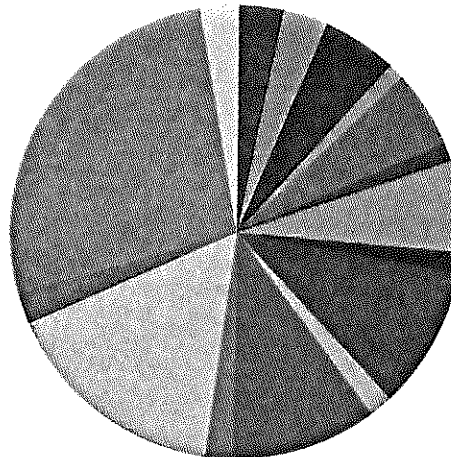
EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
10th Street Place Building Services	\$1,041,500	\$1,041,500	\$1,100,850	\$1,100,850
Airport Operating Fund	\$1,106,749	\$1,106,749	\$973,238	\$973,238
Bus Fixed Route - Altern Transport Fund	\$114,398	\$114,398	\$180,214	\$180,214
Bus Fixed Route - Bus Purchases	\$4,208	\$4,208	\$726,800	\$726,800
Bus Fixed Route Max Operations Fund	\$16,446,580	\$16,446,580	\$17,246,787	\$17,246,787
Bus Service Fund - DAR	\$3,643,636	\$3,643,636	\$3,579,282	\$3,579,282
Carpenter Road Landfill (Enterprise)	\$136,052	\$136,052	\$123,547	\$123,547
Compost Fund	\$1,777,733	\$1,777,733	\$2,060,959	\$2,060,959
Fleet Management Fleet Replace Fund	\$3,233,204	\$3,233,204	\$3,316,489	\$3,316,489

EXPENDITURES BY FUND (continued)

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Fleet Management Fund	\$6,343,386	\$6,343,386	\$6,583,469	\$6,583,469
General Fund	\$6,446,528	\$6,446,528	\$4,205,684	\$4,205,684
Green Waste Fund	\$6,375,445	\$6,375,445	\$6,768,601	\$6,768,601
P/R Building Services Fund	\$1,657,916	\$1,657,916	\$1,794,223	\$1,794,223
Parking Fund	\$1,379,414	\$1,379,414	\$1,476,961	\$1,476,961
Solid Waste Fund	\$1,314,121	\$1,314,121	\$1,255,422	\$1,255,422
Storm Drainage Fund	\$1,642,993	\$1,642,993	\$1,910,616	\$1,910,616
Surface Transportation Fund	\$9,563,594	\$9,563,594	\$10,418,617	\$10,418,617
Transportation CTR Fund	\$871,146	\$871,146	\$867,737	\$867,737
Waste to Energy Distribution Fund	\$32,186	\$32,186	\$15,135	\$15,135
Total	\$63,130,789	\$63,130,789	\$64,604,630	\$64,604,630

CURRENT SOURCE OF FUNDING



- 1. Waste to Energy Distribution Fund - \$15,135/0.02%
- 2. Storm Drainage Fund - \$1,910,616.1/2.96%
- 3. Carpenter Road Landfill (Enterprise) - \$123,547/0.19%
- 4. Compost Fund - \$2,060,959/3.19%
- 5. Bus Fixed Route - Altern Transport Fund - \$180,214/0.28%
- 6. Fleet Management Fleet Replace Fund - \$3,316,489/5.13%
- 7. Bus Fixed Route - Bus Purchases - \$726,800/1.12%
- 8. Bus Service Fund - DAR - \$3,579,282.1/5.54%
- 9. Transportation CTR Fund - \$867,737/1.34%
- 10. General Fund - \$4,205,684/6.51%
- 11. Airport Operating Fund - \$973,238.2/1.51%
- 12. Fleet Management Fund - \$6,583,468.9/10.19%
- 13. 10th Street Place Building Services - \$1,100,850/1.70%
- 14. Green Waste Fund - \$6,768,601/10.48%
- 15. Solid Waste Fund - \$1,255,421.9/1.94%
- 16. Surface Transportation Fund - \$10,418,616.7/16.13%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
PW - Administration	\$399,911	\$399,911	\$477,082	\$477,082
PW - Airport Services	\$1,106,749	\$1,106,749	\$973,238	\$973,238
PW - City JPA Operation Services	\$1,041,500	\$1,041,500	\$1,100,850	\$1,100,850
PW - Fleet Services	\$15,455,446	\$15,455,446	\$15,821,188	\$15,821,188
PW - Parks Operations Services	\$7,704,533	\$7,704,533	\$5,522,825	\$5,522,825
PW - Solid Waste Division	\$9,635,538	\$9,635,538	\$10,223,664	\$10,223,664
PW - Street Services	\$6,843,999	\$6,843,999	\$7,527,111	\$7,527,111

EXPENDITURES BY DIVISION (continued)

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
PW - Traffic Services	\$4,365,377	\$4,365,377	\$4,802,122	\$4,802,122
PW - Transit Services	\$16,577,736	\$16,577,736	\$18,156,551	\$18,156,551
Total	\$63,130,789	\$63,130,789	\$64,604,630	\$64,604,630

FULL-TIME EQUIVALENTS BY DIVISION

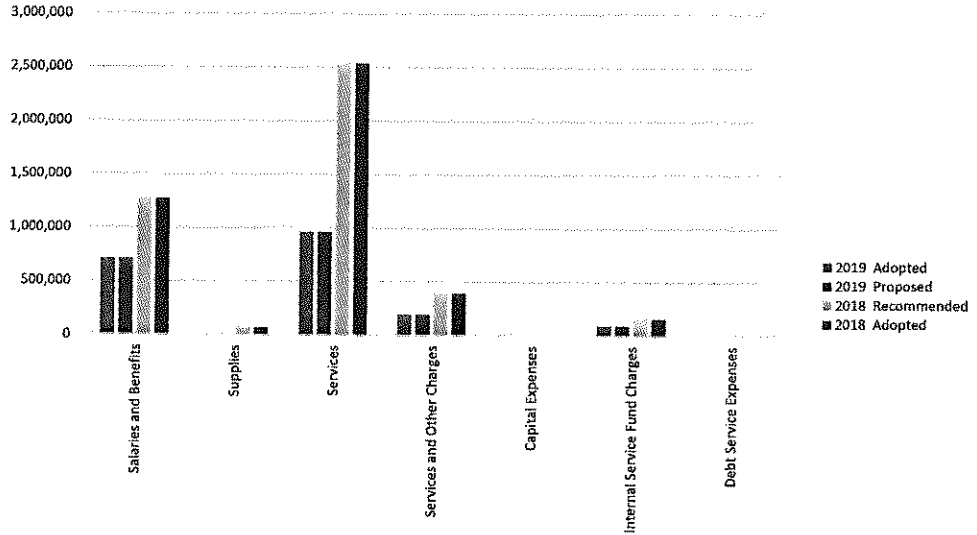
Division Name	2019 Recommended	2019 Adopted
PW - Administration	4.00	4.00
PW - Airport Services	6.00	6.00
PW - City JPA Operation Services	2.00	2.00
PW - Fleet Services	47.00	47.00
PW - Parks Operations Services	7.00	7.00
PW - Solid Waste Division	57.80	57.80
PW - Street Services	36.00	36.00
PW - Traffic Services	18.00	18.00
PW - Transit Services	9.00	9.00
Total	186.80	186.80

Joint Power Agencies

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Internal Service Fund Charges	\$164,345	\$164,345	\$97,382	\$97,382
Salaries and Benefits	\$1,275,082	\$1,275,082	\$714,395	\$714,395
Services	\$2,539,570	\$2,539,570	\$964,976	\$964,976
Services and Other Charges	\$392,580	\$392,580	\$197,424	\$197,424
Supplies	\$70,380	\$70,380	\$8,900	\$8,900
Total	\$4,441,957	\$4,441,957	\$1,983,077	\$1,983,077

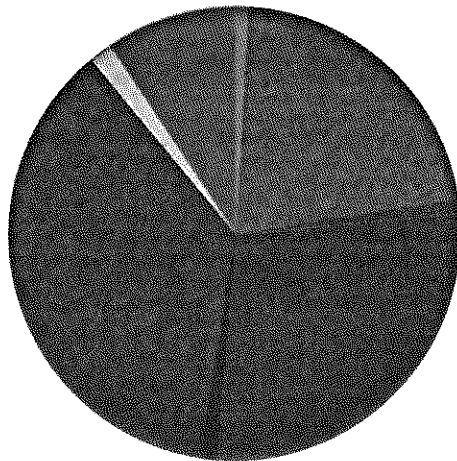
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Downtown Improvement District Fund	\$173,249	\$173,249	\$184,994	\$184,994
Downtown Modesto Community Benefit District	\$15,710	\$15,710	\$18,264	\$18,264
JPA - Industrial Fire	\$532,434	\$532,434	\$551,074	\$551,074
JPA - Stanislaus Drug Enforcement Agency	\$3,248,597	\$3,248,597	\$723,073	\$723,073
JPA - Tuolumne River Regional Park (TRRP)	\$403,867	\$403,867	\$430,026	\$430,026
Landscape and Lighting District Shackelford	\$27,292	\$27,292	\$32,425	\$32,425
Landscape Assessment District #1	\$18,154	\$18,154	\$19,507	\$19,507
Landscape Assessment District #2	\$22,654	\$22,654	\$23,714	\$23,714
Total	\$4,441,957	\$4,441,957	\$1,983,077	\$1,983,077

CURRENT SOURCE OF FUNDING



- 1. Downtown Modesto Community Benefit District - \$18,264/0.92%
- 2. JPA - Tuolumne River Regional Park (TRRP) - \$430,026/21.68%
- 3. Landscape Assessment District #1 - \$19,507/0.98%
- 4. JPA - Industrial Fire - \$551,074/27.79%
- 5. Landscape Assessment District #2 - \$23,714/1.20%
- 6. JPA - Stanislaus Drug Enforcement Agency - \$723,073/36.46%
- 7. Landscape and Lighting District Shackelford - \$32,425/1.64%
- 8. Downtown Improvement District Fund - \$184,994/9.33%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Joint Power Agencies Division	\$4,441,957	\$4,441,957	\$1,983,077	\$1,983,077
Total	\$4,441,957	\$4,441,957	\$1,983,077	\$1,983,077

FULL-TIME EQUIVALENTS BY DIVISION

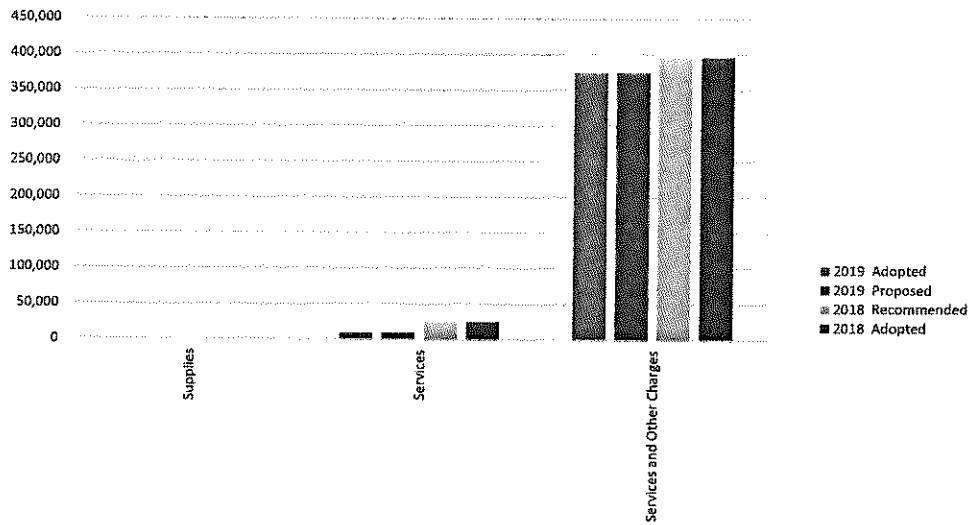
Division Name	2019 Recommended	2019 Adopted
Joint Power Agencies Division	6.00	6.00
Total	6.00	6.00

General Revenue Department

EXPENDITURES BY CATEGORY

Category Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
Services	\$25,000	\$25,000	\$10,000	\$10,000
Services and Other Charges	\$396,000	\$396,000	\$375,000	\$375,000
Total	\$421,000	\$421,000	\$385,000	\$385,000

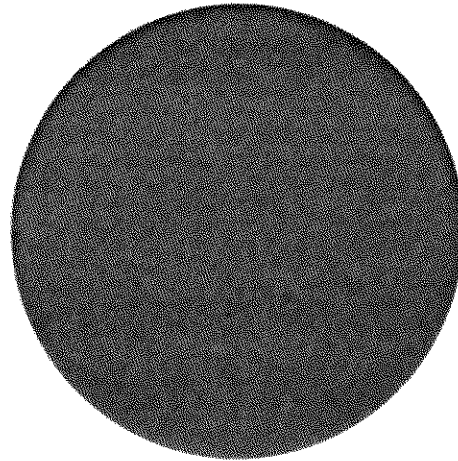
USE OF FUNDING BY CATEGORY



EXPENDITURES BY FUND

Fund Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Fund	\$421,000	\$421,000	\$385,000	\$385,000
Total	\$421,000	\$421,000	\$385,000	\$385,000

CURRENT SOURCE OF FUNDING



■ 1. General Fund - \$385,000/100.00%

EXPENDITURES BY DIVISION

Division Name	2018 Recommended	2018 Adopted	2019 Recommended	2019 Proposed
General Revenue Division	\$421,000	\$421,000	\$385,000	\$385,000
Total	\$421,000	\$421,000	\$385,000	\$385,000

FULL-TIME EQUIVALENTS BY DIVISION

Division Name	2019 Recommended	2019 Adopted
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Transfers In-Out

FY 2018-19 Operating Inter-Fund Transfers IN & OUT Detail (sorted by Transfers IN)

				Adopted	Proposed	Purpose
				2017-18	2018-19	
TRANSFER OUT (from)		TRANSFER IN (to)				
FUN*		FUN*				
1600	Traffic Safety Fund	0100	General Fund	\$0	\$0	Traffic Safety
3440	Capital Facility Fees - Police	0100	General Fund	\$327,000	\$71,354	Police Department Headquarters (7000)
3450	Fire Department Capital Facility Fee Fund	0100	General Fund	\$105,000	\$105,000	Fire Station #11
3470	Capital Facility Fees - City Hall Expansion	0100	General Fund	\$86,000	\$86,000	Tenth Street Place Project (7000)
4100	Water Fund	0100	General Fund	\$65,000	\$65,000	Tenth Street Place Project
4210	Wastewater Fund	0100	General Fund	\$68,640	\$68,640	Tenth Street Place Project
4310	Airport Operating Fund	0100	General Fund	\$0	\$0	Fire Support for City/ County Airport
5410	Fleet Replacement - General Fund	0100	General Fund	\$0	\$1,850,000	One time transfer from Fleet Replacement Fund - GF to General Fund
		0100 Total		\$651,640	\$2,245,994	
0100	General Fund	0180	Fire Department Unrestricted Non-Capital Proj	\$72,000	\$0	MFD - Facilities & Fleet Project
		0180 Total		\$72,000	\$0	
1155	Grants - RLF Program Income	1150	Grants - RLF Housing Loan Program		\$250,000	Revolving Loan Funds
		1150 Total		\$0	\$250,000	
5230	Information Technology	1320	Education and Government	\$142,360	\$142,360	Fund Education and Government
		1320 Total		\$142,360	\$142,360	
4892	Green Waste Fund	1341	Grant = Operation Grants Reimbursed	\$80,000	\$0	Match portion of Cal-Fire Grant
		1341 Total		\$80,000	\$0	
0100	General Fund	1342	Grants - Police	\$400,000	\$0	GF Match for COPS Grant
0100	General Fund	1342	Grants - Police	\$0	\$1,167,378	GF Match for COPS Grant
		1342 Total		\$400,000	\$1,167,378	

FY 2018-19 Operating Inter-Fund Transfers IN & OUT Detail (sorted by Transfers IN)

TRANSFER OUT (from)		TRANSFER IN (to)		Adopted 2017-18	Proposed 2018-19	Purpose
FUND		FUND				
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$346,928	\$369,398	Streets Services Administration
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$2,595,380	\$2,660,560	Streets Maintenance
1740	Garbage Franchise Fees	1700	Surface Transportation Fund	\$1,000,000	\$1,100,000	Street Maint
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$104,661	\$141,337	Fund Level Expenses
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$1,131,753	\$1,248,007	Curb, Gutter, Sidewalks
0100	General Fund	1700	Surface Transportation Fund	\$125,000	\$0	Traffic Engineering
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$516,283	\$697,318	Traffic Engineering
0100	General Fund	1700	Surface Transportation Fund	\$0	\$1,500	Ineligible Gas Tax Non-Roadway Lights (Gallo Art Center, 10th Street between I and
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$1,049,433	\$783,006	Electrical Utility Cosst
1750	Maint of Effort - STF	1700	Surface Transportation Fund	\$0	\$0	Maintenance of Effort
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$1,801,777	\$2,025,290	Electrical Division
1750	Maint of Effort - STF	1700	Surface Transportation Fund	\$0	\$0	Maintenance of Effort
1730	Gas Tax Fund - STF	1700	Surface Transportation Fund	\$873,170	\$948,265	Traffic Operations
		1700 Total		\$9,544,285	\$9,974,681	
0100	General Fund	2150	Public Financing Authority COP Fund	\$242,801	\$252,618	Thurman Field Debt Service (7000)
0100	General Fund	2150	Public Financing Auth 98 & 07 Bonds	\$2,999,310	\$3,120,579	Tenth Street Place Debt Service (7000)
2903	RDA COP Debt Service Fund	2150	Public Financing Auth 98 & 07 Bonds	\$1,328,698	\$1,362,421	Debt Service Payment (7000)
		2150 Total		\$4,570,809	\$4,755,618	
1520	LTF Non-Motorized Fund	3140	Capital Grants - CIP Projects	\$138,248	\$167,572	Virginia Corridor Phase VII
		3140 Total		\$138,248	\$167,572	

FY 2018-19 Operating Inter-Fund Transfers IN & OUT Detail (sorted by Transfers IN)

TRANSFER OUT (from)		TRANSFER IN (to)		Adopted	Proposed	Purpose
FUND		FUND		2017-18	2018-19	
0100	General Fund	4100	Water Fund	\$53,500	\$53,500	Repayment of Agricultural Wells at Community Parks Loan
0100	General Fund	4100	Water Fund	\$0	\$0	Prop 218 rebate became MY W445
		4100 Total		\$53,500	\$53,500	
4100	Water Fund	4130	2008 Water COP Fund	\$2,574,260	\$3,076,639	Debt Service Payment - 2008 COP
		4130 Total		\$2,574,260	\$3,076,639	
4100	Water Fund	4140	Water ARRA Fund	\$36,080	\$36,075	Debt Service Payment -Water ARRA
		4140 Total		\$36,080	\$36,075	
0100	General Fund	4210	Wastewater Fund	\$378,000	\$378,000	Prop 218 rebate became MY B618
4890	Compost Fund	4210	Wastewater Fund		\$51,919	Payment for Compost Site Purchase
		4210 Total		\$378,000	\$429,919	
4210	Wastewater Fund	4235	North Valley Regional Recycled Wtr Prgm SR	\$0	\$1,265,432	Debt Service Payment - Sewer NVRRWP SRL
		4235 Total		\$0	\$1,265,432	
4210	Wastewater Fund	4240	2006 Wastewater Revenue Bonds	\$628,758	\$0	Debt Service Payment - Refinanced in 2018
		4240 Total		\$628,758	\$0	
4210	Wastewater Fund	4241	2015 Wastewater Revenue/Refunding Bonds	\$2,778,864	\$2,780,408	Debt Service Payment - 2015 Revenue/Refunding Bonds
		4241 Total		\$2,778,864	\$2,780,408	
4210	Wastewater Fund	4245	State Revolving Loan (Tertiary Treatment Fundi	\$8,245,564	\$8,245,565	Debt Service Payment - Tertiary Treatment SRL
		4245 Total		\$8,245,564	\$8,245,565	
4210	Wastewater Fund	4271	2018A Wastewater Revenue Bonds	\$0	\$579,514	Debt Service Payment - 2018A Bond
		4271 Total		\$0	\$579,514	
4100	Water Fund	4480	Storm Drain Fund	\$700,000	\$700,000	Source Water Protection Program
		4480 Total		\$700,000	\$700,000	

FY 2018-19 Operating Inter-Fund Transfers IN & OUT Detail (sorted by Transfers IN)

				Adopted	Proposed	Purpose
				2017-18	2018-19	
TRANSFER OUT (from)		TRANSFER IN (to)				
FUN		FUN				
0100	General Fund	4540	Bus Fixed Route MAX operations funds	\$30,467	\$0	Funding the Municipal TAXI program
		4540 Total		\$30,467	\$0	
0100	General Fund	4550	Bus Fixed Route Max Altnative Trans Fund	\$1,500	\$1,500	Taxi Cab Inspections
0100	General Fund	4550	Bus Fixed Route Max Altnative Trans Fund	\$0	\$41,477	Funding the Municipal TAXI program
		4550 Total		\$1,500	\$42,977	
0100	General Fund	4600	Golf Fund	\$741,352	\$735,006	Operating subsidy
		4600 Total		\$741,352	\$735,006	
0100	General Fund	4700	Centre Plaza Event Services Fund	\$690,069	\$711,241	Operating subsidy
		4700 Total		\$690,069	\$711,241	
5320	Workers Compensation	5310	Insurance Admin Fund	\$370,362	\$363,580	50% of 17310 Operating Budget (Used to be
5330	Liability Insurance	5310	Insurance Admin Fund	\$296,289	\$290,864	40% of 17310 Operating Budget (Used to be
5340	Property Insurance	5310	Insurance Admin Fund	\$74,072	\$72,716	10% of 17310 Operating Budget (Used to be
		5310 Total		\$740,723	\$727,160	
0100	General Fund	5510	Employee Benefits Mgmt Fund	\$75,000	\$75,000	Repayment of ERP Loan
		5510 Total		\$75,000	\$75,000	
6700	TRRP Operations - JPA	6710	TRRP Special Revenue Fund - CIP	\$25,000	\$25,000	Transfer from Operation for future CIP
		6710 Total		\$25,000	\$25,000	
		Grand Total		\$33,298,479	\$38,187,039	

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TRANSFERS IN-OUT

DEPARTMENTS

Debt Service

SCHEDULE OF DEBT SERVICE REQUIREMENTS FISCAL YEAR 2018-2019

Resident Fund (1)	Debt Issue	Amount (2)	Funding Source (3)	Years Remaining (4)
CITY OF MODESTO				
1100	HUD Section 108 Note Payable	\$300,584	CDBG	7
4100	Water Fund Ref. Certificates of Participation - 2009	\$5,089,588	Water	19
4100	2007 & 2010 MID Water Refunding Revenue Bonds	\$10,203,275	Water	19
4140	ARRA Safe Drinking Water State Rev Fund	\$30,075	Water	14
4271	Wastewater Refunding Revenue Bonds - 2010A	\$278,914	Sewer	19
4241	Wastewater Refunding Revenue Bonds - 2015	\$2,700,400	Sewer	7
4242	Wastewater State Revolving Loan - Tertiary Treatment Phase 1 B	\$0,245,585	Sewer	18
4210	Wastewater State Revolving Loan - NWRWP	\$1,282,412	Sewer	30
4800	Creekside Golf Course Construction	\$469,803	Golf	6
6100	PNC Capital Lease - Velocity Pumps & Filters	\$698,515	General	10
		<u>\$27,590,068</u>		
REDEVELOPMENT AGENCY OF THE CITY OF MODESTO				
2803	Modesto Centre Plaza Construction	\$1,651,300	RDA	6
		<u>\$1,651,300</u>		
MODESTO PUBLIC FINANCING AUTHORITY				
2150	2008 Refunding Lease Revenue Bonds	\$4,539,000	General RDA	18
		<u>\$4,539,000</u>		
COMMUNITY FACILITIES DISTRICTS				
3245	CFD No. 2008-1 Refunding 2014 of Fairview Village	\$261,326	Fairview	18
3294	CFD No. 2004-1 Refunding 2014 of Village One #2	\$1,862,442	Village One #2	19
		<u>\$2,123,768</u>		

Note: Debt service requirements are based on debt service schedules provided in bond and lease documents.

(1) "Resident fund" is the fund in which the debt service expenses to be paid to trustees or lessors are budgeted.

(2) "Amount" consists of total cash required to pay debt service related costs during the fiscal year, including trustee administration fees. Actual principal and interest expenses may be higher or lower, due to accruals in enterprise and internal service funds, and capitalized interest held by trustees.

(3) "Funding source" is the fund or funds which provide cash to the "resident fund" for debt service payments. If the funding source is different from the resident fund, an interfund transfer is normally budgeted to move the cash.

(4) "Years remaining" are as of June 30, 2018.

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DEPARTMENTS

DEBT SERVICE

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DEBT SERVICE

DEPARTMENTS

No	Name	Sex	Age	Height	Weight	Blood Pressure	Heart Rate	Respiratory Rate	Temperature	Pulse	Systolic BP	Diastolic BP	Pain	Mental Status	GCS	Vitals	ECG	Chest X-ray	Labs	Imaging	Diagnosis	EPISODE		REBORN	
																						Start	End	Start	End
1	John Doe	M	45	175	75	120/80	70	18	37.8	60	120	80	0	Alert	15	100	Normal	Normal	Normal	Normal	Myocardial Infarction	10/10/2023	10/10/2023	10/10/2023	10/10/2023
2	Jane Smith	F	32	160	60	110/70	65	16	37.5	55	110	70	0	Alert	15	100	Normal	Normal	Normal	Normal	Asthma	10/10/2023	10/10/2023	10/10/2023	10/10/2023
3	Robert Johnson	M	58	180	80	130/90	75	20	38.0	65	130	90	1	Alert	15	100	Normal	Normal	Normal	Normal	Hypertension	10/10/2023	10/10/2023	10/10/2023	10/10/2023
4	Emily White	F	28	150	55	100/60	60	14	37.2	50	100	60	0	Alert	15	100	Normal	Normal	Normal	Normal	Anemia	10/10/2023	10/10/2023	10/10/2023	10/10/2023
5	Michael Brown	M	40	170	70	120/80	70	18	37.8	60	120	80	0	Alert	15	100	Normal	Normal	Normal	Normal	Diabetes	10/10/2023	10/10/2023	10/10/2023	10/10/2023

Item No.	Item Description	Quantity	Unit	Rate	Amount	Tax	Total	Order No.	Order Date	Order Qty	Order Value	Order Tax	Order Total	Invoice No.	Invoice Date	Invoice Qty	Invoice Value	Invoice Tax	Invoice Total
001	Item 1 Description	10	kg	120.00	1200.00	120.00	1320.00	101	2023-01-01	10	1200.00	120.00	1320.00	102	2023-01-15	10	1200.00	120.00	1320.00
002	Item 2 Description	5	kg	150.00	750.00	75.00	825.00	101	2023-01-01	5	750.00	75.00	825.00	102	2023-01-15	5	750.00	75.00	825.00
003	Item 3 Description	3	kg	180.00	540.00	54.00	594.00	101	2023-01-01	3	540.00	54.00	594.00	102	2023-01-15	3	540.00	54.00	594.00
004	Item 4 Description	2	kg	210.00	420.00	42.00	462.00	101	2023-01-01	2	420.00	42.00	462.00	102	2023-01-15	2	420.00	42.00	462.00
005	Item 5 Description	1	kg	240.00	240.00	24.00	264.00	101	2023-01-01	1	240.00	24.00	264.00	102	2023-01-15	1	240.00	24.00	264.00

Appendix


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Policy Memos

PROPOSED POLICIES

Approve the General Fund Emergency Reserve Level to be a minimum of \$14 million for the 2018-19 Fiscal Year.

Approve the initiation of a rate reduction for all funds that make an annual payment into the Worker's Compensation Fund for Fiscal Year 2018-19 at the rate of 28 percent.

 <p>MODESTO CALIFORNIA</p>	<p>CITY OF MODESTO</p> <p>COMITTEE AGENDA REPORT</p>	<p>BUDGET</p> <p>WORKSHOPS April 30 – May 4, 2018</p>
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Date: April 25, 2018

TO: Effective Government Committee
 Mani Grewal, Chair
 Kristi Ah You, Vice-Chair
 Bill Zoslocki, Member

THROUGH: Joseph P. Lopez, Acting City Manager

FROM: Steve Christensen, Budget Manager

SUBJECT: General Fund Reserve Level

CONTACT: Steve Christensen, Budget Manager
schristensen@modestogov.com, 209-577-5390

DESCRIPTION:

Consider making a recommendation to the City Council regarding the General Fund reserve level for Fiscal Year 2018-19. (Funding Source: General Fund)

FISCAL IMPACT:

By Council policy, the General Fund reserve is set at eight percent (8%) of the fund’s total operating expenses. In adopting the budget for FY 2008-09 and FY 2009-10, Council lowered the required reserve to seven percent (7%) and for FY 2010-11 through FY 2015-16 adopted a flat \$7 million reserve requirement. While the actual dollar amount fluctuates depending on total operating expenses, one percent is roughly the equivalent of \$1.2 million in General Fund reserves.

BACKGROUND:

The City Council establishes the reserve level for various funds based on the needs of the City. In the utility funds, the adopted reserve level is equal to 25% of operating costs to ensure sufficient funds are available to handle fluctuations in utility billing amounts. On the other hand, the General Fund’s reserve level, for years, was set at five percent (5%) and more recently, at eight percent (8%).

In the past several years, slowly recovering revenues – primarily in sales tax and property tax revenues – have significantly stretched the City resources and caused reductions in every General Fund program area including public safety. Understanding the need to maintain core City services during the current slowly recovering economic times, the staff is recommending maintaining a minimum \$14 million dollar emergency reserve for the upcoming fiscal year

(2018-19) to prevent even further erosion of these services. The current emergency reserve amount is \$15.8 million and will continue to remain untouched unless use is approved by City Council via council action. There is a pending action recommended by the Finance Committee that will be brought to Council for discussion that could potentially add an additional \$2.5 million to the emergency reserve amount bringing the total to \$18.3 million.

Adopting a minimum \$14 million emergency reserve policy would allow the City Council some flexibility to approve use of funds for council approved actions while allowing the City to maintain a strong reserve amount that could increase should additional funds be realized in the General fund and Council decide to place them in the emergency reserves in the future.


STRATEGIC PLAN ELEMENT:

This is consistent with the City of Modesto's Strategic Plan to "Provide an innovative and accountable city government that embraces a standard of service excellence through adaptive leadership, and responsive public service."

Approved by:

Steve Christensen, Budget Manager

Joseph P. Lopez, Acting City Manager

 <p>MODESTO CALIFORNIA</p>	<p>CITY OF MODESTO</p> <p>COMITTEE AGENDA REPORT</p>	<p>BUDGET</p> <p>WORKSHOPS April 30 – May 4, 2018</p>
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Date: April 25, 2018

TO: Finance Committee
 Mani Grewal, Chair
 Kristi Ah You, Vice-Chair
 Bill Zoslocki, Member

THROUGH: Joseph P. Lopez, Acting City Manager

FROM: Norma Santoyo, Director of Human Resources
 Steve Christensen, Budget Manager

SUBJECT: Workers' Compensation Premium Payments

CONTACT: Catherine Talongwa, Risk Manager
ctalongwa@modestogov.com, 209-577-5446

DESCRIPTION:

Consider providing policy direction regarding:

1. The initiation of a rate reduction for all funds that make an annual payment into the Worker's Compensation Fund for Fiscal Year 2018-19 at the rate of 28 percent.

(Funding Source: Potential General Fund and Non-General Fund Impact)

FISCAL IMPACT:

For the 2018-19 fiscal year, the total workers' compensation premium assessment charge to all funds is recommended to be \$6.46 million with the General Fund contributing approximately \$4.94 million. A recent evaluation of the Workers' Compensation Fund's reserve levels has resulted in the decision to initiate a rate reduction for fiscal year 2018-19 at the level of 28 percent. This rate reduction will equate to a lower funding level in workers' compensation contributions from all funds in FY 2018-19. This action will result in a refunding to the General Fund of \$1.38 million and a proportional savings to the non-general funds that pay premiums into the Workers' Compensation Fund in the amount of \$426 thousand. The existing cash balances in the fund will be sufficient to continue payment of actual claim costs on an annual basis.

BACKGROUND:

The city self-assesses a charge to all programs with employees to cover the cost of providing workers compensation benefits. The amount charged to each program is based on a fixed percent of the total salaries paid and a factor assigned using the actual claims history of the program's employees. For the 2018-19 fiscal year, the total premium assessment to all funds is approximately \$6.46 million. By funding workers' compensation at a lower amount due to the initiation of a rate reduction in FY 2018-19, the Worker's Compensation Fund deficit could increase slightly while the existing cash balance will be drawn lower in response to the payment of actual claim costs being higher than the budgeted amount. The Workers Compensation Fund has a sufficient cash balance to allow for this funding methodology in FY 2018-19.

Approved by:

Norma Santoyo, Director of Human Resources

Steve Christensen, Budget Manager

Joseph P. Lopez, Acting City Manager

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Proformas

**City of Modesto - General Fund Proforma
Draft Proposed Operating Budget**

	FY 2015-16 Actuals	FY 2016-17 Current Budget	FY 2016-17 Actuals	FY 2017-18 Current Budget	FY 2017-18 Actuals as of 4.26.18	FY 2017-18 Projected Year-End	FY 2018-19 Proposed Budget
REVENUES:							
Property Tax - Property	\$ 14,390,833	\$ 14,273,241	\$ 15,225,836	\$ 15,634,250	\$ 9,398,869	\$ 15,984,534	\$ 16,681,597
Property Tax - VLF Swap	\$ 14,310,867	\$ 14,795,225	\$ 15,070,966	\$ 15,711,010	\$ 7,948,403	\$ 15,896,806	\$ 16,762,272
Sales Tax	\$ 29,878,815	\$ 30,050,000	\$ 30,204,125	\$ 30,440,650	\$ 20,474,496	\$ 30,440,650	\$ 31,238,582
Utility Users Tax	\$ 19,564,921	\$ 20,150,000	\$ 20,113,023	\$ 20,459,361	\$ 14,711,543	\$ 20,559,361	\$ 21,118,548
Transient Occupancy Tax	\$ 2,523,087	\$ 2,150,000	\$ 2,669,484	\$ 2,450,000	\$ 1,792,975	\$ 2,650,000	\$ 2,700,100
Business License/Mill Tax	\$ 11,944,291	\$ 11,479,228	\$ 12,255,062	\$ 11,603,570	\$ 7,606,308	\$ 12,005,000	\$ 12,000,000
Fees:							
Franchise Fees	\$ 5,058,542	\$ 5,525,849	\$ 4,837,344	\$ 4,605,794	\$ 2,803,857	\$ 4,105,794	\$ 4,732,834
Motor Vehicle Fees	\$ 237,560	\$ 139,109	\$ 314,103	\$ 177,020	\$ 261,168	\$ 335,168	\$ 215,000
Construction Revenues	\$ 1,835,072	\$ 2,005,106	\$ 2,128,628	\$ 2,179,162	\$ 1,874,719	\$ 2,254,162	\$ 2,404,911
Departmental Revenues	\$ 18,595,573	\$ 14,528,297	\$ 15,703,709	\$ 16,450,288	\$ 12,122,810	\$ 16,755,000	\$ 16,477,642
Increases of Obligations from Capital Leases (Fire)	\$ -	\$ 5,985,377	\$ 5,883,757	\$ -	\$ -	\$ -	\$ -
Cannabis Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000
Additional Departmental Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,425,587
One Time Revenues	\$ -	\$ -	\$ -	\$ 4,808,612	\$ -	\$ 2,808,612	\$ -
Total Operating Revenues	\$ 118,339,561	\$ 121,081,432	\$ 124,406,037	\$ 124,519,667	\$ 79,095,150	\$ 123,795,087	\$ 127,257,073
Transfers In	\$ 551,992	\$ 725,670	\$ 225,670	\$ 746,825	\$ 95,185	\$ 746,825	\$ 2,245,994
TOTAL REVENUES	\$ 118,891,553	\$ 121,807,102	\$ 124,631,707	\$ 125,266,492	\$ 79,190,335	\$ 124,541,912	\$ 129,503,067
EXPENSES:							
Great Safe Neighborhoods:							
Police Department	\$ (54,490,233)	\$ (57,262,077)	\$ (54,470,399)	\$ (61,178,836)	\$ (47,055,623)	\$ (57,289,114)	\$ (67,362,044)
Fire Department	\$ (28,333,929)	\$ (29,193,852)	\$ (28,981,495)	\$ (30,844,928)	\$ (26,431,385)	\$ (31,149,842)	\$ (33,771,420)
Fire Apparatus Lease Expense (Offset by Revenue)	\$ -	\$ (5,985,377)	\$ (5,883,756)	\$ -	\$ -	\$ -	\$ -
Parks, Recreation, and Neighborhoods	\$ (3,119,259)	\$ (3,667,558)	\$ (3,203,509)	\$ (3,904,226)	\$ (2,739,829)	\$ (3,436,580)	\$ (4,582,149)
Mayor's Office & Great City of Life							
Community and Economic Development	\$ (6,041,650)	\$ (7,172,747)	\$ (6,372,159)	\$ (7,900,681)	\$ (5,500,884)	\$ (6,849,935)	\$ (8,090,071)
Public Works							
Public Works	\$ (6,274,095)	\$ (7,242,760)	\$ (6,544,862)	\$ (6,506,588)	\$ (4,939,839)	\$ (5,759,447)	\$ (7,426,329)
City Council							
City Council	\$ (407,593)	\$ (408,017)	\$ (392,237)	\$ (420,514)	\$ (322,289)	\$ (410,576)	\$ (435,406)
City Manager's Office	\$ (1,849,863)	\$ (2,630,356)	\$ (2,315,922)	\$ (2,378,827)	\$ (1,570,522)	\$ (1,945,973)	\$ (2,603,467)
Human Resources	\$ (1,394,082)	\$ (1,668,820)	\$ (1,282,001)	\$ (1,462,766)	\$ (1,079,444)	\$ (1,305,040)	\$ (1,729,911)
City Attorney's Office	\$ (2,110,218)	\$ (2,170,659)	\$ (2,026,612)	\$ (2,137,936)	\$ (1,502,231)	\$ (1,970,389)	\$ (2,264,345)
City Clerk's Office	\$ (940,516)	\$ (621,934)	\$ (398,923)	\$ (937,881)	\$ (628,200)	\$ (837,180)	\$ (963,957)
Office of the City Auditor	\$ (234,846)	\$ (211,955)	\$ (252,296)	\$ (327,769)	\$ (34,708)	\$ (123,199)	\$ (321,913)
Finance Department	\$ (4,707,880)	\$ (4,517,812)	\$ (4,218,014)	\$ (4,667,858)	\$ (3,622,990)	\$ (4,237,982)	\$ (4,573,201)
Non-Departmental	\$ (518,868)	\$ (446,000)	\$ (355,060)	\$ (421,000)	\$ (95,641)	\$ (385,000)	\$ (385,000)
Total Department Expenses	\$ (110,423,032)	\$ (123,199,924)	\$ (116,697,245)	\$ (123,089,810)	\$ (95,523,585)	\$ (115,700,357)	\$ (134,509,213)
Variance Rate	\$ -	\$ 3,655,829	\$ -	\$ 5,866,619	\$ -	\$ -	\$ 6,543,589
Proposed Reductions to Department Budgets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,356
Transfers Out	\$ (6,222,300)	\$ (7,179,196)	\$ (6,096,718)	\$ (9,883,210)	\$ (2,467,838)	\$ (8,308,763)	\$ (6,537,799)
Net Operating Surplus/Deficit	\$ 2,246,221	\$ (4,916,189)	\$ 1,837,744	\$ (1,839,909)	\$ -	\$ 532,792	\$ -

	FY 2015-16 Actuals	FY 2016-17 Current	FY 2016-17 Actuals	FY 2017-18 Current	FY 2017-18 Actuals	FY 2017-18 Projected	FY 2018-19 Proposed
RESERVES:							
Beginning Fund Balance	\$ 24,819,500	\$ 27,065,721	\$ 27,065,721	\$ 26,841,156		\$ 26,841,156	\$ 27,373,948
CAFR Adjustments	\$ -	\$ -	\$ 746,303	\$ -		\$ -	\$ -
Ending Fund Balance	\$ 27,065,721	\$ 22,149,532	\$ 29,649,768	\$ 25,001,247		\$ 27,373,948	\$ 27,373,948
Non-Spendable	\$ 2,647,692	\$ 2,515,146	\$ 2,515,146	\$ 2,515,146		\$ 2,515,146	\$ 2,515,146
Restricted	\$ 2,092,126	\$ 1,970,622	\$ 1,970,622	\$ 1,970,622		\$ 1,970,622	\$ 1,970,622
Committed for Emergency Reserves	\$ 3,000,000	\$ 15,800,000	\$ 15,800,000	\$ 15,800,000		\$ 15,800,000	\$ 15,800,000
Assigned	\$ 6,505,769	\$ 4,854,307	\$ 4,854,307	\$ 4,854,307		\$ 3,444,683	\$ 3,444,683
Unassigned Reserves	\$ 12,822,134	\$ (2,990,543)	\$ 4,509,693	\$ (138,828)		\$ 3,643,497	\$ 3,643,497
Required 57M Reserve (Letter of Credit)	\$ (7,000,000)	\$ -	\$ -	\$ -			\$ -
Unrestricted Reserves (Carryover at Year-End)	\$ 5,822,134	\$ (2,990,543)	\$ 4,509,693	\$ (138,828)		\$ 3,643,497	\$ 3,643,497
Emergency Reserves Running Balance	\$ 3,000,000	\$ 15,800,000	\$ 15,800,000	\$ 15,800,000		\$ 15,800,000	\$ 15,800,000

*There is pending Finance Committee Recommendation to place \$2.5M from FY 2016-17 Carryover into Emergency Reserves that will be brought to Council for action.

Employee Benefits Fund (5510 EBF & 5520 EBF Admin) excluding UAL passthrough

FY 18-19 Budget

	Actual FY 13-14	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17	Budget FY 17-18	Proposed FY 18-19	Projected FY 19-20
Beginning Fund Balance	\$6,322,120	\$5,282,214	\$4,425,028	\$3,189,216	\$5,288,143	\$5,226,574	\$5,161,355
Total Revenues	\$3,255,939	\$3,921,269	\$2,843,434	\$3,542,390	\$4,151,822	\$2,437,990	\$2,511,130
Total Operating Exp	\$4,295,845	\$4,778,455	\$4,079,247	\$2,400,063	\$4,213,391	\$2,503,209	\$2,578,305
Adjustment to match CAFR				\$956,600			
Ending Fund Balance (Reserve)	\$5,282,214	\$4,425,028	\$3,189,216	\$5,288,143	\$5,226,574	\$5,161,355	\$5,094,180
Reserve as % of Op Exp	123%	93%	78%	220%	124%	206%	198%

APPENDIX

PROFORMAS

City of Modesto
Wastewater Fund Proforma

Approved Rate Increase	6% Actual FY 2017	6% Budget FY 2018	6% Proposed FY 2019	6% Projected FY 2020	6% Projected FY 2021	6% Projected FY 2022
Revenues by Account						
Charges						
Residential Sewer Service	29,828,959	33,760,753	33,427,769	34,587,251	36,668,736	38,669,368
Commercial Sewer Service	6,441,632	6,454,150	6,487,428	7,247,266	7,832,352	8,294,323
Enterprise Sewer Service	0	0	0	0	0	0
Utility Fee Fund	541,056	541,056	574,234	648,700	645,210	645,210
Stormwater Sewer Service	5,199,263	10,725,450	10,943,191	11,663,218	12,251,457	12,291,457
Stormwater Sewer Service	0	0	0	0	0	0
SubTotal	\$44,041,925	\$44,885,359	\$44,132,622	\$47,546,435	\$49,407,755	\$50,905,148
Income						
Revenue on Basis of Property	698,724	709,970	720,000	730,000	740,000	750,000
SubTotal	\$698,724	\$709,970	\$720,000	\$730,000	\$740,000	\$750,000
Rate						
Water	469,254	469,700	479,700	479,700	479,700	479,700
SubTotal	\$469,254	\$469,700	\$479,700	\$479,700	\$479,700	\$479,700
Charges/Cost Distribution						
Charges - Sewer Connection	0	0	0	0	0	0
Charges - Sewer Connection	1,894,116	3,207,678	2,512,853	2,202,112	2,244,974	2,098,602
Charges - Sewer Connection	0	0	0	0	0	0
Charges - Sewer Connection	0	0	0	0	0	0
Charges - Sewer Connection	0	0	0	0	0	0
SubTotal	\$1,894,116	\$3,207,678	\$2,512,853	\$2,202,112	\$2,244,974	\$2,098,602
Grant Income						
State Grant	1,423,424	1,423,424	1,423,424	1,423,424	1,423,424	1,423,424
SubTotal	\$1,423,424	\$1,423,424	\$1,423,424	\$1,423,424	\$1,423,424	\$1,423,424
In by Account						
Water Department	314,700	314,700	314,700	314,700	314,700	314,700
SubTotal	\$314,700	\$314,700	\$314,700	\$314,700	\$314,700	\$314,700
Total	\$45,736,649	\$49,338,453	\$46,647,422	\$50,273,959	\$52,166,179	\$53,813,568

Expenses by Cost Center	6% Actual FY 2017	6% Budget FY 2018	6% Proposed FY 2019	6% Projected FY 2020	6% Projected FY 2021	6% Projected FY 2022
Water Treatment Plant						
Operating	23,141,124	23,141,124	23,141,124	23,141,124	23,141,124	23,141,124
Capital	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
SubTotal	\$25,141,124	\$25,141,124	\$25,141,124	\$25,141,124	\$25,141,124	\$25,141,124
Water Distribution						
Operating	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Capital	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
SubTotal	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000
Stormwater						
Operating	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Capital	0	0	0	0	0	0
SubTotal	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Total	\$37,141,124	\$37,141,124	\$37,141,124	\$37,141,124	\$37,141,124	\$37,141,124

City - 25% of Annual Operating Costs	2017	2018	2019	2020	2021	2022
Operating	9,285,281	9,285,281	9,285,281	9,285,281	9,285,281	9,285,281
Capital	0	0	0	0	0	0
Total	\$9,285,281	\$9,285,281	\$9,285,281	\$9,285,281	\$9,285,281	\$9,285,281

City of Modesto
Surface Transportation Fund Operating ProForma
FY 2019 Proposed Budget

	10/20/2016	10/9/2017	2018	2018	Projected	1	2	3	4	5
	Actual	Actual	Budget	Actual	Year End	Budget	Projection	Projection	Projection	Projection
	FY 2016	FY 2017	FY 2018	FY 2018	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
1700 Surface Transportation Fund										
Beginning Fund Balance	(1,994,548)	613,742	531,321	531,321	531,321	1,017,100		(447,359)	(4,122,427)	(8,009,821)
Operating Revenues by Cost Center						Revenue Based on Average for 3 Prior Year Actuals. Remains Flat Projection Based on FY 2018 Budget. Expenses are Inflated by 2% Annually FY 15-2				
14999 CED - Capital Projects										
100016 - CED - Oakdale/Scenic to Sylvan Pavement Management	61,169									
53110 PW - Streets Services Administration	259	428		43	43		244	244	244	244
53130 PW - Streets Maintenance	82,079	125,583		138,376	138,376		115,346	115,346	115,346	115,346
53142 PW - Curbs, Gutter & Sidewalks	45,401	29,972		4,480	4,480		26,618	26,618	26,618	26,618
53510 PW - Traffic Engineering (14510)	189,752	221,410	33,491	67,321	67,321		159,494	159,494	159,494	159,494
53520 PW - Electrical Utility Costs (14520)	149,104									
53540 PW - Electrical Division (14540)	265,046	374,008	54,950	69,111	69,111		236,055	236,055	236,055	236,055
53550 PW - Traffic Operations (14550)	20,394	14,941	9,763	8,807	8,807	17,463	14,714	14,714	14,714	14,714
SubTotal	813,206	766,340	98,204	288,138	288,138	17,463	552,470	552,470	552,470	552,470
Transfers-In by Cost Center										
60100 General Fund										
100878 - PW - Upgrade High Voltage Street to Low Voltage	(600,000)									
10th Street Improvements - Gas Tax Ineligible	190,714									
53510 - PW - Traffic Engineering (14510)	125,000	125,000	125,000		125,000	1,500	1,500	1,500	1,500	1,500
61410 Measure I/Senate Bill Maintenance of Effort					1,017,100					
61720 Streets LTF Fund										
100016 - CED - Oakdale/Scenic to Sylvan Pavement Management	(37,729)					350,000				
53110 - PW - Streets Services Administration			13,333		13,410					
53142 - PW - Curbs, Gutter & Sidewalks	443,000									
61730 Gas Tax Fund			7,539,305			7,625,436	8,406,776	5,387,229	5,387,229	5,387,229
53110 - PW - Streets Services Administration	286,034	296,249		155,909	311,202					
53130 - PW - Streets Maintenance	1,150,979	2,015,343		1,135,553	1,637,469					
53134 - PW - Transportation Gas Tax Fund Level Expense	131,845	124,558		67,696	148,793					
53142 - PW - Curbs, Gutter & Sidewalks	506,015	1,115,861		527,498	1,097,737					
53510 - PW - Traffic Engineering (14510)	256,436	310,945		241,205	418,176					
53520 - PW - Electrical Utility Costs (14520)	822,295	823,930		328,921	791,096					
53540 - PW - Electrical Division (14540)	1,389,550	1,474,922		682,349	1,591,304					
53550 - PW - Traffic Operations (14550)	831,911	774,284		400,253	906,349					
100819 - PW - Collector & Arterial Streets Rehabilitation	1,965,766	7,234								
100832 - PW - LED Street Light Upgrade	3,397,095									
61740 Garbage Franchise Fees - Streets Fund										
53130 - PW - Streets Maintenance	1,940,855	1,200,000	1,088,495	314,000	1,352,238	1,192,526	1,000,000	1,000,000	1,000,000	1,000,000
65110 Transfer in from Fund 5110 - Inventory Purchase Refund			46,421	46,421						
SubTotal	12,899,766	8,268,327	8,822,554	1,897,603	9,329,874	9,169,462	9,408,276	6,388,729	6,388,729	6,388,729
Total	13,712,972	9,034,667	8,920,758	4,185,741	9,618,012	9,186,925	9,960,747	6,941,199	6,941,199	6,941,199
Operating Expenses by Cost Center										
53110 PW - Streets Services Administration	286,293	296,677	357,674	202,910	324,656	363,594	370,866	378,283	385,849	393,566
53130 PW - Streets Maintenance	3,272,321	3,427,302	3,857,464	2,004,421	3,436,151	3,880,018	3,957,618	4,036,771	4,117,506	4,199,856
53134 PW - Transportation Gas Tax Fund Level Expense	110,159	124,558	148,793	90,327	148,793	141,337	144,164	147,047	149,988	152,988
53142 PW - Curbs, Gutter & Sidewalks	1,061,904	1,151,515	1,159,922	688,886	1,102,217	1,231,545	1,256,176	1,281,299	1,306,925	1,333,064
53510 PW - Traffic Engineering (14510)	671,189	656,233	707,368	381,560	610,497	759,239	774,424	789,912	805,711	821,825
53520 PW - Electrical Utility Costs (14520)	971,399	823,930	873,235	461,473	791,096	869,006	886,386	904,114	922,196	940,640
53540 PW - Electrical Division (14540)	1,684,310	1,838,305	1,904,514	1,000,259	1,600,415	2,019,014	2,059,394	2,100,592	2,142,594	2,185,446
53550 PW - Traffic Operations (14550)	852,431	790,094	920,694	552,506	915,155	940,272	959,077	978,259	997,824	1,017,781
SubTotal	8,910,906	9,108,614	9,925,664	5,382,743	8,928,980	10,204,025	10,408,106	10,616,268	10,828,593	11,045,165

Storm Drain Fund Proforma (4480)

	Project Budgets	Actuals 14-15	Actuals 15-16	Actuals 16-17	Budget 17-18	YTD 3/31/18	Proposed 18-19	Projected 19-20	Projected 20-21	Projected 21-22	Project Exp To Date	Project Balance
Sources												
1	Operating Revenue	\$5,323,582	\$5,361,193	\$5,384,298	\$5,200,000	\$3,784,887	\$5,200,000	\$5,200,000	\$5,200,000	\$5,200,000		
2	Interfund Labor/Equipment	\$77,283	\$165,989	\$50,115	\$45,208	\$45,084	\$140,902	\$45,208	\$45,208	\$45,208		
3	Misc	\$47,343	\$71,415	-\$48,891	\$79,377	\$68,040	\$0	\$67,332	\$67,332	\$67,332		
4	Interest Income	\$31,752	\$55,343	\$48,410	\$25,000	\$10,083	\$25,000	\$25,000	\$25,000	\$25,000		
5	Source Water Protection Program (see note 2)	\$700,000	\$700,000	\$700,000	\$700,000	\$0	\$700,000	\$700,000	\$700,000	\$700,000		
6	Total Revenue/Other Sources	\$6,179,960	\$6,353,940	\$6,133,932	\$6,049,585	\$3,908,094	\$6,065,902	\$6,037,540	\$6,037,540	\$6,037,540		
Uses												
7	41210 - Storm Drain General	\$57,179	\$63,060	\$43,291	\$154,892	\$154,554	\$66,184	\$68,170	\$68,170	\$70,215		
8	41220 - Storm Drain Util Bill/Collect	\$276,406	\$258,246	\$277,664	\$187,506	\$117,068	\$294,646	\$303,485	\$312,590	\$321,968		
9	43120 - Storm Drain System Analysis	\$4,403	\$17,796	\$23,268	\$114,489	\$5,631	\$108,819	\$112,084	\$115,446	\$118,909		
10	53115 - Storm Drainage Leaf Collection	\$208,368	\$236,663	\$242,510	\$421,953	\$364,741	\$486,642	\$501,241	\$516,278	\$531,767		
11	53150 - Street Sweeping	\$950,642	\$1,234,299	\$1,151,952	\$1,478,644	\$949,630	\$1,423,974	\$1,466,693	\$1,510,694	\$1,558,015		
12	44111 - Storm Water Compliance (54114)	\$434,925	\$456,613	\$514,583	\$933,223	\$597,145	\$848,101	\$873,544	\$899,750	\$926,743		
13	44222 - Storm Water Collections (54222)	\$1,762,402	\$3,262,596	\$3,332,378	\$4,073,119	\$2,134,063	\$3,620,397	\$3,729,009	\$3,840,879	\$3,956,106		
14	44311 - Storm Water Lift Stations (54311)	\$139,673	\$189,526	\$229,975	\$272,307	\$65,741	\$258,840	\$266,605	\$274,603	\$282,841		
15	Total Operating Expenditures	\$3,633,999	\$5,718,799	\$5,815,621	\$7,636,132	\$4,388,573	\$7,107,603	\$7,320,831	\$7,538,411	\$7,764,563		
16	Transfer Out to Fund 1700	\$46,122										
17	Transfer Out to Fund 5230 (IT)				\$28,126	\$26,939						
18	Total Expenditure/Other Uses	\$3,880,121	\$5,718,799	\$5,815,621	\$7,664,258	\$4,415,512	\$7,107,603	\$7,320,831	\$7,538,411	\$7,764,563		
Capital Improvement Program												
19	100553 9th Street Storm Drainage (Closed)		\$241									
20	100696 Storm Drain Master Plan	741,384	\$3,205	\$8,118	\$18,275	\$15,249					\$49,314	\$692,070
22	100789 FY 2014-2015 Storm Drain Improvements	1,097,536	\$13,559	\$639,495	\$68,406	\$1,670					\$923,130	\$174,406
23	100814 Stormwater On-Call Engineering	300,000		\$55,762	\$4,088						\$59,850	\$240,150
24	100845 Storm Drain Pump Station Electrical Improven	1,457,890		\$13,321	\$45,577	\$17,033					\$75,930	\$1,381,960
25	100926 2016-2017 Storm Drain Improv	485,000			\$161,711	\$3,362					\$165,035	\$319,965
26	100928 Ninth Street Storm Drain Basin	1,300,000		\$971	\$35,219	\$66,078					\$102,269	\$1,197,731
27	100997 FY 17-18 Storm Drain Improvements	469,000									\$0	\$469,000
28	Total CIP	5,850,810	\$17,005	\$917,668	\$333,276	\$103,392	\$0	\$0	\$0	\$0	\$1,375,527	\$4,475,283
Fund Balance Calculation												
29	Beginning Fund Balance Earnings	\$6,181,609	\$8,486,870	\$8,193,914	\$8,223,913	\$8,223,913	\$6,609,240	\$5,567,539	\$4,284,248	\$2,783,377		
30	Net Increase (decrease)	\$2,282,835	-\$282,526	-\$14,965	-\$1,614,673	\$610,810	-\$1,041,701	-\$1,283,291	-\$1,500,871	-\$1,727,023		
31	CAFR Adjustment	\$22,426	-\$10,430	\$44,964	\$0	\$0	\$0	\$0	\$0	\$0		
32	Net Fund Balance	\$8,486,870	\$8,193,914	\$8,223,913	\$6,609,240	\$7,613,103	\$5,567,539	\$4,284,248	\$2,783,377	\$1,056,354		
33	Target Cash @ 25% of Operating Costs:	\$970,030	\$1,429,700	\$1,453,905	\$1,916,064	\$1,103,878	\$1,776,901	\$1,830,208	\$1,884,603	\$1,841,141		

note 1: general fund loans outstanding equal \$1,324,704 (resolution 2007-727)

Information & Technology Services Proforma (5230)

March 31, 2018

	2014-15 Actuals	2015-16 Actuals	2016-17 Actuals	2017-18 Budgeted	2017-18 Actuals	2017-18 Est. End of Year	2018-19 Proposed	2019-20 Projected	2020-21 Projected	2021-22 Projected	2022-23 Projected
Revenues											
ISF Revenue from Department Allocations	5,807,070	5,767,963	4,345,004	4,605,799	3,454,349	4,605,799	6,526,228	6,191,832	7,843,131	8,028,656	8,219,120
Service Credit Revenue	137,952	40,000	408,921	579,985	434,999	579,985	563,092	562,484	562,484	562,484	562,484
Interest Revenue	12,450	54,311	44,815		8,351	20,000					
Misc Revenue	22,931	16,670	(25,319)		1,463	1,463					
Transfer in for COSMO	89,620										
Transfer in from IT Investment Fund	2,644										
Transfer in for MPD CAD	(147,036)										
Transfer in for 2005 COP Tech. Grant		78,932									
Transfer in for CGI Budget Software				671,858	671,280	671,280					
Transfer in for Oracle Upgrade				577,170	525,025	525,025					
Transfer in from PEG Fund			167,365								
Transfer in from Stores Dissolution				456	456	456					
Total Revenues	5,925,631	5,957,876	4,940,786	6,435,268	5,095,913	6,404,008	7,089,320	6,754,316	8,405,615	8,591,140	8,781,604
Expenses											
17410 - Administration	401,303	367,435	415,021	528,400	319,081	527,924	515,527	530,993	546,923	563,331	580,231
17510 - Business Applications/Development	1,009,763	1,166,973	1,362,682	1,667,930	819,583	1,131,699	2,088,117	2,150,761	2,215,284	2,281,743	2,350,195
17520 - ERP Maintenance	207,613	268,851	228,926	544,342	190,823	317,764	289,854	298,550	307,507	316,732	326,234
17610 - GIS	428,411	366,989	325,978	425,536	265,170	359,565	427,262	440,080	453,282	466,880	480,886
17710 - Network/Data Center	1,761,294	1,938,850	2,046,299	2,665,632	1,631,359	2,213,969	2,843,103	2,928,396	3,016,248	3,106,735	3,199,937
17810 - Technology & Equipment Replacement	552,290	644,191	1,158,899	3,782,932	475,065	2,637,978	1,683,607	1,200,000	1,270,000	2,155,000	2,250,000
Transfer Out for Education & Gov't	142,360	142,360	142,360	142,360		142,360	142,360	142,360	142,360	142,360	142,360
Total Expenditures	4,503,036	4,895,649	5,680,166	9,757,131	3,701,081	7,331,259	7,989,830	7,691,140	7,951,604	9,032,781	9,329,843
Capital Improvement Program											
100139 Financial System Upgrade (Closed)	14,004										
100885 ERP Implementation Extension		110,713	44,175								
100947 CGI Budget Software (Closed)		267,310	299,161		104,809	104,809					
100974 Fiber Network Infrastructure			167,365								
101025 2017 Oracle Upgrade (Closed)			231,026		293,999	293,999					
Total CIP	14,004	378,023	741,727		398,808	398,808					
Total Expenditures and CIPS	4,517,040	5,273,672	6,421,893	9,757,131	4,099,888	7,730,066	7,989,830	7,691,140	7,951,604	9,032,781	9,329,843
Fund Balance Calculation											
Beginning Fund Balance	3,701,754	5,087,690	5,737,268	4,288,091	4,288,091	4,288,091	2,962,033	2,061,523	1,124,699	1,578,710	1,137,069
Net Increase (decrease)	1,408,591	684,203	(1,481,107)	(3,321,863)	996,024	(1,326,058)	(900,510)	(936,824)	454,011	(441,641)	(548,239)
CAFR Adjustment	(22,655)	(34,625)	31,930								
Ending Fund Balance	5,087,690	5,737,268	4,288,091	966,228	5,284,115	2,962,033	2,061,523	1,124,699	1,578,710	1,137,069	588,830

Note 1: Operating expenses in Projected Fiscal Years are increased by 3% each year except for 17810 which is based on a replacement schedule

Workers' Compensation Fund (5320)
FY 18-19 Budget

	Actual FY 13-14	Actual FY 14-15	Actual FY 15-16	Actual FY 16-17	Budget FY 17-18	Proposed FY 18-19	Projected FY 19-20
Beginning Fund Balance	10,007,396	10,138,253	11,071,046	9,853,312	4,646,231	4,002,660	3,388,033
Revenues	4,396,391	3,298,197	3,395,116	2,219,728	4,464,081	4,654,038	6,463,944
Expenses	4,268,967	2,956,779	4,934,653	6,575,360	5,107,652	5,268,665	5,268,665
CAFR Adjustment	3,433	591,375	321,803	(851,449)			
Ending Fund Balance	10,138,253	11,071,046	9,853,312	4,646,231	4,002,660	3,388,033	4,583,312
Reserve as % of Op Exp	237%	374%	200%	71%	78%	64%	87%

Glossary

ABATEMENT

A complete or partial cancellation of a levy imposed by a government and usually applied to tax levies, special assessments and service charges.

ACCOUNTING SYSTEM

The total structure of records and procedures which discover, record, classify, summarize, and report information on the financial position and the results of operations of a government or any of its funds, fund types, balanced account groups, or organizational components.

ALLOCATION

To divide or share out for a specific purpose or to particular persons or departments.

APPROPRIATION

An authorization granted by a legislative body to make expenditures and incur obligations for a specific purpose. An appropriation is usually limited in amount and as to time when it may be expended. Operational appropriations usually expire at fiscal year end.

ASSESSED VALUATION

A value of real estate or other property by a government as a basis for levying taxes.

ASSETS

A probable future economic benefit obtained or controlled by a particular entity as a result of past transactions or events.

BOND

A City may raise capital by issuing a written promise to pay a specific sum of money, called the face value or principal amount, at a specified date or dates in the future, together with periodic interest at a special rate. The difference between a note and a bond is that the latter runs for a longer period of time and requires greater legal formality.

BUDGET

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term usually indicates a financial plan for a single fiscal year.

BUDGET HEARING

A public meeting at which any citizen may appear and be heard regarding the increase, decrease or omission of any item in the proposed budget as presented in writing by the City Manager to the City Council.

BUDGET MESSAGE

A general discussion of the proposed budget as presented in writing by the City Manager to the City Council. The message contains an explanation of primary budget issues and policy changes found in the proposed budget.

CAPITAL IMPROVEMENT

A permanent addition to the City's assets, including the design, construction, or purchase of land, buildings, or facilities, or major renovations.

CAPITAL IMPROVEMENT PROGRAM BUDGET

A financial plan of proposed capital improvement projects with single and multiple-year capital expenditures. These include the construction of new streets, sewer lines, fire stations, development of a new park, or a significant study with long-term benefits to the Community. The Capital Program plan is a ten-year plan, which is updated annually. This program is often referred to as the "CIP".

CAPITAL OUTLAY

A budget category which includes all equipment having a unit cost of more than \$5,000 and an estimated useful life of over one year. Non-CIP capital outlay is budgeted in the City's operating budget.

CONTINGENCIES

A budgetary provision representing that portion of the appropriations set aside to meet unforeseen expenditure requirements.

CPI

Consumer price index is a statistical measure of a weighted average of prices of a specified set of goods and services purchased by wage earners in urban areas.

DEBT SERVICE

Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes, or other long-term debt.

DEPARTMENT

A major organizational unit of the City that has been assigned overall management responsibility for a group of related operations.

DEPRECIATION

Expiration in the service life of fixed assets, attributable to normal wear and tear. The portion of the cost of a fixed asset which is charged as an expense during a particular accounting period. In accounting for depreciation, the cost of a fixed asset, less any salvage value is prorated over the estimated service life of such an asset. Each period is charged a portion of this total cost. Through this process, the entire cost of the asset is ultimately charged off an expense.

ENCUMBRANCE

Obligations in the form of purchase orders, contracts, or salary commitments which are chargeable to an appropriation and for which a part of the appropriation is reserved.

ENTERPRISE FUND

A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The rate schedules for these services are established to insure that revenues are adequate to meet all necessary expenditures. Enterprise funds are established for services such as water and sewer, parking facilities, transit systems, airport, and golf courses.

EXPENDITURE

Actual cash disbursements for the cost of goods delivered or services rendered.

FISCAL YEAR

The time period designated by the City signifying the beginning and ending dates for recording financial transactions. The City of Modesto has specified July 1 to June 30 as its fiscal year.

FIXED ASSETS

Assets of a long-term character such as land, building, machinery, furniture, and other equipment with a value greater than \$1,000 and a useful life longer than one year.

FORFEITURES

The automatic loss of cash or other property as a penalty for not complying with legal provisions and as compensation for any resulting damages or losses.

FRANCHISE

A special privilege granted by a government, permitting the continued use of public property, such as city streets and usually involving the elements of a monopoly or regulation.

FUNCTION

A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., general government; streets and highways; parks and recreation; public works and public safety).

FUND BALANCE

Also known as financial position, fund balance is the excess of assets over liabilities, and represents the cumulative effect of revenues and other financing sources over expenditure and other financing uses.

FUND

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are

segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

GENERAL FUND

The primary operating fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. Examples of departments financed by the General Fund include the City Council, Police and Fire Departments, and others general services.

GENERAL FUND DISCRETIONARY REVENUE

The General Fund is the primary operating fund of the City. It accounts for normal, recurring activities traditionally associated with government. General Fund discretionary money is revenue not restricted to special purposes such as collected fees, interfund labor charges, service credits, and indirect cost recoveries and can be used to support general government activities.

GENERAL OBLIGATION BOND

Bonds used for various purposes and repaid by the regular revenue raising powers of the City. The City of Modesto has no outstanding general obligation bonds.

GNP

Gross National Product is the total market value of all final goods and services produced by the entire economy in a one-year period.

GRANT

Contributions or gifts of cash or other assets from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is the Community Development Block Grant given by the Federal Government.

INDIRECT COSTS

Those elements of cost necessary in the production of a good or service that are not directly traceable to the product or service.

INTERFUND TRANSFERS

Amounts transferred from one fund to another.

INTERNAL SERVICE FUND

Funds used to account for the financing of goods or services provided by one department to another department on a cost reimbursement basis, for example; the Fleet Management Fund, which maintains the City's equipment pool; or the Central Services Fund, which provides office supplies and various materials for maintenance and construction.

NET DISCRETIONARY SUPPORT

Total operational costs after taking into account related fees and charges and other revenue. This represents the true general tax support for an operation.

OPERATING BUDGET

The portion of the budget pertaining to the daily operations that provide basic governmental services. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel and fuel.

ORDINANCE

A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An ordinance has a higher legal standing than a resolution.

PERFORMANCE MEASURES

A performance measure is a public oriented measure which, whether stated in terms of effectiveness or efficiency, quantitatively describes how well a service is being performed. The foundation of performance measures is understanding the relationship between program inputs, outputs, efficiency, effectiveness, and ultimately program outcomes.

RECESSION

A noticeable drop in the level of business activity.

REIMBURSEMENT

Repayments of amounts remitted on behalf of another party, or interfund transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it but properly applied to another fund.

RESERVE

An account used to earmark a portion of fund balance to indicate that it is not available for expenditure.

RESOLUTION

A special order of the City Council which has a lower legal standing than an ordinance.

RETAINED EARNINGS

An equity account reflecting the accumulated earning of an enterprise or internal service fund.

REVENUE

Funds that the government receives as income. It includes such items as taxes, fees, permits, licenses, grants and interest.

SPECIAL ASSESSMENT

A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

SPECIAL REVENUE FUND

A fund in which revenue is collected and is restricted by the City, State or Federal Government as to how the city might spend its resources.

SUBSIDY

A grant by government to another government entity to assist in an enterprise deemed advantageous to the public.

TAXES

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. The term does not include specific charges made against particular persons or property for permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges as, for example, water service charges.

TRUST AND AGENCY FUNDS

Also known as Fiduciary Fund Types, these funds are used to account for assets held by the City in a trustee capacity or as an agent for private individuals, organizations, or other governmental agencies. The fiduciary funds used by the City are investment trust, non-expendable trust and agency funds.

USER CHARGES

The payment of a fee for direct receipt of a public service by the party benefiting from the service.

WORKING CAPITAL

Also known as "financial position" in the private sector, working capital is the excess of current assets over current liabilities. For enterprise funds, this term is used interchangeably with "fund balance", a comparable financial position concept in the governmental fund types.

Position Allocation Summaries

City of Modesto Position Allocation Decreases Due to Reductions
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Department	FY 17-18 Current Modified	FY 18-19 Proposed	FY 18-19 Changes
City Council	8.00	8.00	0.00
City Manager	13.00	12.00	-1.00
Human Resources	19.00	20.00	1.00
City Attorney	8.00	8.00	0.00
City Clerk	5.00	5.00	0.00
Auditor	2.00	2.00	0.00
Information Technology	37.00	37.00	0.00
Finance	54.00	58.00	4.00
Community & Economic Development	81.00	74.00	-7.00
Fire Department	152.00	152.00	0.00
Police Department	332.50	334.50	2.00
Parks, Recreation & Neighborhoods	17.50	53.50	36.00
Public Works	211.80	188.80	-23.00
Utilities Department	274.00	275.00	1.00
Joint Power Agency	6.00	6.00	0.00
Total	1,220.800	1,233.800	13.000

City of Modesto Position Allocation by Fund

Fund	FY 17-18 Current Modified	FY 18-19 Proposed	FY 18-19 Changes
General Fund (0100)	635.00	644.00	9.00
Grants - CDBG Direct Program (1130)	8.00	10.00	2.00
Community System of Care (1185)	2.00	2.00	0.00
Capital Improvement Support (1300)	5.00	29.00	24.00
Grants - Operation Grants Reimbursed (1341)	9.00	9.00	0.00
Grants - Police (1342)	12.00	12.00	0.00
Traffic Offender Fund (1610)	1.00	1.00	0.00
Surface Transportation Fund (1700)	54.00	50.00	-4.00
Infrastructure Financing Program Administration (3220)	8.00	8.00	0.00
Parking Fund (4000)	6.00	6.00	0.00
Water Fund (4100)	134.00	135.00	1.00
Sewer Operations Fund (4210)	158.00	140.00	-18.00
Airport Operating Fund (4310)	6.00	6.00	0.00
Storm Drainage Fund (4480)	8.00	8.00	0.00
Bus Service Fund - DAR (4520)	1.00	1.00	0.00
Bus Fixed Route Max Operations Fund (4540)	23.00	23.00	0.00
Community Center Operations Fund (4700)	5.00	5.00	0.00
Compost Fund (4890)	9.00	9.00	0.00
Solid Waste Fund (4891)	9.80	9.80	0.00
Green Waste Fund (4892)	39.00	39.00	0.00
Mail Services ISF Fund (5120)	2.00	2.00	0.00
Information Technology Fund (5230)	37.00	37.00	0.00
Insurance - Administration Fund (5310)	5.00	5.00	0.00
Fleet Management Fund (5400)	26.00	26.00	0.00
Employee Benefits Administration Fund (5520)	2.00	2.00	0.00
P/R Building Services Fund (5800)	6.00	7.00	1.00
10th Street Place Building Services (5810)	2.00	2.00	0.00
JPA - Stanislaus Drug Enforcement Agency (6600)	8.00	6.00	-2.00
Total	1,220.800	1,233.80	13.00

Recommended Budget Principles

1. Annually Adopt a Structurally Balanced Budget

A structurally balanced budget means on-going revenues and on-going expenditures are in balance with on-going revenues meeting or exceeding expenditures during the same time period. If a structural imbalance occurs, a plan must be developed and implemented to bring the budget back into balance.

2. Use of One-Time Resources

Once brought into balance, one-time revenues (excess reserves about reasonable risk calculations, revenue spikes, prior year budget savings, sale of property, etc) shall not be used for current or new on-going operating costs. Examples of appropriate uses of one-time revenues include early retirement of debt, capital expenditures without significant operating or maintenance costs, and other non-reoccurring expenditures.

3. Budget Revisions

New programs, services, or staffing requests are considered in light of the Council's priorities and shall include a spending offset at the time of the request so that the request has a net-zero impact on the budget.

4. Reserves

All City funds must maintain an adequate reserve level and/or ending fund balance as determined annually as appropriate for each fund. For the General Fund, the contingency reserve amount, which is a flat \$7 million, shall be maintained. Any use of the General Fund contingency reserve will require a majority vote of the Council.

5. Debt Issuance

Long-term General Fund debt will not be incurred to support on-going operating costs (other than debt service) unless such issuance achieves net operating cost savings and such savings can be independently verified. All General Fund debt issuances shall identify a method of repayment or have a dedicated revenue source.

6. Employee Compensation

Recognizing that employees are the City's major resource, negotiations for employee compensation shall focus on the total compensation costs (e.g. increases in salary, steps, and benefit costs) while considering the City's fiscal condition, revenue growth, and changes in the cost of living.

7. Capital Improvement Projects

Capital Improvement Projects shall not proceed for projects with annual operating and maintenance costs in the General Fund without City Council certification that funding will be available in the applicable year of the cost impact. Certification shall demonstrate that the entire cost of the project, including operating and maintenance costs, will not require a decrease in the City's core services.

8. Fees and Charges

The development of fees and fee increases shall be utilized where appropriate to assure fee program costs are fully recovered by fee revenue.

9. Grants

Staff will seek out, apply for, and effectively administer grants that address the City's priorities, policy objectives, and provide an overall positive benefit to the City. Before a grant is pursued, staff shall provide a detailed fiscal analysis addressing both the immediate and long-term costs and benefits of the grant. With the exception of pilot projects, one-time grant revenues shall not be used to begin or support the costs of on-going programs.

10. General Plan

The General Plan is the primary long-term fiscal planning tool. Recommendations to create new development capacity beyond the existing General Plan shall be analyzed to ensure that capital improvements and operating/maintenance costs are within the City's financial capabilities.

11. Performance Measurement

All requests for funding shall include performance measure data so funding requests can be reviewed and approved in light of anticipated service level outcomes.

City of Modesto Financial Policies

1. Budget Adoption Level: The city wide, legally adopted level for the budget of any program is by department at the Fund level.
2. General Fund Reserve: The Council has established the unappropriated reserve's minimum level to be 8% of the current appropriations for operating expenditures and operating transfers-out.
3. Forecasting Model: For the General, Enterprise, Internal Service and Capital Project and other major funds the Finance Department will maintain either a 5 or 10-year financial forecasting model to assess the City's ability to respond to changes in anticipated revenue levels, capital improvement program needs and changes proposed in operating costs. (The use of a 5 or 10-year model will depend on the conditions that apply to each fund.)
4. Enterprise Funds and other Non-General Fund Operations: These activities should be self-supporting and should maintain reserve levels that are adequate to protect against fluctuations in revenue and expenditure levels. Activities that deviate from this requirement shall be identified for the City Council annually at the time of budget adoption. Exempt from this requirement are those funds that account solely for grant funds.
5. Inter-fund Loans and Loans to Component Units: Loans between funds and loans to other component units of the city should be considered in light of a multi-year business plan that demonstrates a reasonable ability to repay the loan. All inter-fund loans and loans to component units, either existing or proposed, shall be identified for the City Council at the time of budget adoption. Generally, inter-fund loans and loans to component units shall be established with a repayment deadline that reflects the earliest feasible opportunity for repayment of the loan. Interest rates charged on the loan shall be based on the actual rate of return earned by the City's investment portfolio during the 12-month period immediately preceding a payment date.
 - a. Note that the terms and conditions for existing loans between the City and the former Redevelopment Agency are governed by one or more separate resolutions adopted at the time the loans were approved and are subject to the laws put into place by recent redevelopment dissolution legislation passed by the State of California.
6. Interest Allocation: Interest shall be allocated quarterly to all funds based on their average monthly balances during each quarter.
7. Direct Charges between Funds: Costs charged between funds, such as force-account labor and other direct costs shall be charged on the basis of actual cost and not on the budgeted amount, unless a separate contract exists between the

managers of the two programs allowing the use of the budgeted amount as the basis for the charge.

8. Inter-fund Transfers: Unless direction is given at the time an inter-fund transfer is approved that the amount to be transferred between funds is not subject to adjustment based on a share of cost formula, all inter-fund transfers shall be based upon the sending fund's pro rata share of any project costs or other obligation that is the basis for the transfer. Therefore, a reconciliation of the share of costs allocable to the fund(s) from which resources are to be transferred shall be performed prior to the year-end closing of the city's financial records and shall become the basis for determining the actual amount of any resources to be transferred. It is the intent of this policy that any transfers designed to provide a subsidy to the operations of another fund shall not exceed the amount needed to provide sufficient resources to make revenues equal expenditures unless other direction is provided by the City Council.

All inter-fund transfers and their purpose shall be identified to the Council annually, at the time of the budget adoption.

9. Multi-year Appropriations: Appropriations for certain grants and on-going Capital Improvement Program projects that were authorized in previous years and that are not fully expended shall be deemed valid until revoked. Appropriations related to certain developer-funded expenditures may also be treated as multi-year appropriations.
10. Fund Replacement Reserves: In order to provide future resources for the replacement or repair of depreciable assets, each fund shall establish a list of depreciable assets, including useful lives and replacement costs that will determine the amount to be set-aside annually to allow the timely replacement or repair of these assets. Each program manager shall also establish a plan for funding the reserve and shall disclose the adequacy of the reserve level annually to the City Council as part of the annual budget adoption process.
11. Budget Adjustment Authority: Any adjustment that would appropriate any amount from the General Fund Emergency Reserves must receive Council approval to be appropriated. The authority to approve any other type of budget adjustment in the amount of \$25,000 or less is delegated to the Director of Finance. The authority to approve any other type budget adjustment between \$25,001 and \$50,000 is delegated to the City Manager. Authority for any budget adjustment over \$50,000 is delegated to the parties shown below with the exception of the General Fund Emergency Reserves appropriation:
 - a. City Council
 - i. Appropriation of undesignated reserves
 - ii. Appropriation of new revenues
 1. Does not include Developer Payments

Exhibit 5 - FY 2018-19 City of Modesto Financial Policies

- iii. Budgeting inter-fund transfers
 - 1. Does not include adjustments to budgeted transfers where the intent is to subsidize an enterprise operation as shown in item (v) under the City Manager's budget adjustment authority
- iv. Creation of inter-fund loans
- v. Creation of, or increase in, any multi-year appropriation except for the allocation of interest
- vi. Addition of permanent staff positions
- vii. Appropriation of payments for new indebtedness including operating leases
- viii. All other budgetary actions not delegated to another official

City Manager

- i. Transfer appropriations between departments within a fund
- ii. Changing any capital equipment appropriation
- iii. Appropriate reserves for litigation on a case-by-case basis
- iv. Adjust operating program appropriation levels at his/her discretion to maintain the required 8% reserve level and any reserve levels for non-GF funds
- v. Adjustments to Inter-fund transfers intended to balance enterprise fund operations where the cumulative total of any adjustment does not increase the original City Council approved appropriation by more than \$50,000
- vi. Appropriate Developer Payments not previously budgeted
 - 1. Annexation Deposits
 - 2. Special District Formation Deposits
 - 3. Developer Deposits to be recognized as revenue

b. Director of Finance

- i. Appropriate unbudgeted grant interest
- ii. Revise the allocation of Internal Service Fund charges between departments, provided that the total allocated amount does not increase (any such changes to the allocation shall not result in an increase or decrease to the total amount of discretionary appropriations provided to the affected departments)
- iii. Changing any CIP line item appropriation
- iv. Revoke multi-year appropriations
- v. Close Capital Improvement Program or Non-Capital projects
- vi. Make technical budget corrections to implement the intent of Council-approved actions and resolutions
- vii. Transfer fiscal appropriations between sub-funds of a single fund (except where this changes appropriation amounts for temporary agency labor and/or capital equipment purchases over \$5,000)

- c. Department Director
 - i. Transfer appropriations within a department, within a single fund (excludes appropriations related to capital equipment, capital improvement program)
 - ii. Acting as a designee of the City Manager, the Parks, Recreation, & Neighborhoods Director shall be authorized to appropriate private donations or grants made to the Fund Development Program of the Parks, Recreation, & Neighborhoods Department for specified purposes up to \$25,000

12. Fund Balance Information Requirements: The requirements of GASB Statement No. 54 are intended to enhance the usefulness, including the understandability, of fund balance information, in the financial statements. The City will spend the most restricted dollars before less restricted, given equal eligibility, in the following order:

Non-Spendable – if funds become spendable (inventories, prepaid amounts)
Restricted (grants, bond proceeds)
Committed (capital acquisitions, pending projects)
Assigned (purchase orders, encumbrances)
Unassigned (residual fund balance after deducting the other fund balance categories)



Ted Brandvold, Mayor
City of Modesto
1010 Tenth Street, Suite 6200
Modesto, CA 95354
tbrandvold@modestocalifornia.com

Mayor's Final Budget Modifications

June 8, 2018

As Mayor, I have the duty to prepare and deliver to the City Council the Mayor's Final Budget Modifications for the draft budget under Modesto City Charter Section 1303.

Under our City Charter, the Mayor has specific duties related to the budget such as this message.

I would like to thank City Manager Joe Lopez and the City staff for their efforts in this budget process. Due to their hard work, the City Manager and I were able to present another balanced budget for the City Council workshops which achieved our goal of increasing our budget reserves. This year's budget process required us to close a \$17,380,000.00 gap between expected revenues and the budget requests from City departments. In addition, we had to fund the initial wave of increased monies we are having to send to Sacramento to offset our pension liabilities: \$3,700,000 for this year alone.

Even in these rough waters, the City Council, working with our City Manager and City staff, have been able to achieve the primary goal of my Budget Message earlier this year: increasing our General Fund budget reserve in an effort to meet the minimum recommended by the Government Finance Officers Association ("GFOA"). When I took office, the City's General Fund reserve was at approximately \$3,000,000. In the years since taking office, we have been able to build the General Fund reserve to its current level of approximately \$18,300,000, which our City Manager calculates nearly meets the GFOA recommended minimum General Reserve fund balance. If we realize any future year-end excess funds, the City Manager and I recommend that these excess funds be distributed equally among: the General Fund reserve; funding a pension liability trust; and increasing our deferred maintenance funds.

I do repeat my recommendation from my earlier Budget Message that the City Council establish a written formal policy for the General Fund budget reserves. As I wrote then:


GFOA also "recommends that governments establish a formal policy on the level of unrestricted fund balance that should be

maintained in the general fund for GAAP and budgetary purposes." I believe the City would benefit from such a formal policy and I have attached a copy of the GFOA's statement on General Fund reserves for consideration by the City Council and our citizens."

I am always open to better ideas on how to achieve our goals and will always be happy to receive any input from you: the City Council members entrusted by the citizens and taxpayers with these important decisions. As always, I welcome additional input from City staff, members of the 100-Day Committee, and any other concerned citizen, taxpayer, or group in our community.

I continue to remain confident that by working together, the City Council, our City Manager, all City employees, the 100-Day Committee and all concerned citizens and taxpayers we can achieve long-term financial sustainability of our City for our taxpayers and for city operations.

With respect,

A handwritten signature in black ink, appearing to read 'Ted Brandvold', with a large, stylized loop at the end.

Ted Brandvold, Mayor
City of Modesto



Government Finance Officers Association

BEST PRACTICE

Fund Balance Guidelines for the General Fund

BACKGROUND:

In the context of financial reporting, the term *fund balance* is used to describe the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP). Budget professionals commonly use this same term to describe the net position of governmental funds calculated on a government's budgetary basis.¹ While in both cases *fund balance* is intended to serve as a measure of the financial resources available in a governmental fund; it is essential that differences between GAAP *fund balance* and budgetary *fund balance* be fully appreciated.

1. GAAP financial statements report up to five separate categories of fund balance based on the type and source of constraints placed on how resources can be spent (presented in descending order from most constraining to least constraining): *nonspendable fund balance*, *restricted fund balance*, *committed fund balance*, *assigned fund balance*, and *unassigned fund balance*.² The total of the amounts in these last three categories (where the only constraint on spending, if any, is imposed by the government itself) is termed *unrestricted fund balance*. In contrast, budgetary fund balance, while it is subject to the same constraints on spending as GAAP fund balance, typically represents simply the total amount accumulated from prior years at a point in time.
2. The calculation of GAAP fund balance and budgetary fund balance sometimes is complicated by the use of sub-funds within the general fund. In such cases, GAAP fund balance includes amounts from all of the subfunds, whereas budgetary fund balance typically does not.
3. Often the timing of the recognition of revenues and expenditures is different for purposes of GAAP financial reporting and budgeting. For example, encumbrances arising from purchase orders often are recognized as expenditures for budgetary purposes, but never for the preparation of GAAP financial statements.

The effect of these and other differences on the amounts reported as *GAAP fund balance* and *budgetary fund balance* in the general fund should be clarified, understood, and documented.

It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates.

In most cases, discussions of fund balance will properly focus on a government's general fund. Nonetheless, financial resources available in other funds should also be considered in assessing the adequacy of unrestricted fund balance in the general fund.

RECOMMENDATION:

GFOA recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for GAAP and budgetary purposes.³ Such a

guideline should be set by the appropriate policy body and articulate a framework and process for how the government would increase or decrease the level of unrestricted fund balance over a specific time period.⁴ In particular, governments should provide broad guidance in the policy for how resources will be directed to replenish fund balance should the balance fall below the level prescribed.

Appropriate Level. The adequacy of unrestricted fund balance in the general fund should take into account each government's own unique circumstances. For example, governments that may be vulnerable to natural disasters, more dependent on a volatile revenue source, or potentially subject to cuts in state aid and/or federal grants may need to maintain a higher level in the unrestricted fund balance. Articulating these risks in a fund balance policy makes it easier to explain to stakeholders the rationale for a seemingly higher than normal level of fund balance that protects taxpayers and employees from unexpected changes in financial condition. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.⁵ The choice of revenues or expenditures as a basis of comparison may be dictated by what is more predictable in a government's particular circumstances.⁶ Furthermore, a government's particular situation often may require a level of unrestricted fund balance in the general fund significantly in excess of this recommended minimum level. In any case, such measures should be applied within the context of long-term forecasting, thereby avoiding the risk of placing too much emphasis upon the level of unrestricted fund balance in the general fund at any one time. In establishing a policy governing the level of unrestricted fund balance in the general fund, a government should consider a variety of factors, including:

1. The predictability of its revenues and the volatility of its expenditures (i.e., higher levels of unrestricted fund balance may be needed if significant revenue sources are subject to unpredictable fluctuations or if operating expenditures are highly volatile);
2. Its perceived exposure to significant one-time outlays (e.g., disasters, immediate capital needs, state budget cuts);
3. The potential drain upon general fund resources from other funds, as well as, the availability of resources in other funds;
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds;
5. Commitments and assignments (i.e., governments may wish to maintain higher levels of unrestricted fund balance to compensate for any portion of unrestricted fund balance already committed or assigned by the government for a specific purpose). Governments may deem it appropriate to exclude from consideration resources that have been committed or assigned to some other purpose and focus on unassigned fund balance, rather than on unrestricted fund balance.

Use and Replenishment.

The fund balance policy should define conditions warranting its use, and if a fund balance falls below the government's policy level, a solid plan to replenish it. In that context, the fund balance policy should:

1. Define the time period within which and contingencies for which fund balances will be used;
2. Describe how the government's expenditure and/or revenue levels will be adjusted to match any new economic realities that are behind the use of fund balance as a financing bridge;
3. Describe the time period over which the components of fund balance will be replenished and the means by which they will be replenished.

Generally, governments should seek to replenish their fund balances within one to three years of use. Specifically, factors influencing the replenishment time horizon include:

1. The budgetary reasons behind the fund balance targets;
2. Recovering from an extreme event;
3. Political continuity;
4. Financial planning time horizons;
5. Long-term forecasts and economic conditions;
6. External financing expectations.

Revenue sources that would typically be looked to for replenishment of a fund balance include nonrecurring revenues, budget surpluses, and excess resources in other funds (if legally permissible and there is a defensible rationale). Year-end surpluses are an appropriate source for replenishing fund balance.

Unrestricted Fund Balance Above Formal Policy Requirement. In some cases, governments can find themselves in a position with an amount of unrestricted fund balance in the general fund over their formal policy reserve requirement even after taking into account potential financial risks in the foreseeable future. Amounts over the formal policy may reflect a structural trend, in which case governments should consider a policy as to how this would be addressed. Additionally, an education or communication strategy, or at a minimum, explanation of large changes in fund balance is encouraged. In all cases, use of those funds should be prohibited as a funding source for ongoing recurring expenditures.

Notes:

1. For the sake of clarity, this recommended practice uses the terms GAAP fund balance and budgetary fund balance to distinguish these two different uses of the same term.
2. These categories are set forth in Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.
3. Sometimes restricted fund balance includes resources available to finance items that typically would require the use of unrestricted fund balance (e.g., a contingency reserve). In that case, such amounts should be included as part of unrestricted fund balance for purposes of analysis.
4. See Recommended Practice 4.1 of the National Advisory Council on State and Local Budgeting governments on the need to "maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary revenue shortfalls or unpredicted one-time expenditures" (Recommended Practice 4.1).
5. In practice, a level of unrestricted fund balance significantly lower than the recommended minimum may be appropriate for states and America's largest governments (e.g., cities, counties, and school districts) because they often are in a better position to predict contingencies (for the same reason that an insurance company can more readily predict the number of accidents for a pool of 500,000 drivers than for a pool of fifty), and because their revenues and expenditures often are more diversified and thus potentially less subject to volatility.
6. In either case, unusual items that would distort trends (e.g., one-time revenues and expenditures) should be excluded, whereas recurring transfers should be included. Once the decision has been made to compare unrestricted fund balance to either revenues and/or expenditures, that decision should be followed consistently from period to period.

*This best practice was previously titled *Appropriate Level of Unrestricted Fund Balance in the General Fund*.*

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-244**

**RESOLUTION AMENDING THE POSITION ALLOCATION FOR FISCAL
YEAR 2018-19 AS ADOPTED IN THE OPERATING BUDGET.**

WHEREAS, a Position Allocation for the City of Modesto was adopted by Modesto City Council on June 27, 2017, as part of the Annual Budget of the City of Modesto for Fiscal Year 2017-2018, and

WHEREAS, classification studies are conducted to ensure that a classification system is equitable and consistent within an organization and that positions are correctly classified, and

WHEREAS, per Personnel Administrative Order 2.2-87-12, a classification study may be conducted in response to a reclassification request, to develop/revise a classification specification, or to assist in a reorganization, and

WHEREAS, classification studies were conducted by Human Resources to determine appropriate classification, and

WHEREAS, position changes will be effective the pay period in which July 1, 2018 falls, (Pay Period beginning June 26, 2018), and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Position Allocation and the Fiscal Year 2018-19 Operating Budget for various departments as follows:

1. Reallocate one (1) Executive Assistant in the City Auditor Division of the City Auditor's Office to one (1) Auditor I/II position in the City Auditor Division of the City Auditor's Office.

2. Move one (1) Executive Assistant in the Administration Division of the City Manager Office to the Administration Division of the Information Technology Department.
3. Move one (1) Administrative Analyst I/II in the Budget Division of the City Manager Office to the Administration Division of the Police Department.
4. Freeze two (2) Deputy City Manager positions for five (5) months in the Administration Division of the City Manager Office.
5. Add one (1) Management Analyst in the Administration Division of the City Manager Office.
6. Freeze one (1) Business Manager in the Administration Division of the Community & Economic Development Department.
7. Eliminate one (1) Senior Planner in the Planning Division of the Community & Economic Development Department.
8. Reallocate one (1) Associate Planner in the Planning Division of the Community & Economic Development Department to one (1) Business Analyst in the Administration Division of the Community & Economic Development Department.
9. Add one (1) Code Enforcement Officer I/II - NPU in the Neighborhood Preservation Division of the Community & Economic Development Department.
10. Add one (1) Assistant City Engineer in the Transportation Engineering & Design Division of the Community & Economic Development Department.

11. Add one (1) Administrative Analyst I/II in the Transportation Engineering & Design Division of the Community & Economic Development Department.
12. Add one (1) Senior Buyer in the Purchasing Division of the Finance Department.
13. Add three (3) Buyer positions in the Purchasing Division of the Finance Department.
14. Add one (1) Financial Analyst I/II in the Utilities and Collections Division of the Finance Department.
15. Eliminate one (1) Customer Services Manager in the Customer Services Administration Division of the Finance Department.
16. Reallocate one (1) Customer Services Supervisor in the Licensing Division of the Finance Department to one (1) Customer Services Manager in the Licensing Division of the Finance Department.
17. Reallocate one (1) Customer Services Supervisor in the Utilities and Collections Division of the Finance Department to one (1) Customer Services Manager in the Utilities and Collections Division of the Finance Department.
18. Freeze one (1) Senior Human Resources Analyst in the Administration Division of the Human Resources Department.
19. Freeze five (5) Fire Engineer positions in the Suppression Division of the Fire Department.
20. Add one (1) Assistant Chief of Police in the Administration Division of the Police Department.

21. Reallocate one (1) Police Community Services Officer I/II in the Administration Division of the Police Department to one (1) Police Public Safety Information Coordinator in the Administration Division of the Police Department.
22. Add one (1) Electrician – Traffic and Buildings to the Electrical Division of the Public Works Department.
23. Add one (1) Electrician Assistant I/II/III to the Electrical Division of the Public Works Department.
24. Eliminate one (1) Solid Waste Program Manager in the Solid Waste Management Division of the Public Works Department.
25. Reallocate one (1) Integrated Waste Specialist in the Solid Waste Management Division of the Public Works Department to one (1) Integrated Waste Program Manager in the Solid Waste Management Division of the Public Works Department.
26. Add one (1) Solid Waste Enforcement Supervisor to the Solid Waste Management Division of the Public Works Department.
27. Add one (1) Water Superintendent to the Water Services Administration Division of the Utilities Department.
28. Add one (1) Director of Parks, Recreation and Neighborhoods to the Administration Division of the Parks, Recreation & Neighborhoods Department.
29. Add one (1) Parks Project Coordinator to the Parks Planning & Development Division of the Parks, Recreation & Neighborhoods Department.

30. Reallocate one (1) .75 Recreation Coordinator to one (1) 1.0 Recreation Coordinator in the Sports and Aquatics Services Division of the Parks, Recreation & Neighborhoods Department.
31. Add one (1) Recreation Coordinator to the Sports and Aquatics Services Division of the Parks, Recreation & Neighborhoods Department.
32. Move one (1) Office Supervisor from the Administration Division of the Community & Economic Development Department to the Administration Division of the Parks, Recreation & Neighborhoods Department.
33. Move one (1) Administrative Analyst I/II from the Administration Division of the Community & Economic Development Department to the Administration Division of the Parks, Recreation & Neighborhoods Department.
34. Move one (1) Production Technician from the Centre Plaza Technical Services Division of the Community & Economic Development Department to the Technical Services Division of the Parks, Recreation & Neighborhoods Department.
35. Move two (2) Events Coordinators from the Cultural Services Administration Division of the Community & Economic Development Department to the Cultural Services Administration Division of the Parks, Recreation & Neighborhoods Department.
36. Move one (1) Administrative Office Assistant III from the Cultural Services Administration Division of the Community & Economic Development Department to the Cultural Services Administration Division of the Parks, Recreation & Neighborhoods Department.

37. Move one (1) Building Maintenance Technician from the Cultural Services Administration Division of the Community & Economic Development Department to the Cultural Services Administration Division of the Parks, Recreation & Neighborhoods Department.
38. Move one (1) Cultural Services Program Manager from the Historical Properties Division of the Community & Economic Development Department to the Historical Properties Division of the Parks, Recreation & Neighborhoods Department.
39. Move one (1) **Exhibits** Coordinator from the Historical Properties Division of the Community & Economic Development Department to the Historical Properties Division of the Parks, Recreation & Neighborhoods Department.
40. Move one (1) Events Coordinator from the Convention & Visitors Bureau Division of the Community & Economic Development Department to the Convention & Visitors Bureau Division of the Parks, Recreation & Neighborhoods Department.
41. Move one (1) Administrative Office Assistant III from the Convention & Visitors Bureau Division of the Community & Economic Development Department to the Convention & Visitors Bureau Division of the Parks, Recreation & Neighborhoods Department.
42. Move one (1) Operations Manager from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.

43. Move two (2) Operations Supervisors from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.
44. Reallocate one (1) Operations Supervisor in the Parks Operations Services Administration Division of the Public Works Department to one (1) Facilities Manager and move to the Building Administration Division of the Public Works Department.
45. Move three (3) Parks Maintenance Mechanics from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.
46. Move three (3) Parks Maintenance Crewleaders from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.
47. Move ten (10) Maintenance Worker I/II from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.
48. Add one (1) Maintenance Worker I/II to the Parks Operations Services Administration Division of the Parks Recreation and Neighborhoods Department.

49. Move one (1) Administrative Office Assistant III from the Parks Operations Services Administration Division of the Public Works Department to the Operations Services Administration Division of the Parks, Recreation & Neighborhoods Department.
50. Move one (1) Head Groundskeeper from the Mary Grogan Sports Complex Division of the Public Works Department to the Mary Grogan Sports Complex Division of the Parks, Recreation & Neighborhoods Department.
51. Move one (1) Groundskeeper from the Mary Grogan Sports Complex Division in the Public Works Department to the Mary Grogan Sports Complex Division of the Parks, Recreation & Neighborhoods Department.
52. Move one (1) Maintenance Worker I/II from the Mary Grogan Sports Complex Division of the Public Works Department to the Mary Grogan Sports Complex Division of the Parks, Recreation & Neighborhoods Department.
53. Move two (2) Maintenance Worker I/II from the Tagging Abatement Division of the Public Works Department to the Graffiti Abatement Division of the Parks, Recreation & Neighborhoods Department.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

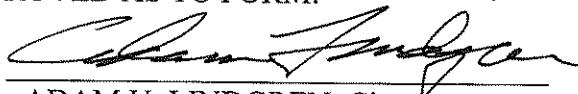
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-245**

**RESOLUTION AMENDING THE CLASSIFICATION PLAN FOR THE CITY OF
MODESTO TO CREATE THE CLASSIFICATIONS OF ASSISTANT CHIEF OF
POLICE, AUDITOR I/II, ASSISTANT CITY ENGINEER, FACILITIES
MANAGER AND SOLID WASTE ENFORCEMENT SUPERVISOR**

WHEREAS, a Position Classification Plan for the City of Modesto was adopted by Modesto City Council Resolution No. 2008-681 pursuant to Rule 2.2 of the Personnel Rules and Regulations of the City of Modesto, and

WHEREAS, the City Manager has recommended to the Council amendments to the Position Classification Plan, and

WHEREAS, Rule 2.2 of the City of Modesto Personnel Rules provides that revisions to the Classification Plan shall be effective upon adoption of resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. CLASSIFICATION PLAN AMENDED. The Position Classification Plan of the City of Modesto is hereby amended to create the classifications of Assistant Chief of Police at salary range 1632, Auditor I at salary range 441, Auditor II at salary range 442, Assistant City Engineer at salary range 454, Facilities Manager at salary range 445, and Solid Waste Enforcement Supervisor at salary range 440.

2. EFFECTIVE DATE. This Resolution shall become effective the pay period in which July 1, 2018 falls, (Pay Period beginning June 26, 2018).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

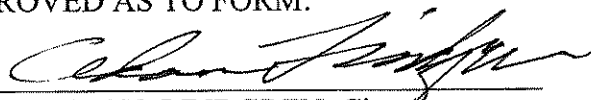
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-246**

RESOLUTION APPROVING THE PAYMENT OF HARDWARE AND SOFTWARE MAINTENANCE SUPPORT AGREEMENTS FOR FISCAL YEAR 2018-2019 FOR AN ESTIMATED ANNUAL COST NOT TO EXCEED \$4,852,275; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ROUTINE RENEWAL AGREEMENTS ASSOCIATED WITH EXHIBIT B

WHEREAS, the City has an ongoing need for maintenance/support agreements for hardware and software assets utilized by the City, and

WHEREAS, the expenditures for maintenance/support agreements have been approved by Council through the budget process, and

WHEREAS, staff requests the approval for payment of invoices presented for Fiscal Year 2018–2019 for an estimated annual cost not to exceed \$4,852,275.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves payment for invoices for various hardware and software maintenance/support agreements from software companies for Fiscal Year 2018-2019 for an estimated annual cost not to exceed \$4,852,275.

BE IT FURTHER RESOLVED, that the Interim City Manager or his designee is hereby authorized to execute routine renewal agreements over \$50,000, as listed on **Exhibit B**, for hardware and software maintenance support during Fiscal Year 2018-2019.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 12th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

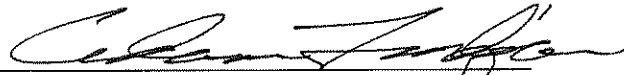
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
	T2 Systems Inc.	Finance - Customer Service	Fund 0100 - General Fund	11/01/17	11/30/22	\$20,790
HDL Business License Software	HDL Software, LLC	Finance - Customer Service	Fund 0100 - General Fund	08/02/17	07/31/18	\$16,712
Bid Management	Planet Bid	Finance - Purchasing	Fund 0100 - General Fund		Evergreen	\$9,032
ePCR - Fire Department patient care reporting system and records management system for advanced life support calls	ZOLL	Fire Department	Fund 0100 - General Fund			\$11,000
TargetSolutions - online training hosting/tracking/recording platform	Target Solutions	Fire Department	Fund 0100 - General Fund			\$13,200
SitStat - emergency operations situational awareness platform and resource alerting system	PSOMAS	Fire Department	Fund 0100 - General Fund			\$35,200
Perfect Mind, Recreation Software, used for Facility Rentals and Program Registrations	Perfect Mind	Parks, Recreation, Neighborhoods	Fund 0100 - General Fund	06/27/17	06/27/22	\$13,466
Includes Genetec Software upgrades - Police Portion of PTZ and Downtown Cameras Annual Maintenance Plan	CELPLAN TECHNOLOGIES	Police Department	Fund 0100 - General Fund	04/03/17	04/02/18	\$45,028
Purchase of INFORM RMS - MPD's new Records Management System including annual maintenance and licensing fees. Year One	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/17	05/01/18	\$640,421
Officer Safety Plan - Evidence.com licensing	AXON ENTERPRISES INC	Police Department	Fund 0100 - General Fund	08/31/16	08/30/21	\$260,754
Annual Maintenance for Geoshield Annual Subscription renewal for 30 users at \$54,000/yr for five years.	CYBERTECH SYSTEMS AND SOFTWARE INC	Police Department	Fund 0100 - General Fund	02/14/17	02/13/22	\$108,900
Renewal of Digital Networks Group Annual Software Maintenance and Support. Video wall Software in the RTCC enables the output of video wall content via IP.	DIGITAL NETWORKS GROUP	Police Department	Fund 0100 - General Fund	12/08/15	12/07/20	\$129,082
Annual Maintenance and Support for Investigatory Tool.	GRAYSHIFT LLC	Police Department	Fund 0100 - General Fund	04/12/19	04/11/20	\$16,500

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual Maintenance and Support Services for UFED 4 PC Ultimate (3 cellebrite devices); Annual SMS for UFED Touch Ultimate (1 device).	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/18	08/30/19	\$15,946
SIRE XML-M Loader/Batch Import Maintenance @ \$399.99; Sire Maintenance @ \$11,090. MPD share of SIRE System	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$12,638
OnBase Annual Maintenance and Support for Local Government Web Server.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$19,646
OnBase Local Government Workflow Concurrent Client SL (20 count) and Annual Maintenance on Workflow Licenses. Additional Lic for MPD RMS.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$4,400
Annual Software (\$6,562.12) and Hardware (\$1,973.24) Maintenance LE Renewal for Imageware. Imageware is a software and hardware system utilized in creating police department employee ID badges.	IMAGEWARE	Police Department	Fund 0100 - General Fund	07/01/19	06/30/20	\$9,389
Annual Maintenance for InTime Solutions Software. Scheduling and payroll system for MPD allows for electronic capture and transfer of data to City's Oracle Payroll system. 21,272/yr. plus tax 1675.17 = \$22,947.17	IN TIME SOLUTIONS	Police Department	Fund 0100 - General Fund	05/17/19	03/06/20	\$25,242
Annual renewal of Lexipol LE Policy Manual Update Subscription; LE Procedures Manual On-Line; LE Management Services. Utilized by MPD to provide online version of Policy Manual, policy manual updates; electronic signature tracking for disbursement to staff and training bulletins.	LEXIPOL	Police Department	Fund 0100 - General Fund	10/01/18	09/30/19	\$37,413
COPLogic DORS Annual Maintenance. On-line reporting system allowing citizens to file police reports online.	LEXIS NEXIS RISK SOLUTIONS	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$15,160
Renewal of Annual Maintenance and Support for the NEC AFIS (Automated Fingerprint Identification System) used by the Police Department to take and send fingerprints to DOJ as part of background process for new applicants.	NEC CORP OF AMERICA	Police Department	Fund 0100 - General Fund	12/26/18	12/25/19	\$8,034

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Renewal of NetMotion Software with two-year premium maintenance for two mobility XE Server SW Licenses for mobile devices (127 MDC's and 1 additional server Police Module. Allows for network communications with the MDC units installed in police vehicles.	Mobile Wireless (for NetMotion Software)	Police Department	Fund 0100 - General Fund	04/01/18	03/30/20	\$13,948
Renewal of PenLink Ltd. proprietary software Annual Maintenance and Support Services Agreements for Collection Maintenance Premium and Analytical Maintenance premiums. This is an investigatory tool used by PD. \$16,010. plus tax	PENLINK LTD	Police Department	Fund 0100 - General Fund	01/01/19	12/31/19	\$18,998
Annual Maintenance on PLX Software upgrade. Investigatory tool used by PD.	PENLINK LTD	Police Department	Fund 0100 - General Fund	06/15/18	06/14/19	\$11,000
Renewal of Predictive Policing Agreement for proprietary software program PREDPOL utilized by MPD Field Operations in identifying hot spots for crime for targeted enforcement operations. Current Agreement will expire on 10/14/2018. Entering into a 3 year Agreement to take advantage of 10% cost savings.	PREDPOL	Police Department	Fund 0100 - General Fund	10/15/18	10/14/21	\$103,950
2019-20 CAD System Maintenance - \$98,981.00; IQ/RMS Interface - \$2,393. Total: 101,374. MPD share of 911 Communications Center	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	04/01/19	03/31/20	\$111,511
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeMapping software. Crime Analyst crime mapping tool.	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	01/10/19	01/09/20	\$2,703
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeView software. Crime Analyst crime mapping tool.	Omega Group now TriTech Software Systems	Police Department	Fund 0100 - General Fund	12/17/13	12/18/18	\$84,538
Annual renewal of Proprietary COPLINK Software licensing and Data Source Integration Maintenance with Forensic Logic. MPD will front costs and invoice Sheriff's Department for 50% of costs. Total Cost to MPD is \$34,489.50.	FORENSIC LOGIC LLC	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$75,877

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual renewal of Tiburon System Annual Maintenance. Stanislaus Regional 911 fronts the full cost and then invoices MPD for its share of costs for the 9-1-1 Communications Center. \$98,981.00	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	05/01/18	05/02/19	\$108,879
Annual Maintenance Fees for Inform RMS	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$100,973
Renewal of IQ Search (251-500) Users One Year Subscription. MPD's Records Management System Licensing	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$10,560
Annual Maintenance and Support Services renewal for Veripic Software. MPD utilizes this software program for digital data storage.	VERIPIC INC	Police Department	Fund 0100 - General Fund	03/01/18	02/28/19	\$9,277
Annual Renewal of ESRI proprietary Small Public Safety Term Enterprise License Agreement. Year 2 of 5 @\$45,000/yr for a total of \$225,000 plus tax \$16,593.75 for a grand total of \$241,594.75. Used for GEO-Shield application in Real Time Crime Center (RTCC).	ESRI INC	Police Department	Fund 0100 - General Fund	05/22/17	05/21/22	\$49,500
	Superion (Formerly H.T.E. and SunGard Public Sector)	Finance - Customer Service	Fund 0100 - General Fund/Fund 4100 - Water Fund	10/01/16	Evergreen	\$88,339
RMS - Fire Department Incident and other uses records management system	ZOLL	Fire Department	Fund 0100- General Fund			\$11,000
ZoomGrants - Online Grant RFP and processing management	Grant Analyst.com, LLC DBA Zoom Grants	CED - Community Development	Fund 1130 - CDBG Administration	03/09/16	03/09/19	\$49,500
Rehab Pro Direct- Online Housing Rehabilitation and Inspection software	Happy Software	CED-Community Development	Fund 1130 - CDBG Housing Rehabilitation	02/03/16	Evergreen	\$5,500
Clinet Track - Online HMIS data entry and analysis software	Eccovia Inc.	CED - Community Development	Fund 1185 HMIS Administration	07/01/17	07/01/20	\$32,935

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Annual Licensing for ArcGIS Geo-Event Server (Windows) Up to four cores, 365-day Term License @ \$6,000/yr; plus ArcGIS Geo-Event Additional Core (up to 32 per server) @\$1,500/yr for a total annual cost of \$7,500/yr. for 5 years for a grand total of \$40,265.62 w/ tax. This is Year 2 of 5. Real Time Crime Center (RTCC); 5-Year Agreement @7,500/yr for a total with tax of \$40,265.63	ESRI INC	Police Department	Fund 1342 - Grants Police	07/28/17	07/27/22	\$8,250
Genetec Enterprise Camera Licensing and Genetec Camera Advantage for 32 cameras. These camera licenses will integrate 32 cameras into the existing Genetec Video Management System owned by the PD	CELPLAN TECHNOLOGIES	Police Department	Fund 1342 - Grants Police	05/01/19	04/30/20	\$10,025
	Superion Click2Gov3	Finance - Customer Service	Fund 4100 - Water Fund	07/01/17	06/30/18	\$42,900
HSQ - CMMS manage and maintain regulatory process data	HSQ	Utilities - Jennings & Sutter Electrical, Maintenance and Operations	Fund 4100 - Water Fund 4210 - Wastewater	11/01/16	10/03/21	\$48,312
LabWorks - LIMS system manage and maintain data base for state reporting	LabWorks	Utilities - Sutter Laboratory	Fund 4210 - Wastewater	08/01/17	07/31/18	\$17,058
Lucity - GIS CMMS - manage and maintain assets and coordinate tracking of sewer calls and maintenance	Lucity	Utilities - Collections	Fund 4210 - Wastewater Fund 4480 - Stormwater	05/01/18	04/30/23	\$66,000
Maintenance Connection (CMMS) - manage and maintain assets and coordinate maintenance of sewer plants	Maintenance Connection	Utilities - Jennings & Sutter Electrical, Maintenance and Operations	Fund 4210 - Wastewater Fund 4480 - Stormwater	04/24/17	04/23/22	\$7,065
IPACS	EnviroTech & Consulting, Inc.	Utilities - Environmental Compliance/Pretreatment	Fund 4210- Wastewater	07/01/13	06/30/18	\$12,733

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
	Selectron Technologies Inc.	Finance - Customer Service	Fund 5230 - Information Technology	11/01/08	Evergreen	\$41,415
Liebert Uninterruptable Power Supply (UPS)	Vertiv	Information Technology	Fund 5230 - Information Technology	11/29/17	11/29/18	\$16,500
IBM - Customer Service - Utility Billing and Accounts Receivable Systems	SPS Var LLC	Information Technology	Fund 5230 - Information Technology	08/17/16	08/16/19	\$247,940
Quantum Scalar - LTO Drives and Library for Backup tape and Offsite Disasater Recovery	Quantum	Information Technology	Fund 5230 - Information Technology	05/21/18	05/20/19	\$26,400
SANs: Commvault	SHI	Information Technology	Fund 5230 - Information Technology	06/08/17	06/07/18	\$25,386
Compellant - Storage Area Network	Solid Networks	Information Technology	Fund 5230 - Information Technology	05/01/14	05/01/19	\$118,800
CGI (PBS) - Budget Software	CGI	Information Technology	Fund 5230 - Information Technology	04/01/16	04/01/26	\$112,200
IVR / IWR	Selectron Technologies Inc.	Information Technology	Fund 5230 - Information Technology	11/01/17	10/31/18	\$41,415
Tidemark Building Permit System	Accela	Information Technology	Fund 5230 - Information Technology	01/01/18	12/31/18	\$39,380
Cisco Smartnet	Sigmanet	Information Technology	Fund 5230 - Information Technology	09/30/15	09/30/18	\$137,500
ESRI - GIS	ESRI	Information Technology	Fund 5230 - Information Technology	05/31/18	05/30/19	\$36,245
Virus Scan (McAfee)	PCMG	Information Technology	Fund 5230 - Information Technology	06/06/17	06/05/18	\$11,644

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Help Desk (Track It)	Taborda Solutions	Information Technology	Fund 5230 - Information Technology	10/15/17	10/14/18	\$9,176
Agenda Plus (Sire)	Hyland	Information Technology	Fund 5230 - Information Technology	05/01/18	04/30/19	\$26,843
Oracle Database	Oracle	Information Technology	Fund 5230 - Information Technology	06/01/18	05/31/19	\$129,497
Manage Engine Desktop	PCMG	Information Technology	Fund 5230 - Information Technology	04/20/18	04/20/19	\$10,272
Forcepoint Security Software	MicroAge	Information Technology	Fund 5230 - Information Technology	12/19/17	12/19/20	\$18,150
Microsoft Enterprise Agreement	Insight	Information Technology	Fund 5230 - Information Technology	05/02/17	05/02/20	\$263,409
AutoCad	DLT	Information Technology	Fund 5230 - Information Technology	08/17/17	08/16/18	\$26,892
Public Stuff	Accela	Information Technology	Fund 5230 - Information Technology	11/16/17	01/11/00	\$47,761
Open Gov	Open Gov	Information Technology	Fund 5230 - Information Technology	12/31/17	12/30/18	\$70,950
Cornerstone - HR - Employee Performance Mgt	Cornerstone	Information Technology	Fund 5230 - Information Technology	11/03/17	11/02/18	\$34,452
Oracle ERP	Oracle	Information Technology	Fund 5230 - Information Technology	Multiple	Multiple	\$281,089
Civic Plus - Website	Civic Plus	Information Technology	Fund 5230 - Information Technology	10/01/15	09/30/18	\$34,209

**Exhibit B - Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	Maintenance Cost Due
Enterprise Camera System Annual Maintenance	Celplan	Information Technology	Fund 5230 - Information Technology			\$71,500
Claims management software and software support for management of general liability claims	JDI		Fund 5330 Liability Insurance	8/17/17	08/16/19	\$167,750
AssetWorks (FA Suite)	AssetWorks	Public Works	Fund 5409 - Fleet	12/01/18	11/30/19	\$33,807
Total						\$4,649,866

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-247**

**RESOLUTION ACCEPTING THE RESIGNATION OF PATRICIA
BRAZELTON AND ALLAN JAMES FROM THE CITY OF MODESTO
CITIZENS' TRANSPORTATION SALES TAX COMMISSION**

WHEREAS, The Citizens' Transportation Sales Tax Commission was established to provide oversight of the collection and spending of tax revenue from any local transportation sales tax, and

WHEREAS, on August 2, 2017, by Resolution No. 2017-291, Patricia Brazelton and Allan James were appointed to the City of Modesto Citizens' Transportation Sales Tax Commission (Commission), and

WHEREAS, for personal reasons, Patricia Brazelton and Allan James are no longer able to serve on the Commission,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto it hereby accepts the resignation of Patricia Brazelton and Allan James from the City of Modesto Citizens' Transportation Sales Tax Commission.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-248**

**RESOLUTION ACCEPTING THE *DESTINATION MODESTO* REPORT FOR
THE THIRD QUARTER OF FISCAL YEAR 2017-18**

WHEREAS, in 2015, the City absorbed the functions of the Convention & Visitor's Bureau within the Community & Economic Development Department and a *Destination Modesto* Task Force was created and provided feedback on the marketing and promoting of travel, tourism and event/sports facilities and entertainment venues in the City, and

WHEREAS, Staff has provided quarterly reports to the Council since October 2015, and

WHEREAS, the reports have been expanded to include activity from the McHenry Mansion, McHenry Museum, all three (3) City-owned golf courses, and City parks, and

WHEREAS, the *Destination Modesto* Report – Third Quarter Fiscal Year 2017-18 continues to record such activity.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the *Destination Modesto* Report – Third Quarter Fiscal Year 2017-18.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

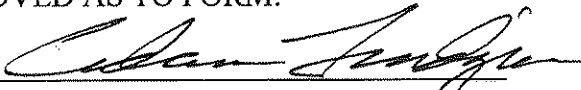
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-249**

**RESOLUTION ESTABLISHING THE FISCAL YEAR 2018-2019
APPROPRIATION LIMIT, INCLUDING THE PRICE AND POPULATION
FACTORS TO BE USED IN THE CALCULATION**

WHEREAS, Proposition IV of the California State Constitution requires the City to establish an appropriation limit calculation each fiscal year, and

WHEREAS, Article XIII B of the California Constitution specifies that appropriations made by state and local governments may increase annually by a factor comprised of the change in population combined with either the change in California per capita personal income or the change in the local assessment roll due to local nonresidential construction, and

WHEREAS, the **attached** schedule shows the preferred price and population factors to be used and the appropriations limit with the recommended factors in calculating the limit are the price factor of “state growth in per capita income” and the population factor of “growth rate in the city limits of Modesto,” and

WHEREAS, a copy of said report is on file with the City of Modesto Finance Department.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that the appropriation limit for fiscal year 2018-2019, including the price and population factors to be used in the calculation, is hereby established as shown on Schedule A, **attached** hereto, and made a part hereof.

BE IT FURTHER RESOLVED, that the Director of Finance, or her designee, is hereby authorized to take the necessary steps to implement the provisions of this

resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

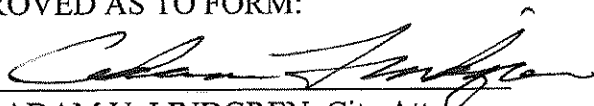
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

SCHEDULE A

FISCAL YEAR 2018-19

PROPOSITION 4

APPROPRIATION LIMIT CALCULATION

FY 2017-2018 Appropriation Limit		\$429,107,417
Adjustment Factors		
Per Capita Personal Income Change	3.69%	
Population Change (Modesto)	0.71%	
Per Capita converted to a ratio	1.0369	
Population converted to a ratio	1.0071	
Calculation of factor for FY 2018-2019	1.0443	
Adjustment		<u>\$19,009,459</u>
FY 2018-2019 Appropriation Limit		<u><u>\$448,116,876</u></u>

Article XIII B places a limit on most, but not all, government revenue sources. The limit applies to appropriations from proceeds of taxes from both the general fund and special funds of government entities. Proceeds of taxes include tax revenues, interest earnings on invested tax revenues, and any revenues collected by a regulatory license fee or user charge in excess of the amount needed to cover the cost of providing the regulation, product, or service.

Appropriations from nontax revenues, including the City's enterprise funds, are not subject to the limit.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-250**

**RESOLUTION APPROVING A FOURTH AMENDMENT TO THE
EMPLOYMENT AGREEMENT WITH STEPHANIE LOPEZ, CITY CLERK,
DATED APRIL 8, 2008 TO INCREASE THE AUTO ALLOWANCE FROM \$400
TO \$500 PER MONTH TO BE CONSISTENT WITH OTHER CHARTER
OFFICERS AND AUTHORIZING THE MAYOR TO EXECUTE THE
AMENDMENT**

WHEREAS on May 13, 2008, by Resolution No. 2008-268, Council approved an Employment Agreement with Stephanie Lopez effective April 8, 2008, and

WHEREAS, on May 27, 2008, by Resolution No. 2008-305, Council approved Charter Officers' Vehicle Allowances in an amount not to exceed five hundred dollars (\$500.00) per month, and

WHEREAS, the Council and Stephanie Lopez desire to amend Section 7.b of the Employment Agreement to reflect an automobile allowance of \$500 monthly effective April 9, 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Fourth Amendment to the Employment Agreement with Stephanie Lopez to reflect a monthly automobile allowance of five hundred dollars (\$500) effective April 9, 2018.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute the Amendment.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

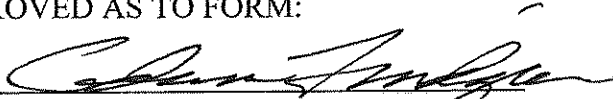
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-251**

RESOLUTION APPROVING THE FOURTH AMENDMENT TO THE AGREEMENT WITH COUNTY OF STANISLAUS FOR THE OPERATION OF GOVERNMENT AND EDUCATIONAL PROGRAMMING ON ACCESSMODESTO COMMUNITY TELEVISION IN THE AMOUNT OF \$35,590 FROM JULY 2, 2018 TO OCTOBER 1, 2018, WITH A TERM THAT WILL AUTOMATICALLY EXTEND ON A RECURRING, MONTH-TO-MONTH BASIS TO OCTOBER 1, 2019 IN AN AMOUNT NOT TO EXCEED \$180,000, FOR A TOTAL AMENDMENT AMOUNT OF \$215,590 AND A TOTAL NOT TO EXCEED \$2,429,890 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, the City of Modesto and County of Stanislaus last amended the Agreement in 2016 to increase the contract amount; and

WHEREAS, the Agreement was to expire on July 1, 2018; and

WHEREAS, the parties have agreed to extend the term of the Agreement for three months in the amount of \$35,590 from July 2, 2018 to October 1, 2018; and

WHEREAS, the term will automatically extend on a recurring month to month basis to October 1, 2019 in an amount not to exceed \$180,000; and

WHEREAS, both parties split the cost of the video broadcasting agreement they have with Final Cut Media, which is the contracted firm that captures and broadcasts the relevant content; and

WHEREAS, the Final Cut Media agreement terminates September 30, 2018; and

WHEREAS, during the coming year, it is the intention of both parties to examine the current technology and service, and to establish a plan of action for the future; and

WHEREAS, the fourth Amendment to the agreement with the County for operation of government and educational programming will allow both agencies to continue sharing the costs of operation through the selection of the next firm for capture

and broadcast of content without having to execute another amendment at the time of the Final Cut Media agreement termination; and

WHEREAS, under this agreement, both parties will expend \$35,590 for three month's service through October 1, 2018; and

WHEREAS, from that point forward, both parties will each expend an amount not to exceed \$15,000 each per month for the remainder of the agreement until a new agreement or amendment is executed, or October 1, 2019, whichever comes first, and

WHEREAS, the total amendment amount is \$215,590 and the new agreement total not to exceed is \$2,429,890.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Fourth Amendment to the Agreement with the County of Stanislaus for the operation of government and educational programming on AccessModesto community television in the amount not to exceed \$215,590 and a total not to exceed \$2,429,890.

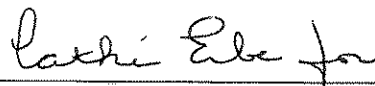
BE IT FURTHER RESOLVED, that the Interim City Manager or his designee, is hereby authorized to execute amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

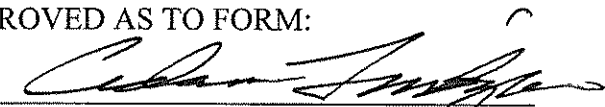
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-252**

RESOLUTION APPROVING THE AWARD OF PROPOSAL AND AGREEMENT TO STROMMEL INC., DBA LEHR AUTO ELECTRIC FOR THE UPDATE AND EXPANSION OF THE MODESTO POLICE DEPARTMENT'S AUTOMATED LICENSE PLATE READER PROGRAM INCLUDING THE PURCHASE OF ADDITIONAL READERS FOR AN AMOUNT NOT TO EXCEED \$196,968, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, according to the National Insurance Crime Bureau (NICB), the Modesto Metropolitan Area has consistently ranked in the top five nationwide for auto theft, per capita, from 2007 to 2016; and

WHEREAS, the Modesto Police Department sought to reduce the number of vehicle thefts in the area by implementing an effective auto theft program consisting of properly trained personnel who are equipped with modern crime fighting technology; and

WHEREAS, on April 1, 2014, by Resolution Nos. 2014-111 and 2014-112, Council approved the purchase of 10 Automatic License Plate Recognition Camera systems including associated equipment, software, license plate readers, installation and maintenance; and

WHEREAS, on November 22, 2016, by Resolution No. 2016-467, Council accepted the Edward Byrne Memorial Justice Assistance Grant (BJAG). The grant was a joint award with Stanislaus County in the amount of \$165,937. The Police Department's award of \$131,252 was designated to help fund the acquisition and implementation of License Plate Reader (LPR) equipment and analytical software as part of the department's continued intelligence led policing efforts; and

WHEREAS, on October 20, 2017, RFP# 1718-23 was issued to solicit proposals for new Automatic License Plate Reader (ALPR) software, cameras, and required equipment. Prospective bidders were notified online of the bid opportunity; and

WHEREAS, the bid closed on November 14, 2017. Two companies chose to respond. Both were provided an opportunity to conduct a scripted demonstration/presentation and subsequently scored on six categories; and

WHEREAS, based on responsive and responsible bids, staff recommends the selection of Strommel Inc., DBA Lehr Auto Electric in the amount of \$196,968, for their analytical and notification software and corresponding ALPR equipment, including installation, due to its enhanced functionality in comparison to existing solutions.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the award of proposal and agreement to Strommel Inc., DBA Lehr Auto Electric for the update and expansion of the Modesto Police Department's Automated License Plate Reader program for an amount not to exceed \$196,968.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee is hereby authorized to execute the agreement, and any related agreement(s), in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: *Stephanie Lopez for*
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: *Adam Lindgren*
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-253**

**RESOLUTION AMENDING THE CAPITAL IMPROVEMENT BUDGET FOR
FY 2017-18 TO ESTABLISH A PROJECT ACCOUNT, PROJECT EXPENSES
AND TRANSFER BUDGETS IN THE AMOUNT OF \$196,968, TO FUND THE
ACQUISITION AND IMPLEMENTATION OF ALPR SYSTEMS, EQUIPMENT
AND ANALYTICAL SOFTWARE AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF
THIS RESOLUTION**

WHEREAS, on November 22, 2016, by Resolution No. 2016-467, Council accepted the Edward Byrne Memorial Justice Assistance Grant (BJAG). The grant was a joint award with Stanislaus County in the amount of \$165,937. The Police Department's award of \$131,252 was designated to help fund the acquisition and implementation of License Plate Reader (LPR) equipment and analytical software as part of the department's continued intelligence-led policing efforts; and

WHEREAS, additional funding will come from the 2017-2018 State Law Enforcement Supplemental Funds (SLESF) in the amount of \$65,716; and

WHEREAS, because grant funding cannot be commingled within the grant accounts, these funds will be transferred to a project account in the Special Fund for Capital Outlay fund to fund the project; and

WHEREAS, this funding will allow for the purchase and installation of Automated License Plate Reader (ALPR) systems, equipment and analytical software as part of the department's continued intelligence-led policing efforts.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Operating Budget from the following sources: Edward Byrne Memorial Justice Assistance Grant 2016 (\$131,252) and the 2017-18 State Law Enforcement Supplemental Funds (\$65,716), for a total

project amount of \$196, 968, with any excess funding returning to the 2017-18 State Law Enforcement Supplemental Fund.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

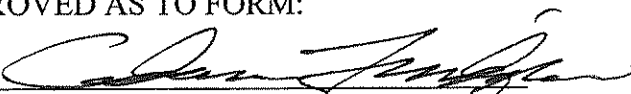
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-254**

RESOLUTION APPROVING THE PAYMENT TO PACIFIC GAS AND ELECTRIC (PG&E) FOR CONTRACT WORK PERFORMED ON THE STATE ROUTE 99 / PELANDALE AVENUE INTERCHANGE RECONSTRUCTION PROJECT, UTILITY AGREEMENT #3863.41, FOR AN AMOUNT NOT TO EXCEED \$105,116

WHEREAS, the State Route 99 / Pelandale Avenue Interchange Reconstruction Project is a project to increase safety, relieve congestion, and enhance traffic operations within the Interchange and along the adjacent streets, and

WHEREAS, State Route 99/Pelandale Avenue Intersection Reconstruction Project funds were programmed in accordance with California Department of Transportation's (Caltrans) Project Development Procedures Manual, and

WHEREAS, on September 1, 2009, by Resolution 2009-413, Council approved authorizing the City Manager to execute Caltrans' right-of-way certifications for federally funded projects, and

WHEREAS, on May 21, 2012, the City Manager signed and approved utility agreement #3863.41 with PG&E relocation cost of \$407,270, in which \$203,635 would be the owner's liability amount, and

WHEREAS, Right-of-way certification was granted on June 18, 2012, and

WHEREAS, upon completion of PG&E's service, actual costs were substantially lower, totaling \$210,232, of which the City is responsible for \$105,116, and

WHEREAS, Funding for utility relocation expenditures was not budgeted for the State Route 99 / Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on January 7, 2014, by Resolutions 2014-02 and 2014-03, Council approved amending the capital improvement budget in project number 100046 to pay for

the utility relocations required for the project for Modesto Irrigation District (MID) and AT&T, and

WHEREAS, PG&E was thought to be funded through the City's established franchise agreement, and

WHEREAS, Caltrans has jurisdiction for the project and the "Freeway Master Contract" between Caltrans and PG&E must be followed, and

WHEREAS, in accordance with Section 5 (C) of the Freeway Master Contract dated November 1, 2004, the existing utilities will be relocated at 50% Local Agency's expense and 50% Owner's expense.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the payment to Pacific Gas and Electric for contract work performed on the State Route 99 / Pelandale Avenue Interchange Reconstruction Project, Utility Agreement #3863.41, for an amount not to exceed \$105,116.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

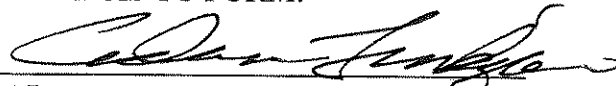
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-255**

RESOLUTION APPROVING THE MODESTO AREA EXPRESS (MAX) SHORT RANGE TRANSIT PLAN AND AUTHORIZE STAFF TO BEGIN IMPLEMENTATION

WHEREAS, the Transit Division operates the Modesto Area Express (MAX) bus system that provides fixed route bus service to Modesto and neighboring communities, and

WHEREAS, Council approved a Transit Improvement Plan in September 2016 which described several projects, including upgrading technology, increased marketing and bus stop improvements, and

WHEREAS, the improvements put MAX on a path to improve public transportation in Modesto by improving the systems, processes and public perception of transit in Modesto, and

WHEREAS, the new short range transit plan details the philosophy, policies, and projects necessary to achieve a higher utilization of the MAX system by Modesto residents and visitors, and

WHEREAS, approval of the Short Range Transit Plan, **attached** hereto and hereinafter incorporated by reference, will allow staff to move forward with projects detailed in the plan to entice more people to utilize MAX for their daily transportation.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Short Range Transit Plan.


BE IT FURTHER RESOLVED, that staff is authorized to begin implementation of the Short Range Transit Plan.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

2018 Short Range Transit Plan



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CHAPTER 1: OVERVIEW OF TRANSIT SYSTEM

1.1 BRIEF HISTORY

The City of Modesto's transit service was initially known as the Modesto Motor Bus Service and was operated by a private owner. Ridership on the service peaked during World War II when automobiles and gasoline were in short supply. Ridership and the service's profitability began a steady decline after the war due primarily to the popularity of the automobile.

The City first became involved with public transit in an attempt to maintain the profitability of the private transit company. By 1968 the buses used by the company were old and undependable and due to their advanced age required a high level of expensive maintenance. The City obtained a federal grant to purchase four new 1968 buses which it turned over to the private company to replace its aging fleet. The new buses reduced operating expenses and attracted new riders and thus enabled the company to continue in business.

By 1973 the company owner, who did everything himself from maintaining buses to dispatching and driving, decided that the business could no longer continue profitably. No buyers were interested in acquiring the business and it was about to shut down.

The City determined that it was important for the community to have public transit service continue and decided to operate it as a public service, ultimately changing the name to Intracity Transit. At the time the City acquired the service it was carrying a few hundred thousand riders per year. The service now carries the name Modesto Area Express (MAX), which was adopted by the City in 1990.

1.2 DESCRIPTION OF TRANSIT SERVICE AND SERVICE AREA

The City of Modesto operates both Modesto Area Express (MAX) and Modesto Dial-A-Ride (MADAR), which currently serve the City of Modesto, and portions of other areas outside the city limits.

MAX provides 17 urban bus routes on Mondays through Fridays, beginning as early as 5:45 a.m. and ending generally at 8:00 p.m. One route (Route 21) operates on 15-minute headway. Twelve routes operate on 30-minute headways, while all others operate on one-hour headways. Between Routes 22 and 23, 15-minute service is provided along McHenry Ave. On Saturdays, MAX operates 15 routes, ten of which operate on 30-minute headways, while the others operate on one-hour headways. Twelve MAX routes are provided on Sundays, with all routes operating on one-hour headways. In addition to the urban routes, MAX provides weekday morning and evening commuter routes to and from the Dublin/Pleasanton Bay Area Rapid Transit (BART) Station and Manteca/Lathrop Altamont Commuter Express (ACE) train station.

The Modesto Dial-A-Ride system operates as a senior/disabled, paratransit service to satisfy the Americans with Disabilities Act (ADA) for the City of Modesto transit system. MADAR functions as the ADA complementary paratransit service from 4:45 a.m. to 11:00 p.m., Monday through Friday, and 7:15 a.m. to 9:00 p.m. on Saturdays, and 8:45 a.m. to 8:15 p.m. on Sunday.

As shown in the table above, the majority of MAX routes connect to the downtown Modesto Transportation Center. This Center provides a connection point to other regional and interregional

transit services such as StaRT, Greyhound, Taxi, and the Modesto Area Express Commuter buses to BART and ACE. The Center is also designed to accommodate a future passenger ACE rail stop in Modesto. Apart from the transit connections offered at the Modesto Transportation Center, transfers to other regional transit services are offered at other locations within the MAX system's routes. MAX Route 25 and MADAR provide transit service to the Amtrak station on Held Drive. Transfers to StaRT and eTrans (City of Escalon) bus service are available from MAX drivers after paying a fare or providing a valid pass. At Hatch Road and Herndon Road in Ceres, transfers between MAX and Ceres Area Transit are provided. In addition, a twice a week connection is provided with MAX at the Vintage Faire Mall with the Ripon Blossom Express.

1.3 PASSENGER AMENITY PROGRAMS

Commuter Wi-Fi Service

In 2017, MAX installed Wi-Fi to all commuter buses that operate to the Bay Area Rapid Transit station in Pleasanton, and the Altamont Corridor Express station in Lathrop. With the successful rollout of those units, MAX is planning to expand Wi-Fi on all of its fixed route buses. In June 2018, an order was placed for the additional Wi-Fi units. After installation and testing, system-wide Wi-Fi is scheduled for launch in late 2018.

Bus Stop Schedule Information

In 2018, MAX started the process to install MAX schedule information at all bus stops throughout the MAX system. This information will consist of a full 6"x17" display, with map and timing for that bus stop. Previously, the information was presented as a sticker on the bus stop post.

Real-Time Passenger Information

Keeping passengers informed of service related issues is vital for MAX. In 2017, MAX staff implemented a real-time bus tracker system with Avail Technologies. This system allows users to track their bus via smartphone app or the MAX website, so they know if the bus is running late, or if they missed the bus. The system also provides text alert capabilities, allowing operations and marketing staff to instantly reach thousands of passengers in a matter of minutes. This capability is especially useful to inform passengers about service disruptions and delays.

1.4 FARE STRUCTURE

The MAX fare structure is based on a system that was approved by the Modesto City Council. The MAX available fare media include single ride tickets, 1-Day, 7-Day and 31-Day passes. The current fare structure for the MAX system is depicted below. Discounted fares are available to those with disabilities, seniors 65 years and older, students and individuals with a Medicare Card.

Ticket/Pass Sales Locations

Tickets and passes are sold at the MAX customer service office in the Transportation Center and at City Hall (1010 10th St).

Method of Fare Collection

Passengers are required to provide a fare each time they board a MAX bus. Fares can be in the form of cash, ticket or pass. Cash can be used on the bus for a single trip, to purchase a day pass or a transfer to StaRT, CAT or eTrans. Pre-purchased tickets and passes are validated at the farebox. Discounted rates are available for those that show proper identification, including a MAX discount card.

Mobile Ticketing

The development of mobile ticketing applications and systems allows transit agencies to manage operations more effectively and efficiently, while making the ticketing process easier for customers.

In 2018, MAX will enter into an agreement with Token Transit to provide mobile ticketing services. This smartphone application will allow passengers to purchase any ticket or pass via a smartphone, and use that smartphone as the ticket or pass for the bus. Drivers will visually verify the ticket or pass on the smartphone and record that ridership information. This new service will create flexibility for the passenger. Passengers will no longer need to wait at MAX customer service or City Hall to purchase fare media, but can make the purchase at any time.

Modesto Junior College – MAX Pass program

MAX entered into an agreement with Modesto Junior College (MJC) to allow any MJC student with a valid student identification to ride any MAX bus at no charge. MJC provides a fixed payment for this service. This program will expire in 2019, but may be extended.

MAX and Modesto Area Dial-A-Ride Fare Structure

MODESTO AREA EXPRESS - Urban Service	
Cash Fares (one trip)	
Regular	\$2.00
Student	\$1.50
Senior/Disabled	\$1.00
Day Pass (unlimited trips)	\$4.00
7 Day Pass (unlimited trips for 7 days)	\$15.00
Student Field Trip	\$0.50
31 Day Passes (unlimited trips)	
Regular Pass	\$58.00
Student Pass	\$48.00
Senior/Disabled Pass	\$29.00
Ticket Packs (50 Tickets)	
Regular	\$100.00
Student	\$75.00
Senior/Disabled	\$50.00
BART Express Commuter Service	
31 Day Pass	\$175.00
7 Day Pass	\$50.00
One-Way	\$14.00
Round-Trip	\$16.00

ACE Express Commuter Service	
Single Trip	\$3.00
20 Ride Ticket	\$42.00
MODESTO AREA DIAL-A-RIDE	
Cash	\$3.00
Ticket Book (10 Tickets)	\$30.00

1.5 REVENUE FLEET

The current MAX operating fleet consists of 56 buses. Fifty-two buses are regular MAX buses used in local service, and the other four are commuter buses meant for highway speeds and longer trips. All buses are accessible in accordance with ADA requirements. All local buses are equipped with a bike rack to accommodate 3 bicycles each, providing a smooth system for securing bicycles. The commuter buses are equipped with a bike rack inside one luggage bay. The other luggage bays are available for luggage or bicycles.

The following is a summary of the current revenue fleet:

- Eleven, 35' Gillig buses
- Forty One, 40' Gillig buses
- Two, 40' MCI commuter buses
- Two, 45' MCI commuter buses

With a Total Active Fleet (TAF) of 56 vehicles and a Peak Vehicle Requirement (PVR) of 45 vehicles, the current spare ratio is as follows:

Total Active Fleet (TAF) = 56
Peak Vehicle Requirement (PVR) = 45
Spare Vehicle Ratio = $11 = 20\%$

1.6 DESCRIPTION OF EXISTING FACILITIES

Bus Maintenance Facility

The state-of-the-art Bus Maintenance Facility (BMF) opened its doors in September 2012. The facility is located next to the City of Modesto Corporation Yard and is used for the repair, maintenance, cleaning, and overnight storage of the bus fleet used in the MAX service, with room for future service expansion. The facility houses maintenance operations, employee common areas and contractor operations. The primary maintenance area includes service and inspection bays, fuel and fare collection facility, and a bus washer.

Downtown Transportation Center

The Downtown Transportation Center is located at 1001 9th St between I Street and K Street in Modesto, at the old Southern Pacific train depot. The station went through a renovation and expansion in 1992 and currently serves as the main operations center and hub for MAX services.

The Transportation Center is served by MAX, StaRT, Greyhound and taxicabs. Future ACE trains will use the Transportation Center as the Modesto ACE station.

CHAPTER 2: VISION, GOALS, AND GUIDING POLICIES

2.1 TRANSIT VISION

The Modesto City Council has established following transit vision.

The Modesto Area Express transit system needs to be:

- Frequent
 - People should be able to be at a bus stop and expect a bus shortly. This involves buses coming at a frequency of 15 minutes or less.
- Convenient
 - The bus routes should take people where they need to go quickly.
 - People should be able to quickly connect with different bus routes to reach their destination. This can be accomplished by having frequent service on all routes.
- Safe
 - The system must be safe to use as a passenger. People need to feel safe during the trip with the driver and other passengers.
- Clean
 - The buses must be clean and comfortable. Clean buses promote ridership and provide a sense that the City cares for and wants people to ride the system.
- Easy to understand
 - Information on how to use MAX should be easy to obtain and easy to understand quickly.
 - All marketing and informational materials need to portray a positive, professional and polished image of public transportation in Modesto.
 - Public perception of MAX must change to promote MAX as a convenient and accessible mode of transportation for everyone. In addition, MAX must be promoted as a benefit to quality of life, improved air quality, sustainable living, health and improved mobility.

This vision will assist in guiding the policy, planning and projects of the system to obtain higher ridership which translates into higher revenue to meet the required farebox revenue requirement.

2.2 GUIDING POLICIES

These policies were adopted by the City Council that will direct staff in proper planning of future and existing routes, to ensure the desired service level to the community. These policies tie into the transit vision described in Section 2.1.

	Policy	Measurement Method
1	Transit routes will achieve 90% on-time performance.	Determined by route departure from all scheduled time points.
2	All routes will have a scheduled 10% recovery time, with a minimum of 5 minutes, per trip.	Determined from route schedule
3	Individual routes must meet 20% farebox recovery	Measured each month
4	Individual routes must meet an average of 20 passengers per hour minimum	Measured each month
5	The standard headway for weekday service is 30 minutes during the entire service day, though 15 minutes is preferable	Determined from route schedule
6	Standard headway for weekend service is 60 minutes	Determined from route schedule
7	Route information to be displayed at every bus stop	Bus Stop Inventory data
8	Bus stop amenities will be constructed at stops with high ridership, availability of space, physical capabilities of passengers and distribution of boarding's	Ridership data and land availability
9	Less than 20 complaints/100,000 trips	Customer comments
10	Less than 10 valid complaints/100,000 trips	Customer comments
11	90% of households that meet the following criteria will be within ¼ mile walking distance of a bus stop: Low Income (under \$30k) – over 3,000 people per square mile Zero car households – over 1,200 people per square mile Young and Old Population (0-18, 65+) – over 4,000 people per square mile	Census data

CHAPTER 3: SERVICE AND SYSTEM EVALUATION

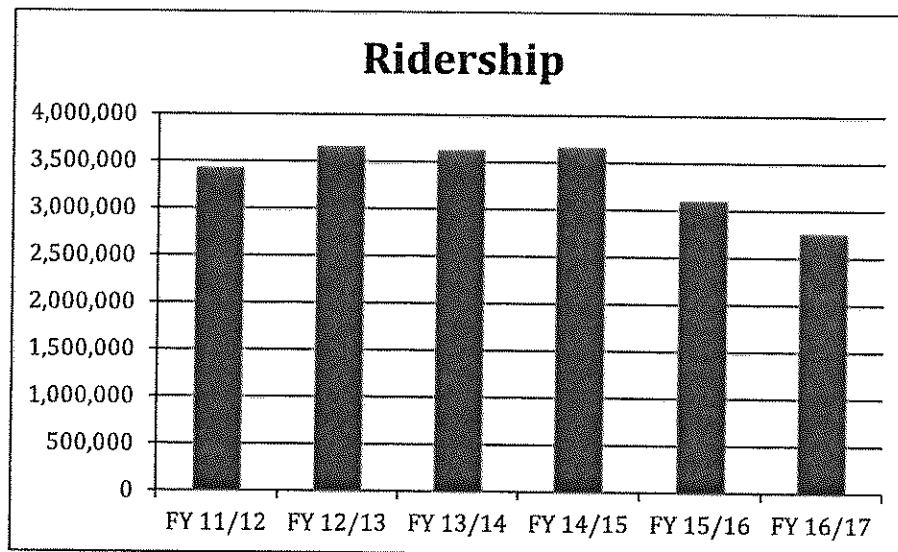
3.1 PERFORMANCE EVALUATION

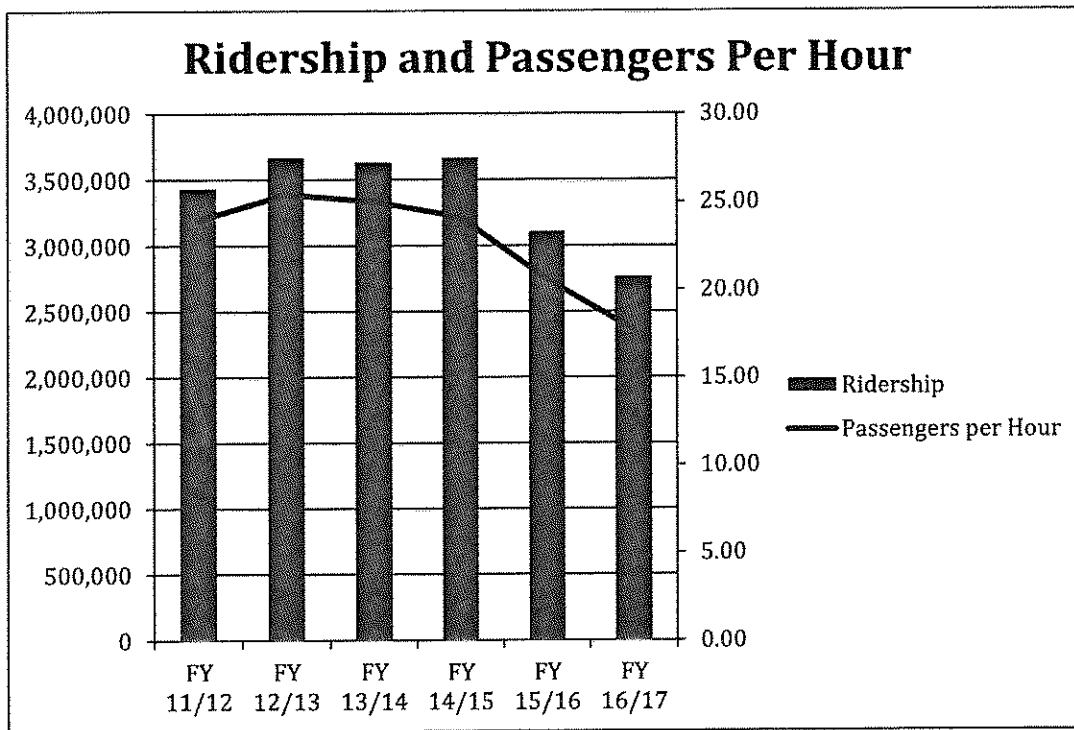
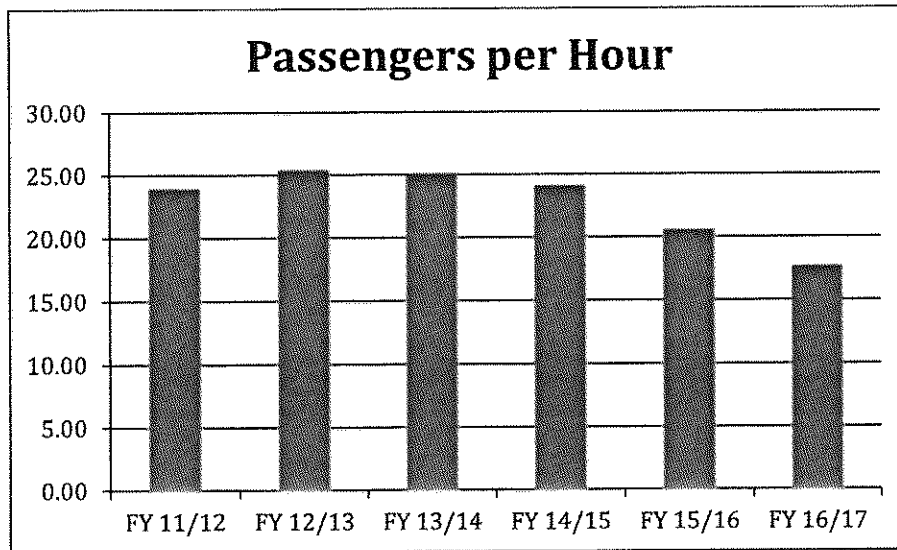
Many trends can impact transit ridership and use; these include strength of the local and regional economy, gas prices, unemployment, land use density, and population growth. As these trends fluctuate, MAX must recognize and respond by continuously analyzing operating performance to determine the effectiveness of its services. This chapter analyzes the effectiveness of MAX operations over the past 6 years.

MAX's operational performance is evaluated from three perspectives. The first examines the growth of ridership. The second reviews farebox revenue recovery ratio. The third identifies on-time performance. In addition, the Transit Division uses a transit software planning tool called Remix to better analyze, plan and structure the routes.

3.2 RIDERSHIP: GOAL – 20 PASSENGERS PER HOUR

The overall performance of MAX is measured by the number of people that ride each bus route. It is important to understand the relationship between the total riders on each route and the passengers that that route carries during each hour of service. Passengers per service hour are the most frequently used measurements of individual route efficiency.

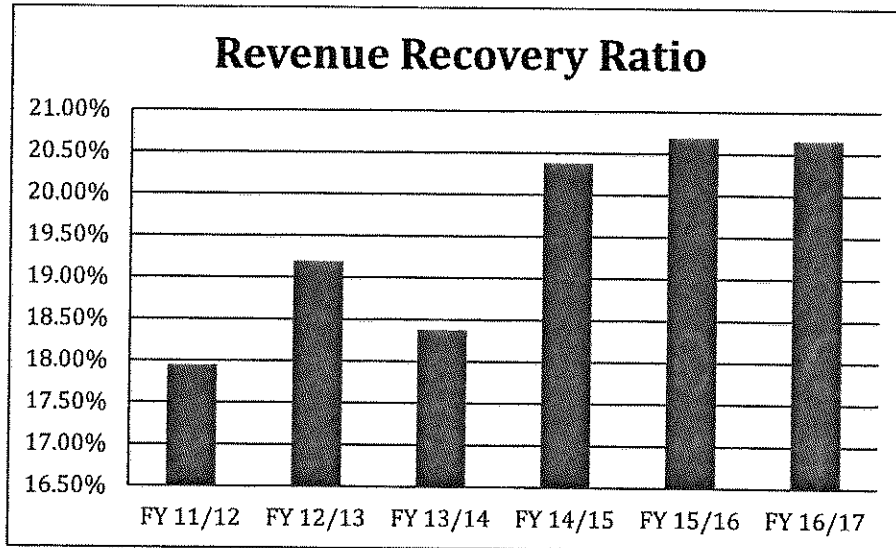




3.3 FAREBOX REVENUE RECOVERY: GOAL - 20%

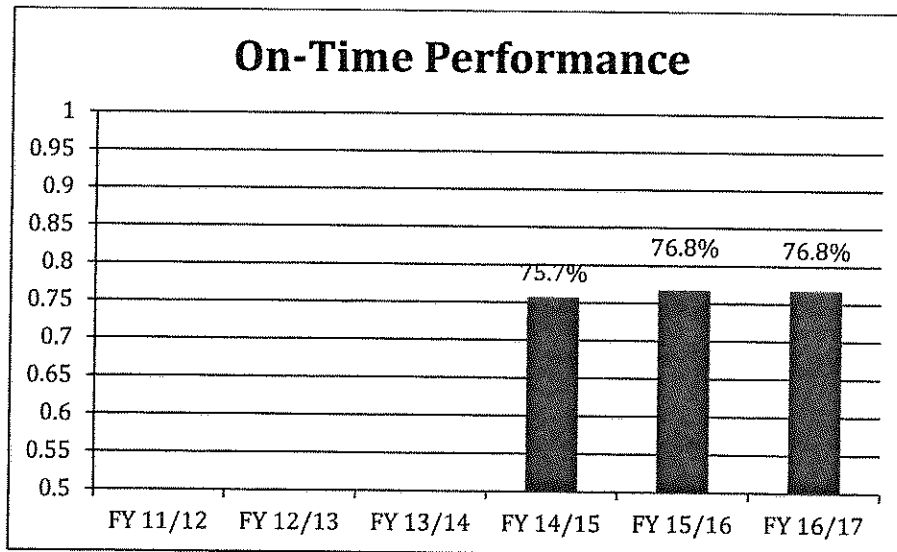
The financial performance of MAX is measured primarily by farebox revenue recovery (the ratio of passenger fare revenue to operating expense). The farebox revenue ratio continues to be a concern, as it has been hovering at the required level. Additional revenues from Measure L, the MJC agreement and higher fares should enable MAX to continue achieving this requirement.

As part of MAX's review of fares in 2017, a fare increase was approved after a September 2017 public hearing, and it went into effect on February 1, 2018.



3.4 ON-TIME PERFORMANCE: GOAL - 90%

MAX passengers continue to rate On-Time Performance (OTP) as an important component in determining their satisfaction with the service. The yearly OTP just started to be tracked in fiscal year 2014/2015. The last three completed fiscal years are shown below.



CHAPTER 4: IMPROVEMENT PLAN

4.1 IMPROVEMENT STRATEGY

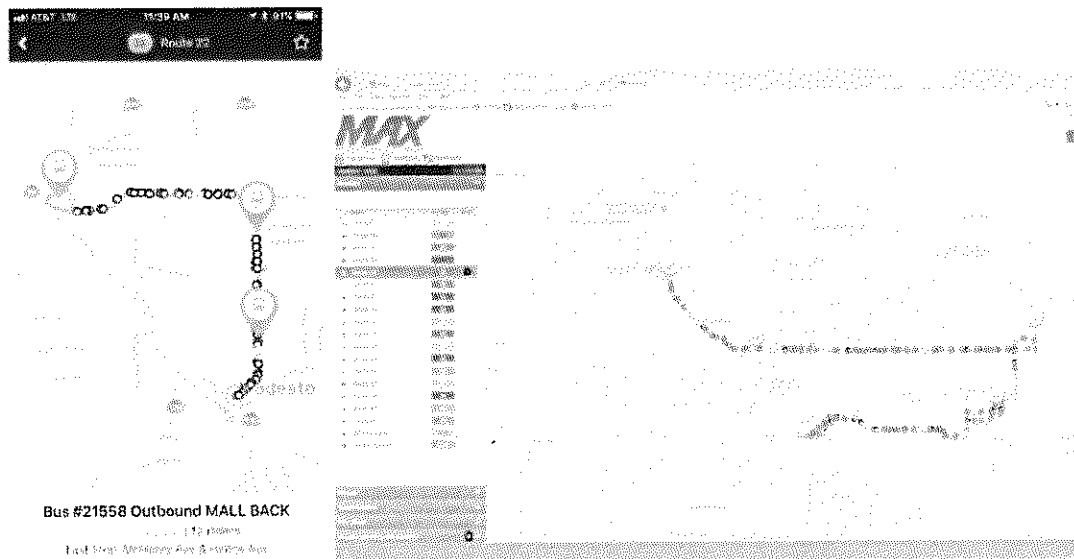
MAX's capital improvement strategy places an emphasis on sustainability in both its financial and operational capacities. In order to support this goal staff has developed techniques for implementing cost-effective capital improvements. Though MAX is focusing on diversifying revenue opportunities, the agency is cautious with funding by spending only within its means. Looking forward, MAX is also looking to identify system expansion, rehabilitation, and replacement opportunities, as well as improvements required to realize service goals.

4.2 IMPROVEMENTS IMPLEMENTED

The Transit Division is committed to making transit a more attractive option for travelers in the Modesto urbanized area. The Transit Division has completed several projects in the last two years. These projects enhanced the MAX system by providing many new features to promote ridership. Each of the completed projects is shown below categorized by how the improvement has benefited the system.

MAKING ROUTES EASY TO UNDERSTAND

1. Installed a bus tracking system that is available to the public via smartphone app and website. This enables riders to track their bus, giving them the information they need to plan their trips.

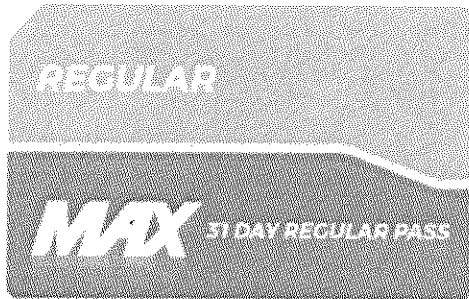


2. Restructured routes to make them easier to understand by eliminating trip by trip variability. These were implemented on February 1, 2018.

3. Underperforming routes that did not perform to the approved policies were either eliminated or modified. These changes were implemented on February 1, 2018.

MAKING SYSTEM EASY TO USE

1. Implemented a program with Modesto Junior College to allow any student with a valid MJC ID to ride the MAX buses at no charge.
2. Installed new fareboxes that enable riders to use magnetic fare cards. This new fare media allows the farebox to validate the pass instead of the driver. This allows the driver to focus on other aspects of the bus stop.



3. Installed automated voice announcements on buses. These recordings announce key points of interest, some bus stops and major intersections. It allows riders to know where they are at on the route, especially those that are hearing or visually impaired.



MAKING THE SYSTEM SAFE AND COMFORTABLE

1. Relocated the customer service area at the Transit Center to the main lobby. The prior location was small, forcing drivers, administrative staff and customers to navigate a small space together. Customers are now able to queue in an air conditioned area, without conflicting with staff.

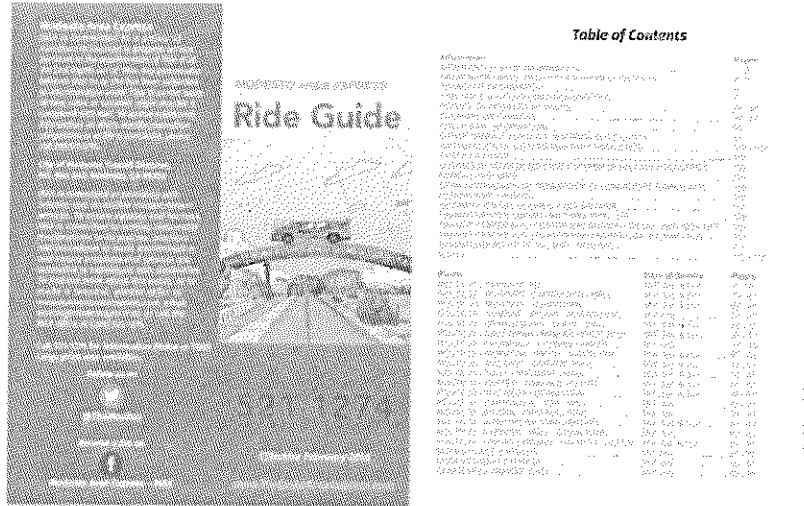


2. Installed a new smoking area near the MAX boarding island. The MAX boarding island did not have a convenient smoking area which made smoking in the planters or sidewalks more advantageous. This caused planters to be filled with cigarette butts.

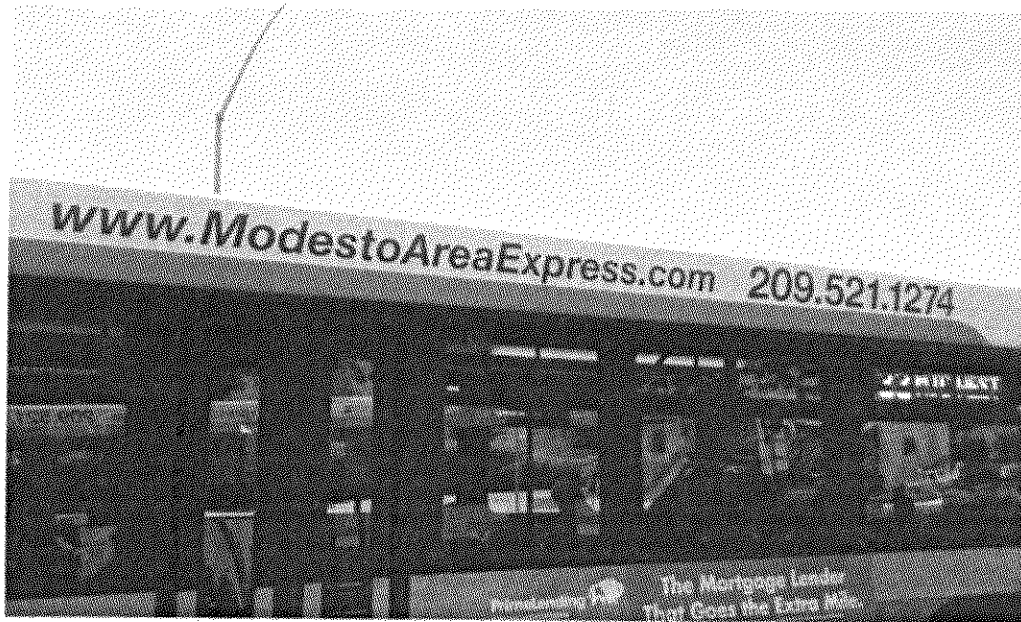


CHANGING PUBLIC PERCEPTION OF MAX

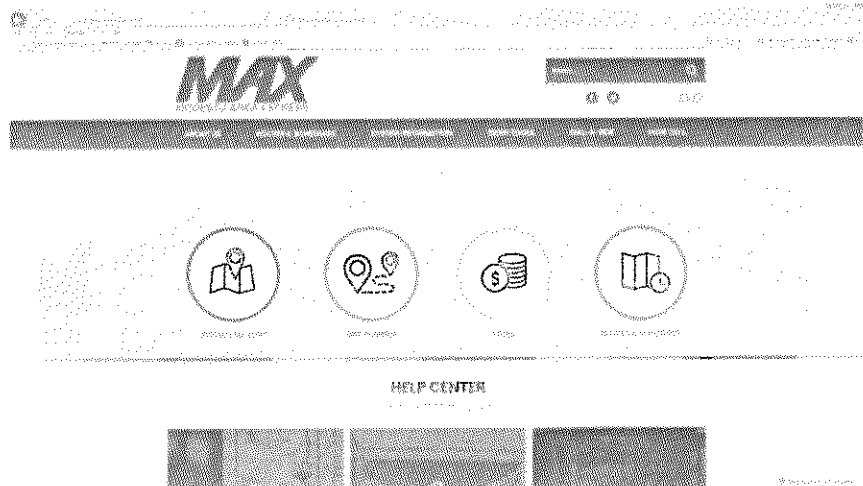
1. The Ride Guide and all other brochures have been redesigned by a marketing company, giving the information a fresh look.



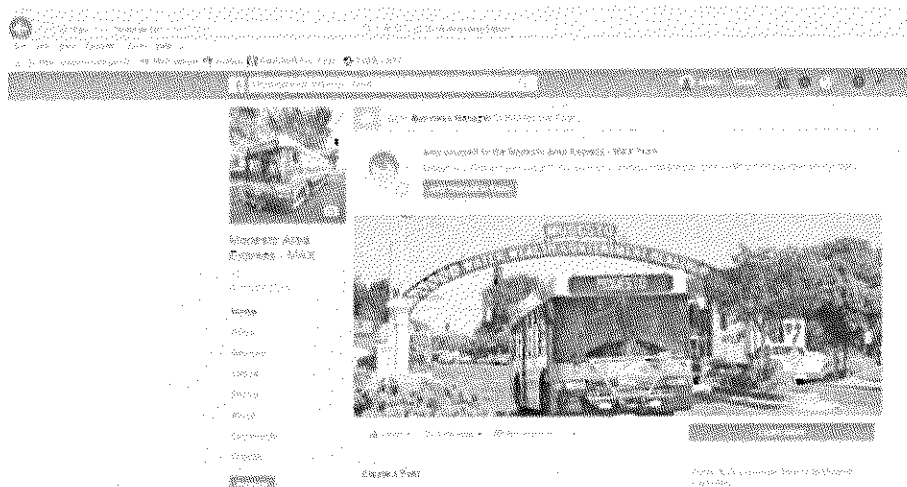
2. An emphasis was placed on enhanced cleaning of the interior of the buses with the operations contractor. The buses are often inspected, and cleanliness has been significantly improved.
3. MAX buses have been updated to include the website and phone number prominently displayed on the exterior of the bus.



4. Utilized the GoModesto system as the comment and complaint tracking system.
5. Redesigned the MAX website at www.modestoareaexpress.com



6. Developed a social media presence on Facebook and Twitter to further engage the community and obtain valuable feedback on services.



7. An emphasis was placed on enhanced customer service with the operations contractor.
8. Improved the Senior/Disabled program by providing a higher quality card, with the customer's picture. This allows drivers to quickly validate the fare media discount.

4.3 FUTURE IMPROVEMENTS

Making routes easy to understand

1. Install route schedules at all bus stops with full displays. (Estimated Completion: Fall 2018)
2. Continue to refine schedules to make using the MAX system easy to understand by reducing trip-by-trip variation and improving frequency. (Scheduled Implementation: January 2019)

Making routes easy to use

1. Increase frequency of all routes to 15-30 minutes on weekdays, and 30-60 minutes on weekends. (Scheduled Implementation: January 2019)
2. Expand service into the evening using new SB-1 funding. (Scheduled Implementation: January 2019)
3. Eliminate the ACE Commuter Express service when ACE starts operating to Modesto. (Scheduled Implementation: 2020)
4. Continue evaluating routes and soliciting rider feedback to make the routes easy to use and understand. (On-Going)
5. Implement a mobile ticketing application to allow riders the option of purchasing and using a smartphone for fare payments and passes. (Estimated Completion: Summer 2018)

Making the system safe and comfortable

1. Make Transit Center improvements in conjunction with remodel for ACE train. (Estimated Start: 2019)
2. Add security services to bus stops. (Estimated implementation: Summer 2019)
3. Install Wi-Fi on all buses. (Estimated Completion: Summer 2018)
4. Replace buses that have exceeded useful life per the replacement schedule. (On-Going)
5. Install bus stop amenities (shelters, benches and trash cans) at bus stops as described in the Bus Stop Improvement List, further discussed in Chapter 6 and Appendix A. (On-Going)
6. Update the radio system for buses and dispatchers to a digital system to better communicate with drivers. (Estimated Completion: Fall 2018)
7. Upgrade the on-board video surveillance system with live look-in capability. (Estimated Completion: Fall 2018)

Changing the public perception of MAX

1. Attend more community shows, fairs, festivals and events to promote MAX and public transit. (On-Going)
2. Create How-To use the MAX bus videos, and have them posted on social media and the MAX website. (Estimated Completion: Summer 2018)
3. Design and place print, internet, digital, television and radio advertisements. (On-Going)
4. Update the Modesto Area Dial-A-Ride system by rebranding it to align with MAX, naming it "Modesto Access" or similar to indicate it is a system for those with disabilities and seniors to access daily activities. (Scheduled Implementation: July 2019)
5. Implement the use of electric buses on MAX routes to further promote air quality and public transportation. (Estimated Implementation: Fall 2018)

4.4 CAPITAL PROJECTS

The MAX Capital Improvement Program for the SRTP includes capital projects designed to construct, rehabilitate, replace, or upgrade the equipment, facilities, and infrastructure used to operate MAX service. The projects are also consistent with the MAX passengers' priorities for service improvements that were identified in past surveys and public meetings. More detailed descriptions of the CIP and specific future projects are included below.

Describe Items	2018/19		2019/20		2020/21		2021/22		2022/23	
	QTY	COST	QTY	COST	QTY	COST	QTY	COST	QTY	COST
1 100749 - Bus Stops Improvements	1	50,459		0		0		0		0
2 100964 - BMF Shade Structure	1	690,205								
3 100982 - MAX ITS equipment purchase	1	795,914		0		0		0		0
4 101008 - Electric Bus Purchase	1	4,637,000		0		0		0		0
5 101021 - Equipment Purchase - Bus Maintenance Facility	1	369,214		0		0		0		0
6 101022 - BMF Part's Storage Room	4	897,630		0		0		0		0
7 101023 - Bus Stop Improvements FY18	1	413,955		100,000		100,000		100,000		100,000
8 101045 - Downtown Transit Center Expansion	1	325,000		0		0		0		0
9 101054 - Bus Passenger Seat Insert Replacement	1	46,136		0		0		0		0
10 101096 - Park and Ride Lot	1	500,000								
11 101097- Bus Maintenance Facility Upgrades	1	254,500								
12 53430 - Commuter Bus Purchase	1	737,489								
13 53490 - Subrecipient oversight	1	800,883								
14 101095 - Transit Center Improvements	1	3,942,019								
TOTAL COST		14,460,404		100,000		100,000		100,000		100,000

4.5 ROLLING STOCK REPLACEMENT PLAN

The MAX Capital Improvement Program for the SRTP includes the rolling stock replacement plan, designed to replace rolling stock used to operate MAX service as the unit reaches or exceeds the useful life. The replacement plan follows the guidelines provided by the FTA. The detailed plan and rolling stock descriptions are included below.

Make	Quantity	Replacement Year and Costs											
		2018	2019 ²	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
MCI (1999)	1		\$737,489 ²										
Gillig (2003)	14			\$1,125,000	\$4,025,000	\$2,300,000							
Gillig (2006)	1	\$0 ¹	750,000										
MCI (2007)	1												
Gillig (2008)	5			\$2,875,000									
Gillig (2009)	7					\$1,725,000	\$2,300,000						
MCI (2012)	1							\$650,000					
Gillig (2014)	8								\$4,800,000				
Gillig (2015)	14									\$8,400,000			
MCI (2016)	1										\$700,000		
Gillig (2017)	4												\$2,400,000
Total	57	\$0	\$1,487,489	\$4,000,000	\$4,025,000	\$4,025,000	\$2,300,000	\$650,000	\$0	\$4,800,000	\$8,400,000	\$700,000	\$2,400,000
Buses being replaced		1	1	7	7	7	4	1	0	8	14	1	4

Notes:

1. This bus has technically been replaced with a 2017 Gillig, though it cannot be disposed until Dec 2018.
2. 2019 Proterra (5) buses will be additional buses for the fleet, but may replace the 2008 Gillig's if the electric bus pilot succeeds.
3. Replace 1999 MCI with 5339 funds, but will keep it as a spare commuter bus
4. Use CMAQ and future 5339 funds from 2018-2023 to replace 2003,2008 and 2009 Gilligs between 2020 and 2023
5. Bus purchase costs would increase by 35% if an electric bus option is used

4.6 MAX VISIONARY PROJECTS

In addition to a robust Capital Improvement Plan, MAX is positioning to implement projects that are conceivable, but not yet fully developed or funded. These projects are part of MAX's vision for the future:

1. Bus Rapid Transit (BRT) route serving McHenry Ave and Standiford Ave, where the current routes 22 and 23 operate.
2. Traffic Signal Prioritization for all transit routes
3. MAX Route Operational Analysis and complete route restructure that focuses on a grid system rather than a hub/spoke system.
4. Full 100% electric bus fleet
5. Relocate MAX administrative staff to the Transportation Center or Bus Maintenance Facility to fully integrate into daily operations.
6. Consolidate countywide transit systems into Transit District to provide seamless and integrated service to passengers.

CHAPTER 5: BUS STOP IMPROVEMENT PLAN

This chapter discusses a comprehensive bus stop list showing all existing bus stop amenities, including bus stop shelters, benches, and trash cans.

There are 680 bus stops in the entire MAX system. All of the stops are marked with a bus stop sign. In addition, a schedule holder will be placed at each stop in 2018, which displays information on the route(s) that use that bus stop. Many bus stops have a bus stop shelter, bench, and/or trash can installed for the convenience of the riders. Currently, MAX has 81 bus stops with a bus stop shelter, 247 that have a bench, and 193 with a trash can.

The bus stop shelters installed over the years are varying in type and material. However, the bus stop shelters to be installed in 2018 and moving forward will be a mesh style (without a clear panel). The mesh allows riders to see out of the shelter, but incorporates design qualities that discourage vandalism. The older style of bus stop shelters with clear panels were often broken, requiring frequent repair or replacement. The mesh style of bus stop shelters has been well-received by both riders and maintenance staff.

Many bus stop locations have a bench that is maintained under contract by United Cerebral Palsy. These benches have advertising capability, where the City receives a portion of those revenues. Some bus stops do not have enough space for a full bench or shelter, but may have space for a smaller seat that is attached to the bus stop pole, commonly referred to as a Simme Seat. Simme seats are a good alternative for a seat at a bus stop that has limited space.

The complete list of bus stops with the priority for future improvements is found in Appendix A. The priority for each bus stop followed the policy on bus stop improvements, by looking at stops with the highest ridership with available land to build the shelter.

CHAPTER 6: CONCLUSION

The improvement projects, marketing strategies and transit planning ideas will improve the public perception of the public transportation system in Modesto, improve ridership and entice more people to utilize public transportation.

APPENDIX A: BUS STOP IMPROVEMET PLAN

Bus Stop Location	Address Label	Sign ID	Shelter	Type	Trash Can	Beam	Type	Priority	Notes
ORANGEBURG WS TULLY FS	Orangeburg Ave & Tully Rd	707						3	
ORANGEBURG WS ORAMANT FS	Orangeburg Ave & Reanney Ave	708						3	
ORANGEBURG WS CARNEY FS	Orangeburg Ave & Carney Rd	709						3	
ORANGEBURG WS MARTIN FS	Orangeburg Ave & Martin Ave	710						3	
ORANGEBURG WS EVERETT FS	Orangeburg Ave & Everette Ave	711						3	
ORANGEBURG WS EVERGREEN FS	Orangeburg Ave & Evergreen Ave	712						3	
ORANGEBURG WS MARTIN FS	Orangeburg Ave & Martin Ave	713						3	
ORANGEBURG WS CARVER FS	Orangeburg Ave & Carver Rd	714						3	
ORANGEBURG WS TULLY FS	Orangeburg Ave & Tully Rd	715						3	
ORANGEBURG WS COLLINS FS	Orangeburg Ave & Collins Ave	716						3	
ORANGEBURG WS VIRGINIA COMMON FS	Orangeburg Ave & Virginia Common	718						3	
ORANGEBURG WS ALMA FS	Orangeburg Ave & Alma Ave	720						3	
ORANGEBURG WS ALLEN FS	Orangeburg Ave & Allen Dr	721						3	
ORANGEBURG WS COFFEY FS	Orangeburg Ave & Coffey Rd	724						3	
ORANGEBURG WS ROSE FS	Orangeburg Ave & Rose Ave	725						3	
ORANGEBURG WS HOOVER FS	Orangeburg Ave & Hoover Ave	726						3	
ORANGEBURG WS OGDEN FS	Orangeburg Ave & Ogdens Rd	728						3	
ORANGEBURG WS CHRISTIAN FS	Orangeburg Ave & Christian Dr	729						3	
ORANGEBURG WS SONNENBERG FS	Orangeburg Ave & Sonnensberg Dr	732						3	
ORANGEBURG WS WILKINSON FS	Orangeburg Ave & Wilkinson Dr	734						3	
ORANGEBURG WS ALBERT FS	Orangeburg Ave & Albert Dr	735						3	
ORANGEBURG WS CHRISTOPHER FS	Orangeburg Ave & Christopher Ct	737						3	
ORANGEBURG WS CLARK FS	Clark Rd & Orangeburg Ave	739						3	
ORANGEBURG WS CLARK FS	Clark Rd & Cedar Creek Dr	740						3	
ORANGEBURG WS CLARK FS	Clark Rd & Dry Creek Dr	741						3	
ORANGEBURG WS CLARK FS	Clark Rd & North Ave	742						3	
ORANGEBURG WS CLARK FS	Clark Rd & McClure Ave	743						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	744						3	
ORANGEBURG WS CLARK FS	Clark Rd & Whitsett Dr	745						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	746						3	
ORANGEBURG WS CLARK FS	Clark Rd & Whitsett Dr	747						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	748						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	749						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	750						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	751						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	752						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	753						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	754						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	755						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	756						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	757						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	758						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	759						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	760						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	761						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	762						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	763						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	764						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	765						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	766						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	767						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	768						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	769						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	770						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	771						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	772						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	773						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	774						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	775						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	776						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	777						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	778						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	779						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	780						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	781						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	782						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	783						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	784						3	
ORANGEBURG WS CLARK FS	Clark Rd & Poppy Patch Dr	785						3	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-256**

RESOLUTION APPROVING A PURCHASE AGREEMENT WITH TOKEN TRANSIT, SAN FRANCISCO, CA, FOR MOBILE TICKETING SERVICES USED BY MODESTO AREA EXPRESS (MAX) FOR FIVE YEAR AGREEMENT, WITH A TOTAL COST NOT TO EXCEED \$178,000, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City's fixed route transit system currently used cash and magnetic fare cards to allow bus riders to pay for the ride on Modesto Area Express (MAX), and

WHEREAS, new mobile ticketing technology is available to allow riders to pay for their fare using a smartphone, instead of carrying cash, magnetic ticket or pass, and

WHEREAS, the Transit Division conducted a Request for Proposal (RFP) procurement to select a contractor to provide mobile ticketing services to allow bus riders to purchase fares for MAX via a smartphone, and

WHEREAS, a competitive procurement process consistent with Federal Transit Administration (FTA) and City procurement requirements was completed by City staff, and

WHEREAS, proposals were received by seven companies, and staff recommends the selection of Token Transit for the new agreement, and

WHEREAS, the Token Transit application allows for integrated trip planning and real-time bus information with Avail's myStop data, and

WHEREAS, this new fare payment option should promote new ridership. As the MAX system becomes easier to use and understand, the more likely people will utilize the bus for their transportation needs, and

WHEREAS, the RFP conformed to the formal bid procedures in Modesto Municipal Code section 8-3.203 and staff recommends awarding the contract to the lowest responsive and responsible proposal submitted by Token Transit, San Francisco, CA.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Token Transit., San Francisco, CA, for mobile ticketing services used by Modesto Area Express for a five year agreement, with a total cost not to exceed \$178,000.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: *Stephanie Lopez*
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: *Adam Lindgren*
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-257**

RESOLUTION APPROVING A THIRD AMENDMENT TO THE LEASE AGREEMENT WITH LOUIS BOER, JR. TO LEASE AGRICULTURAL PROPERTY AT FRAZINE RD. AND LA COSTE LN. (APN 014-037-056), IN AN AMOUNT NOT TO EXCEED \$5,400, FOR ONE YEAR (FROM \$1,500, AN INCREASE OF \$3,900), AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE LEASE AGREEMENT

WHEREAS, the Frazine Road property is an agricultural parcel of approximately twelve (12) acres and located at the northwest corner of Frazine Road and La Coste Lane, and

WHEREAS, property was acquired by the City of Modesto as part of a larger purchase of acreage to supply land for the Regional Water Treatment Plant storage tanks known as the Terminal Reservoir, and

WHEREAS, on May 23, 2006, by Resolution No. 2006-327, City Council approved a lease agreement with Louis Boer, Jr., and

WHEREAS, the previous second amendment renewal lease agreement expired on May 29, 2017, and

WHEREAS, the terms of this third lease amendment include an annual lease payment to the Water Fund in an amount not to exceed \$5,400, and

WHEREAS, this represents an increase of \$3,900 from the original 2006 lease rate of \$1,500, and

WHEREAS, a market rent analysis was completed in August 2017 by Valbridge Property Advisors to determine the fair market lease rate, and

WHEREAS, in addition, the lessee is responsible for paying approximately \$1,310 in annual property taxes and the lessee also pays an annual irrigation fee to Modesto Irrigation District in the amount of \$660, and

WHEREAS, staff recommends a Third Amendment to the Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Third Amendment Renewal Lease Agreement with Louis Boer, Jr., for a twelve-acre parcel, located at the northwest corner of Frazine Rd. and La Coste Ln. (APN 014-037-056), and to increase the yearly lease amount to \$5,400.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Lease Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-258**

RESOLUTION APPROVING AN AMENDMENT TO PURCHASE AGREEMENT No. 52881 WITH GROVER LANDSCAPE SERVICES, INC., MODESTO, CA, FOR ADDITIONAL BASIN CLEANUP AND ONGOING MAINTENANCE SERVICES IN THE AMOUNT OF \$110,309, AND A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$381,380, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO INCREASE THE PURCHASE AGREEMENT

WHEREAS, the Utilities Department, Storm Water Collections Division, utilizes vendors for storm basin weed abatement and trash removal services on an ongoing basis throughout the year, and

WHEREAS, it is very important to maintain the integrity of these basins to have as much storage capacity as possible which allows the basins to be used to their full potential, ensuring capacity for storm water during heavy rain events, thus reducing a public safety hazard, and

WHEREAS, on May 3, 2016, by Resolution No. 2016-192, Council authorized the award of bid for weed abatement and trash removal services to DeAngelo Brothers, LLC. (DBI), Sacramento CA, for an estimated annual cost of \$62,239, and a total amount not to exceed \$311,195 over five years, and

WHEREAS, the City was notified by DBI, that they would not accept a one-year extension, as included in the annual agreement, and

WHEREAS, the initial two-year term of the agreement ended May 2, 2018, and the Utilities Department is now without a provider for these services, and

WHEREAS, on December 3, 2013, by Resolution No. 2013-432, Council awarded a bid to Grover Landscaping to provide landscape services for other facilities

such as the Wastewater Treatment Plant located at 1221 Sutter Ave, the Transit Center, and seven wastewater lift stations, and

WHEREAS, to reduce service overlap and improve economies of scale, staff is requesting approval to amend the agreement with Grover Landscaping to include the maintenance of the twenty-six storm basins and three Utility Easements, and

WHEREAS, staff requested a bid from Grover Landscaping to provide cleanup and ongoing maintenance of the twenty-six storm basins and three utility easements, for the remainder of their current agreement, and

WHEREAS, the quote includes \$37,921 for initial cleanup and \$18,097 a month for ongoing maintenance, and

WHEREAS, this bid is considerably higher than the \$5,186 a month of the DBI agreement, however, DBI underbid the work and the Grover Landscaping has additional expense of staffing and equipping for the short term work of four months, and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance and based on the increase requested by the department, the Purchasing Manager, within the scope of this authority, recommends staff be allowed to increase spending authority under this purchase agreement by \$110,309 in accordance with MMC Section 8-3.204(c) ensuring basin maintenance services continue and needed work is not significantly delayed.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to Purchasing Agreement No. 52881 with Grover Landscape Services, Inc., Modesto, CA, for additional basin cleanup and ongoing

maintenance services in the amount of \$110,309 and a total agreement amount not to exceed \$381,380.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to increase the purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

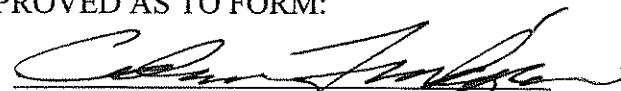
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-259**

**RESOLUTION APPROVING THE SOLE SOURCE PROCUREMENT FOR THE
STANDBY RENTAL OF THREE DV-400C PUMPS FOR THE UTILITIES
DEPARTMENT, WASTEWATER SERVICES DIVISION FROM RAIN FOR
RENT, STOCKTON, CA, AND AUTHORIZING THE PURCHASING
MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE ORDER FOR A
TOTAL COST NOT TO EXCEED \$70,307**

WHEREAS, In January 2012, West Yost Associates completed a draft of the Cannery Segregation Line (CSL) and River Trunk Diversion Plan (Plan), and

WHEREAS, the Plan consisted of several elements: 1) a risk assessment, which included a complete inspection of the CSL and a hydraulic analysis of CSL flows; 2) a temporary bypass pumping plan in the event of a CSL failure; and 3) preliminary design of permanent diversion structures, and

WHEREAS, potential outcome would be a washout of the bank supporting the pipeline, and

WHEREAS, to mitigate the risk of a service disruption caused by a catastrophic failure of the CSL, the Plan included a Temporary Bypass Plan (Bypass Plan) and could quickly restore service to CSL customers, and

WHEREAS, the worst-case scenario of the Bypass Plan requires three very large bypass pumps, and

WHEREAS, the City does not own pumps capable of performing the bypass operation and availability of the pumps is based on a first-come/first-serve basis because the CSL peak season is also the peak period for underground construction, this equipment might not be available if needed, and

WHEREAS, exceeding the capacity would result in a sanitary sewer overflow from either the domestic or CSL sewer trunk, and

WHEREAS, in June 2015, by Resolution No. 2015-18, the Council approved the standby rental of the pumps required for the bypass pumping plan, and

WHEREAS, each year since June 2015, bypass pumps have been placed on standby during the canning Season, and

WHEREAS, having this equipment on standby rental will reduce delays and impacts to CSL customers if bypass pumps were needed due to the failure of either the River Trunk or CSL, and

WHEREAS, Rain for Rent is the only provider in northern California that can meet the performance requirements of time and available resources for bypass pumping, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, however, there are exceptions to the rule set forth in the Modesto Municipal Code, and

WHEREAS, one exception, MMC Section 8-3.204(b), states whereas the purchasing agencies' requirements can be met solely by a single article or process; the sole source procurement for the rental of three DV-400c pumps from Rain for Rent, Stockton, CA, conforms to the Modesto Municipal Code 8-3.204(b), and

WHEREAS, the sole source procurement for the standby rental of three DV-400c pumps from Rain for Rent, Stockton, CA, conforms to the Modesto Municipal Code, 8-3.203.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the sole source procurement for the standby rental of three DV-400c pumps for the Utilities Department, Wastewater Services Division from Rain for Rent, Stockton, CA.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue a purchase agreement for a total cost not to exceed \$70,307.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-260**

RESOLUTION APPROVING AN AGREEMENT WITH CONSOLIDATED CM, INC., OF OAKLAND, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE TUOLUMNE RIVER SHEET PILE AND DAM DEBRIS REMOVAL PROJECT IN AN AMOUNT NOT TO EXCEED \$165,794 FOR THE IDENTIFIED SCOPE OF SERVICES, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 10 PERCENT

WHEREAS, on June 12, 2018, the City Council is awarded a \$968,260 contract to Innovative Construction Solutions of Dublin, CA for the construction of the Tuolumne River Sheet Pile and Dam Debris Removal Project, and

WHEREAS, the Dennett Dam was first constructed in the 1930's, damaged by high flood waters twice and in 1947 was condemned by the State of California, and

WHEREAS, the Tuolumne River Preservation Trust (TRT) has been involved with public relations and fund raising efforts for the removal of the Remnant Dennett Dam, and

WHEREAS, on June 14, 2016, by Resolution 2016-245, Council approved a Memorandum of Understanding with the TRT regarding the removal of the Remnant Dennett Dam, and

WHEREAS, due to the limited availability of the City's Construction Administration staff and the complexity of this project, staff recommends utilizing a consultant to provide construction management and inspection services for the construction phase, and

WHEREAS, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, and

WHEREAS, for the construction management and inspection services, a Request for Proposals (RFP) was issued to the 3 on-call firms for construction management and inspection services for this project, and

WHEREAS, after careful review and evaluation by the selection committee, Consolidated CM was selected as the most qualified firm for the Project, and

WHEREAS, Consolidated CM demonstrated experience with multiple projects similar in scope and size, and

WHEREAS, Consolidated CM will be the main point of contact for all construction activities and reporting during this project, and

WHEREAS, City staff recommends approving an agreement with Consolidated CM, for construction management and inspection services.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an Agreement with Consolidated CM, Inc., for Construction Management and Inspection Services for the Tuolumne River Sheet Pile and Dam Debris Removal Project in an amount not to exceed \$165,794 for the identified scope of services.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, and one or more amendments to this Agreement in a cumulative amount up to 10 percent of the original agreement amount.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-261**

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE REBID MPD HVAC RENOVATION PROJECT (OPERATIONS BUILDING), ACCEPTING THE BID, AND APPROVING A CONSTRUCTION CONTRACT WITH AMERICAN CHILLER SERVICE, INC., MODESTO, CA, IN THE AMOUNT OF \$770,288 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the REBID MPD HVAC Renovation Project (Operations Building), and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the REBID MPD HVAC Renovation Project (Operations Building) were opened at 11:00 a.m. on May 29, 2018 pursuant to Modesto Municipal Code section 8-3.403 and Charter section 1307 , and

WHEREAS, the Director of Utilities and the Interim City Manager has recommended that the bid of \$770,288 received from American Chiller Service, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to American Chiller Service, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for REBID MPD HVAC Renovation Project (Operations Building) and accepts the bid of \$770,288 and awards American Chiller Service, Inc., of Modesto, CA the construction contract.

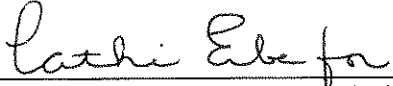
BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

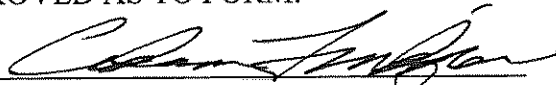
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-262**

RESOLUTION APPROVING A REDUCTION OF GENERAL FUND POLICE DEPARTMENT FY 2018-19 OPERATING EXPENDITURE APPROPRIATIONS UP TO THE AMOUNT OF \$959,346 TO BE USED TO FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE MPD HVAC RENOVATION PROJECT (OPERATIONS BUILDING) IN PROJECT 101087; AND AMENDING THE FISCAL YEAR 2017-18 CAPITAL IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$959,346 TO BE TRANSFERRED INTO THE PROJECT FROM MPD'S GENERAL FUND OPERATING BUDGET TO INCREASE THE EXPENDITURE APPROPRIATION IN PROJECT 101087 AND FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE MPD HVAC RENOVATION PROJECT (OPERATIONS BUILDING)

WHEREAS, the Modesto Police Department Operations Building is an older facility and its HVAC system has been a deferred maintenance issue, and

WHEREAS, the existing air conditioning chiller units are no longer functioning reliably or efficiently, which has resulted in costly maintenance. Additionally the boiler unit is insufficient and the control systems and MCC electrical panel are out of date and inefficient, and

WHEREAS, the renovation will replace the two chiller units, the boiler unit, the control systems and the MCC electrical panel, and

WHEREAS, the improvements will improve HVAC operating and energy efficiencies, and

WHEREAS, certain budgetary transactions are necessary in the amount of \$959,346, in order to fund construction, contingency, construction administration, and design support during construction for the MPD HVAC Renovation Project, and

WHEREAS, funding for this project will come from the reduction of General Fund Police Department Fiscal Year 2018-19 Operating expenditure appropriations up to the amount of \$959,346, to be used to fund the HVAC Systems Replacement project for the Operations Building via a transfer in to Project 101087 from the General Fund, and

WHEREAS, the Fiscal Year 2017-2018 Capital Improvement Program Budget must be amended, as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-19 Modesto Police Department Operating budget to decrease expenditure appropriation up to \$959,346, amend the Fiscal Year 2017-2018 Capital Improvement Program Budget as shown in **Exhibit A, attached** hereto, and establish a Fiscal Year 2018-19 transfer from the General Fund to Project 101087 to fund the project.

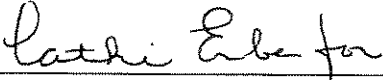
BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

To fully fund CIP Project 101087 – MPD HVAC Systems Replacement, the following budget adjustment is necessary:

Operating Budget Adjustments:

0100-19XXX-5XXXX
 General Fund – MPD – Expense – Multiple Cost Centers (939,346)

Transfer Budget Adjustments:

0100-70100-71342
 GF – Transfer Out to Fund 1342 939,346
 1342-19999-60100-101087
 Special Fund For Capital Outlay – Transfer In from Fund 0100 939,346

Project Budget Adjustments: 101087 – MPD HVAC Replacement Project (Operations Building)

Anticipated Construction Expenditures:

Construction Contract	\$770,288
Construction Contingency (10%):	\$77,029
Contract Administration – City Staff (10%):	\$77,029
Engineering/Design/Administration Support	\$35,000
Total Anticipated Construction Expenditures:	\$959,346

101087 - MPD OPS HVAC Replacement				
	Current Budget	Request	Revised Budget	Amount of Adjustment
EDA	\$20,000	\$15,000	\$35,000	\$15,000
CON	\$0	\$770,288	\$770,288	\$770,288
CA	\$0	\$77,029	\$77,029	\$77,029
CTGY	\$0	\$77,029	\$77,029	\$77,029
	\$20,000	\$939,346	\$959,346	\$939,346

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-263**

RESOLUTION APPROVING A PURCHASING AGREEMENT WITH ALL SEASON LAWN LANDSCAPING, ESCALON, CA, FOR LAWN MAINTENANCE SERVICES FOR WATER WELLS AND TANKS, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR A COST NOT TO EXCEED \$38,327 IN YEAR ONE, \$63,828 IN YEAR TWO WITH THREE ADDITIONAL SITES AND SERVICES ADDED, AND A TOTAL AMOUNT NOT TO EXCEED \$310,871 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASING AGREEMENT

WHEREAS, the Water Division has a need for lawn maintenance services for twenty city water well sites and six water tank sites, and

WHEREAS, staff is anticipating adding two additional tank sites and one well site currently in construction, plus the Litt Road Corporation Yard to this agreement next year, and

WHEREAS, the current purchase agreement expired in August, 17, 2017 and staff stopped using lawn mowing and landscape services until a new competitive process can be awarded by Council, and

WHEREAS, the Interim City Manager authorized the Purchasing Manager to issue formal Request for Bid (RFB) for lawn maintenance services for water wells and tanks, and

WHEREAS, on April 4, 2018, the Purchasing Division issued RFB No. 1718-49 for lawn maintenance services for water wells and tanks on the City's website under commodity codes for landscape architecture, grounds maintenance: mowing, edging, planting; tree trimming and pruning services, and

WHEREAS, prospective bidders were notified online of the bid opportunity with nine companies choosing to download the RFB document, and

WHEREAS, on April 24, 2018, bids were formally opened in the City Clerk's office with four companies choosing to respond, and

WHEREAS, all companies provided responsive and responsible bids and one local vendor is capable of providing this type of service and chose to respond, and

WHEREAS, based on providing the overall lowest responsive and responsible bid, City staff recommends the award of the bid for the purchase of lawn maintenance services for water wells and tanks to All Season Lawn Landscaping, Escalon, CA, for an annual cost not to exceed \$38,327 in Year One, \$63,828 in Year Two with three additional sites and services added, and a total amount not to exceed \$310,871 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bid for lawn maintenance services conforms to Modesto Municipal Code Section 8-3.203.

WHEREAS, the significant increase to the well and tank sites to be maintained in the new agreement is more than double than the previous agreement. The Water Division is anticipating adding two additional tank sites, one well site, plus the Litt Road Corporation Yard to this agreement next year, and

WHEREAS, these new sites were not included in the bid but the hourly rate (\$46.30/hr.) and acres per pre-emergent spraying at these sites (\$224.17 per acre) was estimated and will be used when these sites are added. The Water Division also added 50 acres of pre-emergent maintenance for all tank sites in Year 2, and Prevailing wage will be required in the new agreement, and

WHEREAS, sufficient funds are budgeted in Fiscal Year 2018-19, in Water Fund 4100-45050-53100, Repairs and Maintenance Services, and below is a breakdown of estimated yearly expenses for the Lawn Maintenance Services Agreement for Water Wells and Tanks. Staff has included additional tanks and well sites and potential Consumer Price Index Increases.

Lawn Maintenance Services	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Lawn Maintenance Services- Current Services	\$38,327	\$38,327				
Adding pre-emergent spraying (50 acres x \$224.17)		\$22,417				
Adding 2 Tank Sites in construction (\$1,106.40 x 2 sites)		\$2,213				
Adding 1 Well Site in construction (\$870.88 x 1 site)		\$871				
Total for 5-Yr Contract	\$38,327	\$63,828	\$69,572	\$69,572	\$69,572	\$310,871

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves a purchasing agreement with All Season Lawn Landscaping, Escalon, CA, for lawn maintenance services for water wells and tanks, for a two-year agreement with three one-year extension options, for a cost not to exceed \$38,327 in Year One, \$63,828 in Year Two with three additional sites and services added, and a total amount not to exceed \$310,871 over five years.

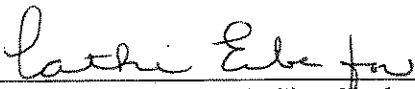
BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue a purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-264**

RESOLUTION APPROVING AN AMENDMENT TO THE SOLE SOURCE PURCHASE AGREEMENT WITH HACH, LOVELAND, CO, FOR FIELD SERVICE OF ON-LINE INSTRUMENTS FOR AN AMOUNT OF \$36,965 IN YEAR 1, \$24,169 IN YEAR 2 AND \$24,894 IN YEAR 3, NOT TO EXCEED \$86,028 OVER THREE YEARS, AND PURCHASES OF METERS FOR \$51,753 IN YEAR 1, \$53,251 IN YEAR 2 AND \$45,222 IN YEAR 3, NOT TO EXCEED \$150,226 OVER THREE YEARS AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO EXECUTE A PURCHASING AGREEMENT

WHEREAS, the Wastewater Treatment Plants have installed various Hach instruments throughout its facilities, and

WHEREAS, these instruments ensure process control and compliance by monitoring and collecting critical data needed for the City's National Pollutant Discharge Elimination System (NPDES) Permit, and

WHEREAS, the instruments also assist the operations staff in maintaining equipment and processes with real time data, and

WHEREAS, this service agreement includes, but is not limited to, on site calibration, on site routine maintenance, and parts necessary to keep equipment in service, and

WHEREAS, this contract is crucial to the reliability of critical process control and compliance instrument and since the construction and commissioning of Phase 2 of the tertiary treatment facility, meters needing regular service have increased from nine to twenty-seven, and

WHEREAS, this contract will ensure dependable service and warranty compliance for these units, and

WHEREAS, Hach's factory-trained service personnel are authorized to perform any repair, start-up service, or maintenance on these instruments, and

WHEREAS, this will ensure accuracy of critical data points required for plant optimization and regulatory compliance, as well as dependability of the instruments, to minimize downtime of the facility and potential lost water sales to the North Valley Regional Recycled Water Project, and

WHEREAS, staff will receive field service reports that will demonstrate a proper maintenance program, which will be especially valuable during State audits of our maintenance records for compliance required meters, and

WHEREAS, a maintenance program performed by authorized field service technicians is subject to less scrutiny than a City operated maintenance program and this contract will also prevent additional costs associated with spare parts, calibration standards and equipment, replacement units and manufacturer service fees, which were \$68,487 since 2015, and

WHEREAS, Hach will also provide full replacement of any failed units under this agreement for as long as the unit is a supported product, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-89, Council approved a sole source purchasing agreement with Hach, Loveland, CO, for field service of on-line instruments, which are used at the Wastewater Treatment Facility to monitor the treatment process, for a total cost not to exceed \$59,904 over three years and authorizing the Purchasing Manager, or her designee, to execute the agreement, and

WHEREAS, purchasing was in the process of issuing the agreement when staff realized some discrepancies in the original quotes for the agreement, and

WHEREAS, this revision of the agreement with Hach includes purchase prices for replacement instruments that are either critical to the operation of the Tertiary Treatment Plants and/or required by the State Water Resources Control Board in the NPDES permits and the new agreement will also encompass newly purchased meters and the discontinued meters by Hach, and

WHEREAS, this revision will also include service prices for those instruments, and

WHEREAS, having this agreement will ensure the staff has the flexibility to replace/add instruments and the ability to have them properly maintained and serviced.

WHEREAS, staff is requesting approval for the amendment with Hach to include the additional equipment for field service and purchases of new meters as they are needed, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, staff recommends the award of agreement to Hach should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) since they are the sole provider of these services. MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirements where the Purchasing Agency's requirements can be met solely by a single article or process; this purchase qualifies for exemption from formal bidding for that reason, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the sole source purchase agreement with Hach, Loveland, CO, for field service of on-line instruments for an amount of \$36,965 in Year 1, \$24,169 in Year 2 and \$24,894 in Year 3, not to exceed \$86,028 over three years, and purchases of meters for \$51,753 in Year 1, \$53,251 in Year 2 and \$45,222 in Year 3, not to exceed \$150,226 over three years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the amended purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

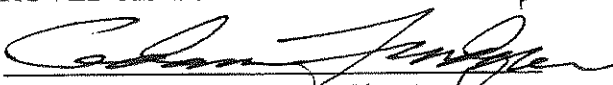
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-265**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS,
ACCEPTING THE BID, AND AWARDING A CONTRACT TO DSS COMPANY
DBA KNIFE RIVER CONSTRUCTION OF STOCKTON, CALIFORNIA, IN THE
AMOUNT OF \$2,591,417 FOR THE STANDIFORD AVENUE PAVEMENT
REHABILITATION PROJECT AND AUTHORIZING THE INTERIM CITY
MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, plans and specifications have been prepared for the Standiford Avenue Rehabilitation Project, and City staff recommends approval by the City Council, and

WHEREAS, the project was advertised for bids on May 8, 2018, bids were publicly opened at 11:00 a.m. on June 5, 2018 pursuant to Modesto Municipal Code 8-3.403 and Charter Section 1307 and three responsive bids were received, and

WHEREAS, the proposed award of bid to DSS Company dba Knife River Construction, of Stockton, California conforms to Modesto Municipal Code section 8-3.403 and Modesto Charter Section 1307 and is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$2,591,417 received from DSS Company dba Knife River Construction of Stockton, California, be accepted as the lowest responsible and responsive bid and the contract be awarded to DSS Company dba Knife River Construction.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the plans and specifications for the Standiford Avenue Rehabilitation Project, accepts the bid of DSS Company dba Knife River Construction of

Stockton, California in the amount of \$2,591,417, and awards DSS Company dba Knife River Construction of Stockton, California the contract for the Standiford Avenue Rehabilitation Project.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

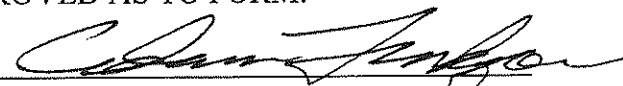
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-266**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL
IMPROVEMENT PROJECT (CIP) BUDGET AND ESTABLISHING THE
MEASURE L MAINTENANCE OF EFFORT TRANSFER FOR PROJECT
#101088 IN THE AMOUNT OF \$130,000 FOR THE STANDIFORD
AVENUE PAVEMENT REHABILITATION PROJECT**

WHEREAS, the Standiford Avenue Pavement Rehabilitation project will consist of roadway resurfacing and/or reconstruction, new signage and striping, ADA upgrades, storm drainage system improvements, and signal upgrades. Improvements will begin at Dale Road and proceeds east to Sherwood Avenue with a length of 2.97 miles, and

WHEREAS, in November 2016, the voters of Stanislaus County approved the county wide, 25-year, half-cent sales tax increase known as Measure L, and

WHEREAS, on July 5, 2017, the City Council, by Resolution No. 2017-269 approved a list of projects to be funded with Measure L tax proceeds in Fiscal Year 2017-18, and

WHEREAS, on March 13, 2018, the City Council, by Resolution No. 2018-124 approved an amendment to the list of projects funded with Measure L proceeds of which allocated \$3,205,920 to the Standiford Avenue Pavement Rehabilitation project, and

WHEREAS, the project was advertised for bids on May 8, 2018 and bids were opened June 5, 2018 with the lowest bidder 3.66% above the engineer's estimate, and

WHEREAS, the Maintenance of Effort funds of \$521,505 for Measure L in FY 2017-18 have allocated \$375,000 for the Lakewood Streets Neighborhood project leaving \$146,505 funds available, and

WHEREAS, on June 7, 2018 staff recommended to the Citizens Transportation Sales Tax Commission the allocation of \$130,000 of the \$521,505 Maintenance of Effort

funds available for FY 2017-18 to fund the additional costs for the Standiford Avenue Pavement Rehabilitation project which will leave \$16,505 of Maintenance of Effort funds available, and

WHEREAS, the Fiscal Year 2017-18 Capital Improvement Program Budget for Project #101088 – Standiford Avenue Pavement Rehabilitation must be amended by \$130,000 with a transfer from Measure L Maintenance of Effort fund to the project and allocation of funds to the projects expense budget.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends the Fiscal Year 2017-2018 Capital Improvement Project (CIP) revenue and expense budget for project #101088 in the amount of \$130,000 to continue the project.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-267**

RESOLUTION AUTHORIZING THE UTILITY DEPARTMENT DIRECTOR TO APPROVE CHANGE ORDERS UP TO THE CUMULATIVE AMOUNT OF \$259,142 (10% OF THE ORIGINAL CONTRACT PRICE) FOR THE STANDIFORD AVENUE PAVEMENT REHABILITATION PROJECT

WHEREAS, the Standiford Street Improvements project was advertised for bids on May 8, 2018, bids were publicly opened on June 5, 2018 and DSS Company dba Knife River Construction of Stockton, California was the apparent low bidder with an amount of \$2,591,417, and

WHEREAS, the contingency cost for the Standiford Street Improvements project has been estimated to be \$259,142, 10% of the original contract price, an amount which exceeds the Director's authority for the project as established by Change Order Policy 1.028, and,

WHEREAS, the reason for the increased contingency is because of the accelerated design and review period to construct the project this summer, and

WHEREAS, the Director of Utilities shall have authority to approve change orders up to the cumulative amount of \$259,142.


NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Utility Department Director to approve change orders up to the cumulative amount of \$259,142 (10% of the original contract price).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

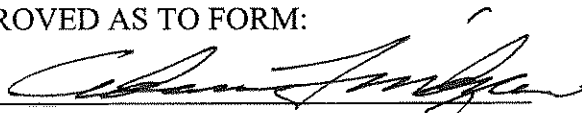
NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-268**

RESOLUTION CONFIRMING THE FISCAL YEAR 2018-19 DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF CHARGES WITHIN LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 1 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 1-6

WHEREAS, on May 8, 2018, the City Council, by Resolution No. 2018-171, declared its intent to levy charges or assessments for the purpose of administering the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 1-6 under the provisions of the California Streets and Highways Code Sections 22500 through 22679, more commonly known as the Landscape and Lighting Act of 1972, and

WHEREAS, the charges against the real property are not levied with regard to property values but rather by the allocated cost shown within the Annual Engineer's Report, and

WHEREAS, the City of Modesto has determined and certifies that the charges are either exempt from or in compliance with all the provisions of Proposition 218, which was passed by the voters in November 1996. The City of Modesto has further determined the charges are in compliance with all laws pertaining to the levy of such charges.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby orders the levy and collection of such charges within City of Modesto Landscape Maintenance Assessment District No. 1 for Dry Creek Meadows Subdivisions Nos. 1-6 for Fiscal Year 2018-19, and in each subsequent fiscal year in which the charges may validly be levied.

BE IT FURTHER RESOLVED, that a certified copy of this resolution and **attached** documentation shall be delivered to the Auditor-Controller of the County of Stanislaus for placement of such charges on the 2018-19 County Tax Roll, and in each subsequent fiscal year in which the charges may validly be levied.

BE IT FURTHER RESOLVED, that the diagram of said assessment district, which is **attached** hereto, and amount of levy thereon is hereby confirmed.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

NOES: Councilmembers: None

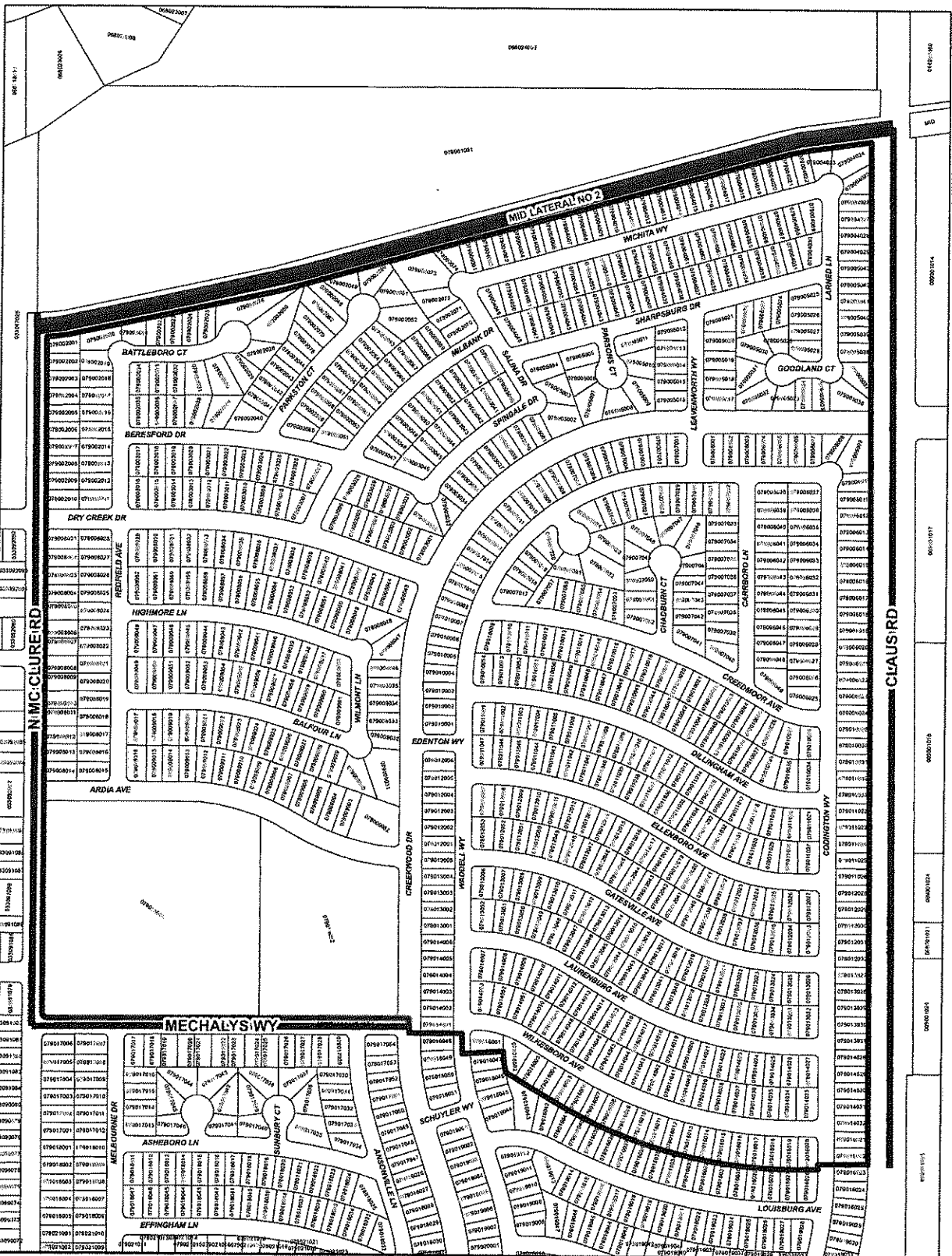
ABSENT: Councilmembers: Ah You, Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

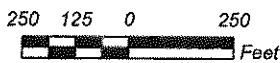
APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



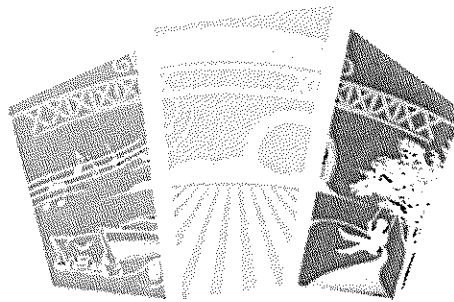
Assessment District Diagram

Landscape Maintenance Assessment District No. 1 (Dry Creek Meadows Subdivisions No. 1 - 6)



Date: 1/25/2018



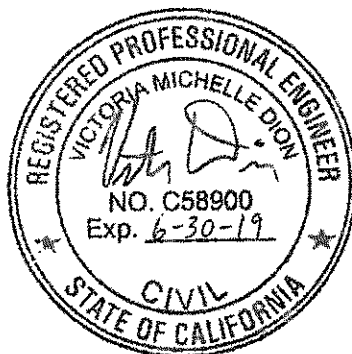


MODESTO
CALIFORNIA

City of Modesto
LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT No. 1
◆ DRY CREEK MEADOWS SUBDIVISIONS Nos. 1 through 6 ◆
*A Landscape Maintenance Assessment District pursuant to
the Landscape and Lighting Act of 1972*

ENGINEER'S ANNUAL REPORT

FISCAL YEAR
JULY 1, 2018 - JUNE 30, 2019



Prepared By:
Jessica Narayan
Infrastructure Financing Program
Supervisor

Certified By:
Vickey Dion
City Engineer

Accepted By Motion:
Modesto City Council

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SECTION I HISTORY

On December 12, 1988, Landscape Maintenance Assessment District No. 1 ("LMAD No. 1") was formed in accordance with the Landscape and Lighting Act of 1972 (California Streets and Highway Code §22500 through §22679) ("the Act"), to administer the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 1-6. All costs for the LMAD No. 1 are funded by the annual assessments levied on each property within the district. The Act requires several courses of action on the part of City staff and City Council prior to August 10th of each year.

The Act initially requires the City Council to order, prepare, and file an Engineer's Annual Report for the City Council. This report is prepared for the purpose of detailing the plans and specifications for the maintenance of work, the estimated costs for landscape maintenance performed by City contractors, utility service charges, City street tree pruning costs, City staff time to administer the maintenance contract, and additional work to be performed by the City Contractor at the request of the City.

LMAD No. 1 is located east of North McClure Road and southwest of MID Lateral #2 and Claus Road. It is comprised of 749 single-family residential lots and three (3) public agency owned parcels. An annual assessment of \$26 per single-family residential parcel has remained the same since 1996. The total assessment to be levied for LMAD No. 1 for Fiscal Year 2018-2019 is \$19,474.

Upon the City Council's approval of the Engineer's Annual Report, the City Council adopts a resolution declaring its intent to levy and collect assessments within LMAD No. 1 for the following fiscal year and schedules a public hearing. This public hearing and proposed resolution levying the proposed assessments is in accordance with the annual assessment procedures.

Finally, in compliance with the Act, the City Council conducts the public hearing and adopts certain resolutions in accordance with the California Streets and Highways Code §22625 through §22641. The City Clerk is required to give the Modesto Bee notice of the public hearing no less than ten (10) days prior to the scheduled hearing date. All interested persons are afforded the opportunity to be heard during the public hearing. Should there be any protests, whether written or oral, the City Council may choose to continue the hearing to a later date and/or may change any part of the Engineer's Annual Report to address the concerns of the property owner(s). The adopted resolution is then forwarded to the Auditor-Controller of the County of Stanislaus for placement of such charges on the upcoming year's County Tax Roll.

SECTION II ANNUAL ASSESSMENT REVIEW AND SUMMARY

A. PARCEL REVIEW

1. Single Family Residential Parcels:
There are 749 single-family residential parcels located within LMAD No. 1.
2. Multi-Family Residential Parcels:
There are no multi-family residential parcels located within LMAD No. 1.
3. Commercial/Industrial Parcels:
There are no commercial or industrial parcels located within LMAD No. 1.
4. Public Agency Parcels:
There are two (2) parcels owned by the City of Modesto (Creekwood Park and the Pedestrian Overcrossing at Claus Road) and one (1) parcel owned by the Empire School District (Bernard Hughes School). According to §22663 of the California Streets and Highways Code, public property owned by any public agency and in use in the performance of a public function shall not be subject to assessment.

B. 2018-2019 ANNUAL ASSESSMENTS

All single-family residential parcels are levied at a flat rate of \$26.00 per parcel. Each parcel receives equal benefits from the District. The annual assessments levied are calculated by multiplying the total number of parcels by the flat rate.

\$ 26.00	Annual assessment per parcel
x 749	Single-family residential parcels
\$ 19,474.00	Total annual assessment

C. COMPARISON TO PREVIOUS FISCAL YEAR

The proposed Fiscal Year 2018-2019 annual assessment is the same as the annual assessment for Fiscal Year 2017-2018 of \$26.00 per single-family residential parcel.

SECTION 3 FINANCIALS – ANNUAL ASSESSMENT REVENUE & EXPENSE PROJECTIONS

LMAD No. 1 Fund 6480	Estimated FY 2017-18 ¹	Proposed FY 2018-19 ²
Beginning Fund Balance	\$ 5,914	\$ 6,092
Revenue (Cost Center 80010)		
Special Assessments	\$ 10,853	\$ 19,474
Interest	\$ (1)	
<i>Estimated - Special Assessments</i>	\$ 8,622	
Total Revenue	\$ 19,474	\$ 19,474
Expenses (Cost Center 80010)		
	Account	
<i>Operating Budget</i>		
Postage Expenses	52025 \$ -	\$ -
Water Utility Expenses	59043 \$ (2,813)	\$ (2,000)
Repair and Maintenance Services - Landscape	53165 \$ (5,146)	\$ (10,293)
Professional Services	53300 \$ -	\$ (1,000)
Legal Services	53450 \$ -	\$ (500)
Services City Forces - Interfund	54500 \$ (3,103)	\$ (5,713)
<i>Estimated - Water Utility Expenses</i>	53043 \$ (1,187)	\$ -
<i>Estimated - Repair and Maintenance Services</i>	53165 \$ (3,996)	\$ -
<i>Estimated - Professional Services</i>	53300 \$ (1,000)	\$ -
<i>Estimated - Legal Services</i>	53450 \$ (500)	\$ -
<i>Estimated - Services City Forces</i>	54500 \$ (1,551)	\$ -
Total Expenses	\$ (19,297)	\$ (19,506)
Ending Fund Balance	\$ 6,092	\$ 6,060

¹ The estimated amount shows what has been expended as of 03-21-2018. There will be more expenses through the end of the fiscal year (June); these are shown as *Estimated*.

² The estimated expenditures for FY 2018-19 are based on the revenue that is currently able to be generated within LMAD No. 1.

³ Actual revenue received for FY 2017-18 tax levy.

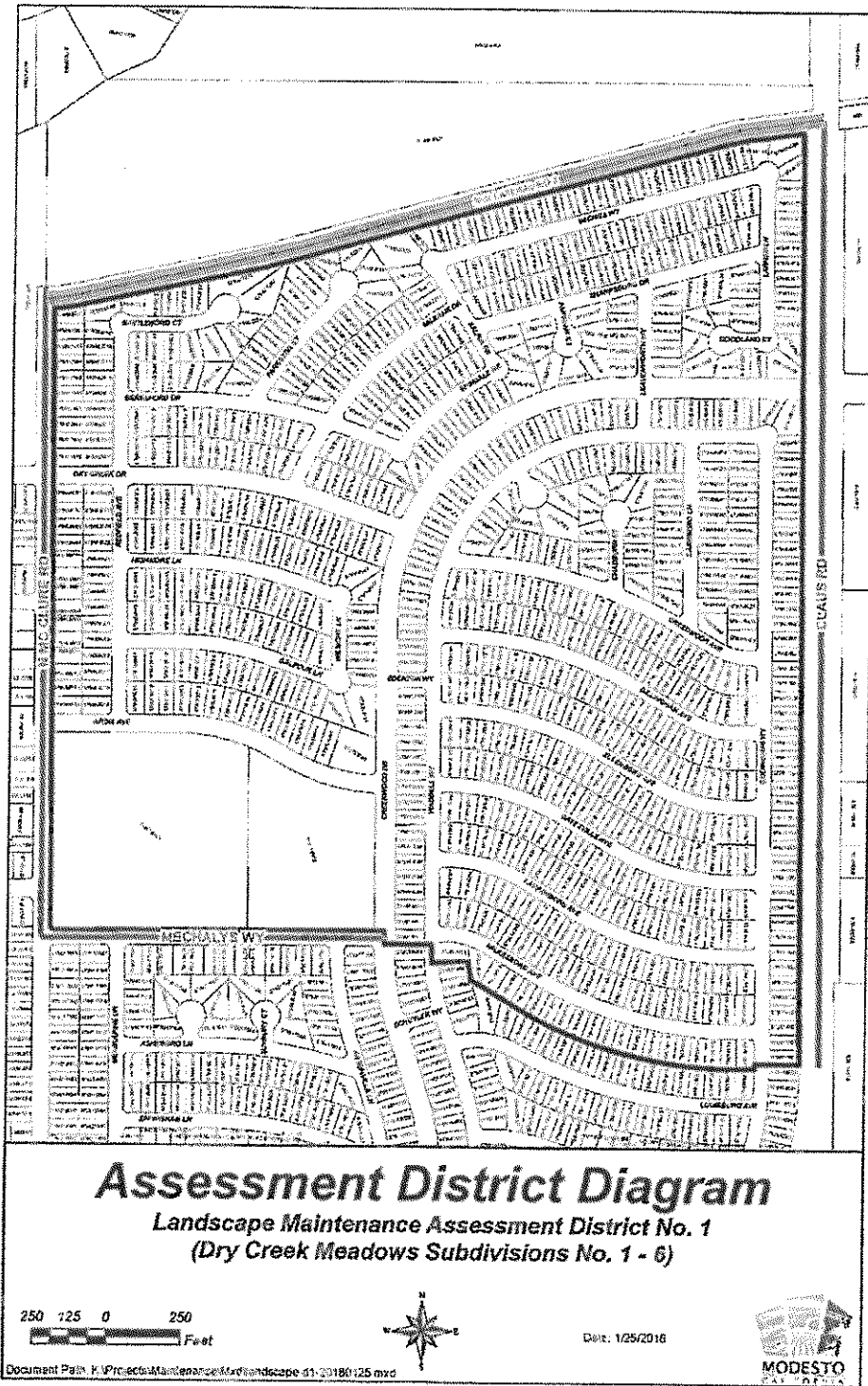
⁴ Proposed levy.

⁵ Estimated revenues for second installment of FY 2017-18 tax levy.

SECTION IV MAINTENANCE & PLAN SPECIFICATIONS

Plans and specifications are available for review in the Public Works Department, located at 512 Jefferson Street, Modesto, CA. For more information, contact Kelly Gallagher, Parks Operations Manager at (209) 524-2330.

SECTION V ANNUAL ASSESSMENT DISTRICT DIAGRAM



SECTION VI ANNUAL ASSESSMENT LIST BY PARCEL & OWNER

Fee Parcel	Owner	Address	City/State/Zip	2018/19 Ass't
079-002-001	MERCADO LISA M & RODOLFO	736 N MC CLURE RD	Modesto CA 95354	\$26.00
079-002-002	SOLMFRONPHANDY YOUTHANA	732 N MC CLURE RD	Modesto CA 95354	\$26.00
079-002-003	SORDO BRYON S ET AL	738 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-004	PRASAD AJAY B & CHANDRA SAKESHNI D	724 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-005	LOPEZ JOSE M	720 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-006	YATES MICHAEL V & YATES CHRISTINE M	716 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-007	ALBANO FLORENTE J & ALBANO JUANITA T	712 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-008	GARCIA JOSE DE JESUS	708 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-009	ESPINOZA GABRIEL	704 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-010	LEON MARTHA	700 N MC CLURE RD	Modesto CA 95357	\$26.00
079-002-011	SAMRA AMARJIT S TR	701 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-012	BARRIENTOS DAVID & BARRIENTOS MARIA E	705 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-013	YOUNGSMAN AARON B & LAUREN E	709 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-014	BATTAGLIA COREY J	713 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-015	BADAL EDWARD E & BADAL JANET E	717 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-016	NGUYEN THIANG & DIANG LIEN	721 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-017	SMITH ROBIN K & SMITH SUSAN R	725 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-018	DEOL HARMINDER S & DEOL SUKHWINDER K	729 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-019	MGILL LLC	733 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-020	CASEY MARY JOHN	737 REDFIELD AVE	Modesto CA 95357	\$26.00
079-002-021	PANYANOLUONG ROCKY P ET AL	3513 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-022	JOHNSON VERDELL TR	3517 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-023	VILLAGAS JOSEPH J	3521 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-024	PLUNK NATALEE & ROBERT	3525 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-025	HASKEL ALAN	3529 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-026	ALVAREZ VICTOR R & CRISTINA TRS	3536 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-027	HASKEL ROBERT	3532 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-030	EMERY EVERETTE & SHONDA TRS	3578 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-031	VILLALPANDO HERIBERTO & ROSA	3524 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-032	CARR PATRICK K & CHERYL J	3520 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-033	PRASHAD RAJENDRA & SONIL	3516 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-034	VO SANG	3512 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-035	ARROYO STEVEN I & ARROYO SANDRA	3518 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-036	CARREON JOSE & CECILIA	3517 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-037	GOMEZ PATRICIA	3521 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-038	COFFEN KELVIN L & COENEN CHRISTINA P	3525 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-039	HILL PAUL JAMES SR TRS & HILL DORTHA HELENE	3529 BERESFORD DR	Modesto CA 95357	\$26.00
079-002-040	CARSON SAMMY D & CARSON BRENDA S	717 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-041	MENDOZA SHAWN	717 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-042	SOTO HECTOR M & PEÑA MARIA C	721 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-043	SAMRA AMARJIT	725 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-044	MEFFERO JULIE A	729 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-048	SINGH JOTIKA ET AL	745 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-049	BISHOP ROSIE	749 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-050	YALDA JORGINA Y	753 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-051	TORRES JUAN LUIS	757 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-052	CASTILLO RANDY	748 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-053	LANZA PHILIP R	744 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-054	FISHER TIMOTHY S	740 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-055	PEREZ ISIDRO C	736 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-056	GAMIA SAM	732 PARKSTON CT	Modesto CA 95354	\$26.00
079-002-057	SANCHEZ JASON MICHAEL	728 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-058	COLLS LUIS R TR	724 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-059	BEYES ANTHONY P	720 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-060	CLARKE THOMAS D II & BRENDA L	716 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-061	CASTIGLIONE JOSEPH B & BECKY M	713 MILBANK DR	Modesto CA 95357	\$26.00
079-002-062	LUBINSKY EDWARD & LUBINSKY CAROL E	717 MILBANK DR	Modesto CA 95357	\$26.00
079-002-063	CASTILLO HECTOR	721 MILBANK DR	Modesto CA 95357	\$26.00
079-002-064	PRASAD RAMA ET AL TRS	725 MILBANK DR	Modesto CA 95357	\$26.00
079-002-065	WINGO NAIDA J ET AL	729 MILBANK DR	Modesto CA 95357	\$26.00
079-002-066	SMITH MARQUE R	733 MILBANK DR	Modesto CA 95357	\$26.00
079-002-067	VILLANUEVA DAVID M & VILLANUEVA DIANE M	737 MILBANK DR	Modesto CA 95357	\$26.00
079-002-068	PETERSON JEAN	741 MILBANK DR	Modesto CA 95357	\$26.00
079-002-069	MORSE GERALD WAYNE & CONSUELO	745 MILBANK DR	Modesto CA 95357	\$26.00
079-002-070	RAMIREZ-RIVERA JULIO C & CRUZ-FUENTES ALMA NIDIA	817 SALINA DR	Modesto CA 95357	\$26.00
079-002-071	COWTRERAS JESUS E RAMOS & RAMOS ANGELICA N CARRASC	821 SALINA DR	Modesto CA 95357	\$26.00

079-002-072	SALAZAR JENNIFER	825 SALINA DR	Modesto CA 95357	\$26.00
079-002-073	MANANDJUH DEXTER & PRAK DEBBIE	3781 WICHITA WAY	Modesto CA 95357	\$26.00
079-002-074	ROMAN TED ET AL	3705 WICHITA WAY	Modesto CA 95357	\$26.00
079-002-075	BATES HAROLD & JANICE	3533 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-076	HESKEL MATTHEW ET AL	733 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-079	LEZA OSCAR	737 PARKSTON CT	Modesto CA 95357	\$26.00
079-002-080	HASKEL ROBERT P	3537 BATTLEBORO CT	Modesto CA 95357	\$26.00
079-002-082	SIMAS LUIS & DANGY	741 PARKSTON CT	Modesto CA 95357	\$26.00
079-003-001	MAHARAJ SANJAI S & MAHARAJ ARUNA G	3641 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-002	HUFFMAN JOSEPH R II & MARLENE J	3637 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-003	LONG HERBERT JR & PATRICIA	3633 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-004	CALVO SERGIO & SILVIA	3629 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-005	TORRES MOSES & ESTRADA NANCY	3625 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-006	MAGCALAS JOEL & VIRGINIA	3621 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-007	CORDOVA ISIDRO C & CORDOVA MATHIA B	3613 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-008	CHUANGS INVESTMENT INC	3608 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-009	PRAASAD SUNEERA & DEVI SANGITA	3605 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-010	GIL MARTIN & GIL DEBORAH L	3601 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-011	DOUGLAS GREG & DOUGLAS TERI	3537 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-012	HERNANDEZ FERNANDO PARDO & HERNANDEZ GLORIA C	3533 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-013	CHERRY BANDY & ROSALBA	3529 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-014	REYES FERNANDO ET AL	3525 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-015	CHUON LEE ET AL	3521 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-016	DIXON THOMAS L TR	3517 DRY CREEK DR	Modesto CA 95357	\$26.00
079-003-017	WISNER JAMES E & ELINA S	3512 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-018	ESTRADA ADRIANA G	3516 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-019	DELANEY KIMBERLY R	3520 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-020	LOVE BOBBY	3524 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-021	DHALIWAL JOGINDER SINGH & KULWANT KAUR	3528 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-022	LUTTRELL ERIC ET AL	3532 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-023	MENDOZA ADRIAN & ROSA	3536 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-024	MANHOSO FRANK & MANHOSO MARIA	3540 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-025	FISCHER WILLIAM & FISCHER CANDI	3600 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-026	MARTINEZ MICHAEL & TERESA	3604 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-027	PRAKASH OM & SUSHIL	3608 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-028	REYES BERLINDA M TR	3616 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-029	CHUNG WILLIAM & YEH GEORGINA PIU-CHING TRS	3620 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-030	STANLEY WACHELLE	3624 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-031	MUNOZ ALFREDO F & CEYLON A	3628 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-032	SAENGPHACHANVH PHONESY ET AL	3632 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-033	ROTH WILLIAM C & ROTH DOLORES	704 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-034	SOLIS MARIA	708 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-035	LANGI ROAHE	712 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-036	SHARMA RUDRA DIPTI & BESHMIKA	716 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-037	DEL REAL INDELACIO & DEL REAL ELENA	720 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-038	MORALES DIANA R	724 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-039	MONTELONGO SANDRO	728 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-041	GONZALES JUAN G JR & GLORIA M	729 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-042	DONNETT NEWTON & LYNELL D	725 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-043	ANAYA JAMIE LEE	721 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-044	MARENTES YESITGA	717 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-045	CARSON CHRISTOPHER & MARGARET F	713 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-046	BOWMAN ANDREW	709 SPINDALE DR	Modesto CA 95357	\$26.00
079-003-047	SINGH RAWNIK & LAL RANJITA	3617 BERESFORD DR	Modesto CA 95357	\$26.00
079-003-048	IDTS LLC	720 MILBANK DR	Modesto CA 95357	\$26.00
079-003-049	MOODY DIANE K	724 MILBANK DR	Modesto CA 95357	\$26.00
079-003-050	SWITZER LYNDLELL	728 MILBANK DR	Modesto CA 95357	\$26.00
079-003-051	KILGORE LINDA L	732 MILBANK DR	Modesto CA 95357	\$26.00
079-003-052	MAXWELL VIRGINIA E	736 MILBANK DR	Modesto CA 95357	\$26.00
079-003-053	JUDO JIMMIE RANDALL ET AL	740 MILBANK DR	Modesto CA 95357	\$26.00
079-003-054	SPIEKER DAVE M & SPIEKER JANE R	744 MILBANK DR	Modesto CA 95357	\$26.00
079-003-055	ALVEAR FELICITAS	748 MILBANK DR	Modesto CA 95357	\$26.00
079-003-056	PAHL KAREN M ET AL	733 SPINDALE DR	Modesto CA 95357	\$26.00
079-004-001	ESPARZA WILLIAM & ELSA	3709 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-002	CASSIDY ALAN K & CASSIDY SUSAN R	3713 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-003	HAMIL ALFRED	3717 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-004	PALMERIN ARTURO & PATRICIA	3721 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-005	GILL WARMAIL & DARSHAN K	3725 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-006	MANILULU NOEL M & MANILULU MARVIC F	3729 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-007	TOWNE JAMES E & TOWNE AMANDA J	3733 WICHITA WAY	Modesto CA 95357	\$26.00

079-004-008	VALENZ RENE D & PUNSMIA	3801 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-009	DE ALBA RIGOBERTO SR & SANDRA L TRS	3805 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-010	DE ALBA RIGOBERTO SR & SANDRA L TRS	3809 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-011	WATTLE DANNY & CAROLANNE	3813 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-012	HECKLER LAWRENCE S TR	3817 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-013	GARCIA ARMANDO & MARISOL RESENDIZ	3821 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-014	CURTRIGHT BARBARA TR	3825 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-015	KENNEDY CHAD & SHIMORU	3829 WICHITA WAY	Modesto CA 95355	\$26.00
079-004-016	GETREU DANIEL L & GETREU PATRICIA E	3801 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-017	MILLER RAYMOND E & MILLER JERELYN	3905 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-018	GONZALEZ CARRAZCO LUIS ALBERTO ET AL	3909 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-019	ALBERG DAVID A & PAMELA M TRS	3913 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-020	BOWMAN CLINTON & TERRI	3917 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-021	COX JULIE A	3921 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-022	TEJADA SERGIO L	3925 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-023	MEZA HECTOR MEDINA	3929 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-024	MARTINEZ ARTHUR J & ELISA R	3933 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-025	GARDNER GEORGE & GARDNER DAWN	844 LARNED LN	Modesto CA 95357	\$26.00
079-004-026	SAMUEL BENJAMIN & JANET Y	848 LARNED LN	Modesto CA 95357	\$26.00
079-004-027	BARTON KEVIN A	832 LARNED LN	Modesto CA 95357	\$26.00
079-004-028	SEN INDAR & SEN SURUJ M	832 LARNED LN	Modesto CA 95357	\$26.00
079-004-029	VIGIL CELSO ET AL	828 LARNED LN	Modesto CA 95357	\$26.00
079-004-030	MENDOZA NEREIDA	3925 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-031	VEGA CESAR & SABRINA	3921 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-032	BALANJI HELEN FARHAD ZADEH	3917 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-033	GLEN MAVIS J TR	3913 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-034	CHRISTIANSON ADAM E & YVONNE M TRS	3909 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-035	CHICKEN RANCH MEWUK INDIANS	3905 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-036	PHIPPS CORY L & PHIPPS CAROLE J	3901 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-037	RETFORD HANK W & KAREN J TRS	3821 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-038	BARNETT BRIENT K & ERIN	3817 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-039	MUNOZFERRER ISMAEL	3813 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-040	AU-YEUNG CHI & AU-YEUNG TZE H	3809 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-041	VASQUEZ CODY R & BYANCA	3805 SHARPSBURG DR	Modesto CA 95354	\$26.00
079-004-042	SERNA MARIA ANN TR	3801 SHARPSBURG DR	Modesto CA 95355	\$26.00
079-004-043	SOUZA RICK L & SOUZA MARVELYN	3721 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-044	WOOD SHAWN & WOOD KRISTINA M	3717 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-045	HATTERSLEY SCOTT LEYTON & SANDRA LEE TRS	3713 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-046	OROZCO RUDY JOSEPH & QUIRALTE-CASTAÑEDA MELISSA	3709 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-047	DIVINO HEIDEN & JASON R	3705 SHARPSBURG DR	Modesto CA 95354	\$26.00
079-004-048	PANG YIM PING & LI FELIX JING HUI	3701 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-004-049	EYRING MARDON L TR	3712 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-050	BENTLEY DOUGLAS & BENTLEY LEANNE Y	3716 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-051	LEYVA RENE SR & CLAUDIA D	3720 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-052	DUMAS JAMES BRIAN SR & PAMELA LEE TRS	3724 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-053	MORENO ROSA M	3728 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-054	GALVAN OLALDE DANIEL GIBRIAN & DAZ GALVAN LAURA EL	3732 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-055	CASTILLO RAFAEL	3809 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-056	SALVATION ARMY	3804 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-057	CLINE DAVID L & DEBRA N TRS	3808 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-058	FUGATE BRANDON ET AL TRS	3812 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-059	COUCHMAN PAUL E & KATHRYN A	3816 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-060	CABERE MARIA RIZALINA C TR	3820 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-061	MAYOL BIRGITTA TR ET AL	3824 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-062	HERNANDEZ CESAR E & MARGARITA C	3828 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-063	BEAUDETTE GARY & BEAUDETTE DEBORAH	3930 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-064	ALVAREZ LOUIS L ET AL	3904 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-065	MANCINI JUDITH	3908 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-066	ISRAEL SAMMY S & SHERLY ESQUERBA	3912 WICHITA WAY	Modesto CA 95357	\$26.00
079-004-067	BOJAS ROSELIO A	3916 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-068	OVIEDO IRMA L	3920 WICHITA WAY	Modesto CA 95354	\$26.00
079-004-069	OCKEY LEOTA L TR	3924 WICHITA WAY	Modesto CA 95357	\$26.00
079-005-001	SIMPSON STEVEN	732 SPINDALE DR	Modesto CA 95357	\$26.00
079-005-002	BALLIE RICHARD L & BALLIEY SHERRY	736 SPINDALE DR	Modesto CA 95357	\$26.00
079-005-003	BORDNER FATIMA	808 SALINA DR	Modesto CA 95357	\$26.00
079-005-004	HELLERUD GARRY A & HELLERUD ARLENE L	804 SALINA DR	Modesto CA 95351	\$26.00
079-005-005	URENA FIDEL & ELIA K	813 PARSONS CT	Modesto CA 95357	\$26.00
079-005-006	CLEMENTS PANDORA A	809 PARSONS CT	Modesto CA 95357	\$26.00
079-005-007	THOMPSON MELANIE	805 PARSONS CT	Modesto CA 95357	\$26.00
079-005-008	LAKE DAVID E & LAKE MARGARET R	800 PARSONS CT	Modesto CA 95357	\$26.00

079-005-009	LEE EDMUND W TR	804 PARSONS CT	Modesto CA 95357	\$26.00
079-005-010	GARCIA EDUARDO C & GARCIA ELIZABETH A	808 PARSONS CT	Modesto CA 95357	\$26.00
079-005-011	HINOJOS BRANDON & KRISTAL R	812 PARSONS CT	Modesto CA 95357	\$26.00
079-005-012	RANGEL FRANCISCO JAVIER JA	817 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-013	MEDINA VICTOR & IRMA	813 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-014	FAGUNDES ANTONIO L & HAIR JACQUELINE R TRS	809 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-015	GARCIA MATIAS & GARCIA MERCEDES	805 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-016	ERWIN TERESA M	801 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-017	OWENS LARRY G & MARY Z	800 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-018	TAYLOR BRADLEY JOSEPH	804 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-019	BISHOFF PHYLLIS J TR	808 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-020	GROSS THOMAS T	812 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-021	MARCELINO DAVID C & REBECCA N	816 LEAVENWORTH WAY	Modesto CA 95357	\$26.00
079-005-022	MCDONALD SHARICE	3908 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-023	DAVISON WAYNE & JO	3912 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-024	HAWK ALFRED	3916 SHARPSBURG DR	Modesto CA 95357	\$26.00
079-005-025	DUNHAM SANDY M	817 LARNED LN	Modesto CA 95357	\$26.00
079-005-026	MCCARTHY JAMES & TAMRA	813 LARNED LN	Modesto CA 95357	\$26.00
079-005-027	CHEN GEORGE CHONG JYN & HOLLY YUN YAN	809 LARNED LN	Modesto CA 95357	\$26.00
079-005-028	VAN DIEMEN MICHAEL B & VAN DIEMEN LAURIE L	805 LARNED LN	Modesto CA 95357	\$26.00
079-005-029	LIGHT MARK T & WRIGHT LUCILA	3800 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-030	LUCAS THOMAS M III & LUCAS LISA M	3805 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-031	BARKLEY JOSEPH E TR	3800 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-032	BROOKS CHARLES A & SUSAN D TRS	3804 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-033	GAMBOA BENITO	3908 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-034	MORALES SHARON & LUIS	3912 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-035	YOUNGER EDGER COLEMAN & LAURA JEAN TRS	3916 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-036	COLE TINA M	3920 GOODLAND CT	Modesto CA 95357	\$26.00
079-005-037	ALVARADO MARIA B	800 LARNED LN	Modesto CA 95357	\$26.00
079-005-038	PALMERIN JOSE DE JESUS	804 LARNED LN	Modesto CA 95357	\$26.00
079-005-039	BARROW DAMEKA	808 LARNED LN	Modesto CA 95357	\$26.00
079-005-040	PARKS ANDREW STEVEN	812 LARNED LN	Modesto CA 95357	\$26.00
079-005-041	LEIVA LEONEL ALFREDO & LILI MARLENE	816 LARNED LN	Modesto CA 95357	\$26.00
079-005-042	MORAD EDIGNO & MORAD CARMEN	820 LARNED LN	Modesto CA 95357	\$26.00
079-005-043	BROWN DANNY ARTHUR & CHRISTINA	824 LARNED LN	Modesto CA 95357	\$26.00
079-006-001	LAMBELL LARRY C & CYNTHIA A	737 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-002	NASSER MOHAMED	741 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-003	HILL PAMELA ET AL	745 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-004	CHHIM LIM	749 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-005	FLORES J JESUS	753 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-006	SAMOV HALA	757 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-007	MICHAEL RAPHAEL ET AL	761 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-008	REYES JIM R & REYES ELLEN S	765 WADDELL WAY	Modesto CA 95357	\$26.00
079-006-010	JOHNSON GERALD I ET AL	752 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-011	REEVES JERAMIAH & SAUNDRA	748 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-012	WEBB LAQUITA	744 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-013	GARCIA FRANCISCO & YOLANDA	740 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-014	MC CRAWY MARY JANE	736 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-015	PARKINS SANDRA BELINDA TR	732 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-016	TELLEZ MAURICE R & MARGARITA F	728 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-017	TELLEZ MAURICE R & MARGARITA F	724 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-018	SANTOS LUZ MARIA	720 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-019	SANTOS LUZ	716 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-020	PADILLA SALVADOR & PADILLA ANTONIA	712 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-021	PERROTTI PATRICK ET AL TRS	708 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-022	BAINS GURNAM S & BALVINDER K	704 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-023	LOTKO ANN E	700 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-024	PEREZ JUAN MANUEL & SILVIA PUJICO	640 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-025	RAM RAVI PRAKASH & RAM SANJITA PRAKASH	701 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-026	SANJELOS MARTHA E TR	705 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-027	ARROYO RAFAEL ARROYO & CHAVEZ GUADALUPE RAMIREZ	709 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-028	BENDERAS RAUL ET AL	713 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-029	AGUIRRE ALICIA R	717 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-030	GOMEZ FRANCISCO J & PATRICIA	721 CODINGTON WAY	Modesto CA 95354	\$26.00
079-006-031	BAINS GURNAM S & BALVINDER K	725 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-032	FIGUEROA LUIS E & FIGUEROA ISABEL L	729 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-033	CARRILL EDWIN JOSEPH & CONNIE	733 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-034	AMBROSICH STEPHEN F TR	737 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-035	MOLINA GIOVANI	741 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-036	GALE MARK D II & DEBRA L TRS	745 CODINGTON WAY	Modesto CA 95357	\$26.00

079-006-037	SHELEMON ANTHONY	749 CODINGTON WAY	Modesto CA 95357	\$26.00
079-006-038	GUZMAN JESUS A	744 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-039	LOUCKS DAVID GEORGE & JOSEFA M TRS	740 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-040	PATRICK ANTONIO	736 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-041	PALOMERA HECTOR MANUEL	732 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-042	WILLIAMS MARLON & NEHA	728 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-043	DEBERRY GARY L & ALICE	724 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-044	LAMPROE LEONARD C & LAMPROE MARY A	720 CARRBORO LN	Modesto CA 95354	\$26.00
079-006-045	GARCIA FELIPE & FLORES BLANCA	716 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-046	OHISHO DAVID & OHISHO JULIET	712 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-047	WAY DONALD E & TERESA M TRS	708 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-048	DAVID VIRGEEN	704 CARRBORO LN	Modesto CA 95357	\$26.00
079-006-049	CONN HILARY A & GARY	700 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-001	CHOW MINH LU ET AL	729 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-002	JORGENSEN FRANK E & MIRIAM M TRS	725 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-003	CRUZ DEZIREE	721 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-004	CARDOSO MANUEL ALCANTAR ET AL	717 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-005	L & D RENTALS LLC	713 WADDELL WAY	Modesto CA 95354	\$26.00
079-007-006	GUTIERREZ DIEGO	709 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-007	SANCHEZ ENRIQUE	705 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-008	MC CLURE JODI PENRIAN	701 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-009	FERNANDEZ RAMIRO & ALMA	669 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-010	ZAMORA GUILLERMO	665 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-011	STOLLINGS WILLIAM R & HOAJI TRS	661 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-012	L & D RENTALS LLC	657 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-013	KESSLER STACI ET AL	653 WADDELL WAY	Modesto CA 95350	\$26.00
079-007-014	BAKER OUTIN MARLENE	649 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-015	MARSELLA BARBARA A	645 WADDELL WAY	Modesto CA 95354	\$26.00
079-007-016	ROQUE DARWIN	641 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-017	PENSCOD TRUST COMPANY	648 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-018	MEYER LISA M	632 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-019	MENEZ HILARIO	636 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-020	AMBRIC MARIO G	721 RIEDESVILLE CT	Modesto CA 95357	\$26.00
079-007-021	GOODSIED MARLA	717 RIEDESVILLE CT	Modesto CA 95357	\$26.00
079-007-022	ZAVALA JOHN & IVONNE	713 RIEDESVILLE CT	Modesto CA 95357	\$26.00
079-007-023	ACOSTA DAVID ET AL	716 RIEDESVILLE CT	Modesto CA 95354	\$26.00
079-007-024	SCHULTZ BRENDA J & RONALD	720 RIEDESVILLE CT	Modesto CA 95357	\$26.00
079-007-025	SCALA PAOLO & MEDINA MIRIAM	712 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-026	JMENEZ GREGORIO	716 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-027	MOLES EDWARD A & DIAMOND SUSAN H TRS	728 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-028	SOTO ANABEL	724 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-029	TRIMBLE BRENDA E	728 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-030	POZZOLI JOHN L	732 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-031	SINGH SURJIT B & SINGH LACHMI BAI	736 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-032	DE LA TORRE CONRADO & ROSEMARY TRS	740 WADDELL WAY	Modesto CA 95357	\$26.00
079-007-033	MARCIANO ARMANDO D & MARCIANO REMEDIOS R	737 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-034	PLACE GREGORY & SHERI L	733 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-035	MEDIA MIGUEL A & ASPEN	729 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-036	P T BRAND PROPERTIES LLC	725 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-037	COJA BEATRICE	721 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-038	NAVARRO ENRIQUE JR	717 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-039	HARRISON KAREN S	713 CARRBORO LN	Modesto CA 95357	\$26.00
079-007-040	VILLALOVOS ART ROBERT & YOLANDA	709 CARRBORO LN	Modesto CA 95354	\$26.00
079-007-041	GALLOWAY JACK A & AMY A	700 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-042	JACKSON JONATHAN & ADOMA	704 CHADBURN CT	Modesto CA 95354	\$26.00
079-007-043	DIAS JEREMIAH A ET AL	708 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-044	SANRA GURDIP & PREET	712 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-045	ROBLES RICHELLE & YUJO JOHN	716 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-046	MEZA JACQUELINE M	720 CHADBURN CT	Modesto CA 95355	\$26.00
079-007-047	TRUESDAN SHELBY J	714 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-048	BAH EILEEN	721 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-049	IBARRA JUANA	717 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-050	YEFREMEYKO ALEKSEY & CANDICE	713 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-051	BROOKS HARVEY EARL TR	709 CHADBURN CT	Modesto CA 95354	\$26.00
079-007-052	ESTRADA GAMBIA RAMON	705 CHADBURN CT	Modesto CA 95357	\$26.00
079-007-053	SILVEIRA FERNANDA	3725 CREEDEMOOR AVE	Modesto CA 95357	\$26.00
079-007-054	BERTRAM EILEEN TR	3721 CREEDEMOOR AVE	Modesto CA 95356	\$26.00
079-007-055	PEREZ JOSE P & PEREZ ROSA M	3717 CREEDEMOOR AVE	Modesto CA 95354	\$26.00
079-007-056	SROCHKO KATHLEEN A & SROCHKO RICHARD A	3713 CREEDEMOOR AVE	Modesto CA 95354	\$26.00
079-007-057	DAVIS JAMES R & DAVIS LETECIA B	3709 CREEDEMOOR AVE	Modesto CA 95357	\$26.00

079-008-001	BIJAYA DAVID S	620 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-002	ALI SYED ARIF & ARIF SHAZIA	616 N MC CLURE RD	Modesto CA 95354	\$26.00
079-008-003	CONCHAS SANDRA H	612 N MC CLURE RD	Modesto CA 95354	\$26.00
079-008-004	RENO FRED W	608 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-005	CHAND VIJAY & MATI SOHAM	604 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-006	CHAND VIJAY V ET AL	600 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-007	JACKSON MATTHEW & JACKSON SUZANNA	564 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-008	WARD DONALD G & CAROLE WARD CARRIE LYNN	560 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-009	MOUNDI HARINDER K & GURDIAL SINGH W	556 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-010	BORGES FRANK J	552 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-011	MILLER THOMAS H TR	548 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-012	PRASAD DHARMEND	544 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-013	MAHARAJ ARUNA & SANJAY S	540 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-014	TAGRE ABEL JOSE & TERRIE MARIE TRS	536 N MC CLURE RD	Modesto CA 95357	\$26.00
079-008-015	CHAMBERS DEEASSA	501 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-016	SABLOK SATISH KUMAR & RENJITA TRS	505 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-017	PEEK CHARLES & PEEK ADRIENNE	509 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-018	KINCHELOE DOMMIE & KAREN	513 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-019	SHARMA LIMA L	517 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-020	CARDOSO JOHN P	521 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-021	MARQUEZ VICENTE MARTINEZ & MADRIGAL GRACIELA	525 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-022	ZERMENO RAUL & MARIA LETICIA	529 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-023	ZARAGOZA RICARDO	533 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-024	CHAND SHULI	601 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-025	JETT JERRY S	605 REDFIELD AVE	Modesto CA 95354	\$26.00
079-008-026	BROWER PROPERTIES 3 LLC	609 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-027	KUMAR PRANFEL	613 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-028	CV RESIDENTIAL LLC	617 REDFIELD AVE	Modesto CA 95357	\$26.00
079-008-029	PRAK DEBBIE & MANANQUL DEXTER	3516 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-030	BROWN CAROL C TR	3520 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-031	WRIGHT JACQUELINE L TR	3524 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-032	HANDY RICK L & LYNN P	3528 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-033	DAVIS DAVIDA BEARD	3532 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-034	BHATTI BALRA S & JASVIR K	3536 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-035	SINGH KULDIP & KOLP JASBIR	3600 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-036	MENDOZA JESSICA PATINO ET AL	3604 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-037	ORTIZ MATIAS & ORTIZ JOSEFINA	3608 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-038	BROWN DALE LEE & VANESSA MARIE	3612 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-039	NEY GARY W	3616 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-040	ECKLES ROBERT S & CORLES JUNE L	3620 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-041	SINGH SHALVIN V	3624 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-042	MALLEY KATHERINE S	3628 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-043	KELLER ALFRED W	3632 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-044	DAVIS LUELLA B & DAVID WAYNE W	3636 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-045	HERNANDEZ FRANK J & DIANA C	3640 DRY CREEK DR	Modesto CA 95357	\$26.00
079-008-046	STAMPS GENE A & GLORIA M	532 WILMONT LN	Modesto CA 95357	\$26.00
079-008-047	JIMENEZ GERARDO	536 WILMONT LN	Modesto CA 95357	\$26.00
079-008-048	MATLIS ERIC A	3633 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-049	CHIU JOSEPH C & CHIU HELEN LEE	3629 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-050	FARA AHMED & FARA MUFIDHA	3625 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-051	JAVROGHI HOBACIO J & SJSANA	3621 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-052	CISNEROS MARTIN T & CISNEROS MELISSA	3617 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-053	SINGH PREM	3613 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-054	WHITAKER SAULIA F	3609 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-055	PRASAD JACK J & RESHMA D	3605 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-056	GUTIERREZ JESUS & MARIA DE JESUS	3601 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-057	WELLS JEFFREY R & CARRIE H	3593 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-058	POSLANEC CORY L	3589 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-059	SADA FRED & JACKIE H	3525 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-060	WHITE JOHN L & WHITE MARILYN K	3521 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-061	BASEN JOE & KIRAN TRS	3517 HIGHMORE LN	Modesto CA 95357	\$26.00
079-008-062	INDERJIT S TOOR CONSTRUCTION INC	3513 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-003	LIBERTO CHARLES & BARBARA	3629 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-004	POK NAVEEN & VEULVI AVONG AMMONE	3625 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-005	WRIGHT ROBERT T TR	3621 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-006	DALMAN NINON M	3617 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-007	VARGAS ROBERT S & MARTHA V	3613 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-008	RUSH ROBERT P SR & PATRICIA L	3609 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-009	REYNOLDS EVA NELL TR	3605 ARDIA AVE	Modesto CA 95357-1501	\$26.00
079-009-010	WILLIAMS DONALD F & DEBORAH A	3601 ARDIA AVE	Modesto CA 95357	\$26.00

079-009-011	NAIRN DENNIS & NAIRN REBECCA	3533 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-012	MONDRAGON LUIS JR	3539 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-013	JORAL SUKHWINDER KAUR & JASBIA S SINGH	3525 ARDIA AVE	Modesto CA 95357-1504	\$26.00
079-009-014	THANDI H S & S K	3521 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-015	RAMOS FERNANDO A	3517 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-016	MARTINEZ TONY B JR	3513 ARDIA AVE	Modesto CA 95357	\$26.00
079-009-017	FIGUEROA JASMINE E	3517 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-018	GREWAL JASKIRAN	3516 BALFOUR LN	Modesto CA 95357-1508	\$26.00
079-009-019	OSDEN ROBERT C & DEBORAH A TRS	3520 BALFOUR LN	Modesto CA 95354	\$26.00
079-009-020	FOUNTAIN TIMOTHY J & FOUNTAIN DEBORAH A	3524 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-021	MILLS AUOREY C	3528 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-022	COLLS LUIS R TR	3600 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-023	MARRICQUEZ UBALDO & DORA	3604 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-024	AMEREL CLEVE & ROSA	3608 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-025	JOHNSON SOUNITA ET AL	3612 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-026	LEWMAN-KUNTLER BRENDA F TR	3616 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-027	LEE DAVID S & HU YANTING	3628 BALFOUR LN	Modesto CA 95351	\$26.00
079-009-028	GONZALEZ ALFONSO CHAVEZ & RAMPON-CHAVEZ JUDY	3624 BALFOUR LN	Modesto CA 95355	\$26.00
079-009-029	SANCHEZ HUGO & ZENAIDA	3628 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-030	TOMLINSON MARK S & TOMLINSON JENNIFER D	3632 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-031	GOVEA PETER C & CAROL M TRS	512 WILMONT LN	Modesto CA 95357	\$26.00
079-009-032	CERVANTES JUAN MANUEL OCEGUERA & CASILLAS ROCIO ME	516 WILMONT LN	Modesto CA 95357	\$26.00
079-009-033	KHOURY TAMIA SAMBA	520 WILMONT LN	Modesto CA 95357-1534	\$26.00
079-009-034	BARRY MAGED	524 WILMONT LN	Modesto CA 95357	\$26.00
079-009-035	BEZZINI KELLY A	528 WILMONT LN	Modesto CA 95357	\$26.00
079-009-036	MARTINEZ PEDRO & HERNANDEZ APRIL	3628 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-037	RAMIREZ JESUS & LORENA	3624 HIGHMORE LN	Modesto CA 95354	\$26.00
079-009-038	CERDA GONZALO	3620 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-039	WILHELM DENNIS & WILHELM JANICE	3626 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-040	CASTRO MARIA	3612 HIGHMORE LN	Modesto CA 95355	\$26.00
079-009-041	VIZCARRA JOSE A	3608 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-042	YAU KING PO & SU AI CENG	3604 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-043	ZAYA SAMIA	3600 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-044	CHIU CHARLES	3528 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-045	FORRES DEENA M ET AL	3524 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-046	LITTMANN PETER & TAMARA	3520 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-047	MANI LOGESH	3516 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-048	KUMAR RAMIL ET AL	3512 HIGHMORE LN	Modesto CA 95357	\$26.00
079-009-049	MAHUSAY SATURNINO & MAHUSAY PATRICIA	3513 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-050	VALDEZ MARIA GUADALUPE RAMIREZ	3517 BALFOUR LN	Modesto CA 95354	\$26.00
079-009-051	KUMAR ANAR	3511 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-052	PETERSON KAREN TR	3525 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-053	PRAKASH SUSHEEL & DEVI VINITA	3529 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-054	OSHANA DOONNA H	3533 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-055	VERSOLA KENNETH O ET AL TRS	3601 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-056	MARTINEZ RICHARD A & MARTINEZ MARTHA S	3605 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-057	VALADEZ RUBEN ET AL	3609 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-058	HEDRICK KENNETH L & HEDRICK MARGIE	3613 BALFOUR LN	Modesto CA 95357-14	\$26.00
079-009-059	WASPE LAWRENCE E MO	3617 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-060	RODRIGUEZ MARIO & RODRIGUEZ SONIA	3621 BALFOUR LN	Modesto CA 95357	\$26.00
079-009-061	CISNEROS STEVE P & CISNEROS ELVIRA	3625 BALFOUR LN	Modesto CA 95357-14	\$26.00
079-009-062	DAVIS RODGER & STACY	2639 ARDIA AVE	Modesto CA 95351	\$26.00
079-010-001	HORLICK LUPE CASTILLO ET AL	609 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-002	ORTIGA ANGEL GABRIEL	613 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-003	TAYLOR DAVID & CHRISTINE	617 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-004	LEWIS LA YOMA L TR	621 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-005	MALDONADO LUIS & MALDONADO ERENORA	625 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-006	BROWER PROPERTIES 2 LLC	629 WADDELL WAY	Modesto CA 95357	\$26.00
079-010-007	AISPURO ROSALVA P	633 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-008	THOMAS-STEVENSON CHERI H	637 WADDELL WAY	Modesto CA 95357-1414	\$26.00
079-010-009	PRASAD BINESARI & SATYA W	3700 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-010	LERINDEGUR JOYCE C ET AL	3704 CREEDMOOR AVE	Modesto CA 95357-1417	\$26.00
079-010-011	TRIO DONNA M	3708 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-012	PRASAD RAKESH	3712 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-013	ANTONIO MARIA ET AL	3716 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-014	STOCKAND MIMI M	3720 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-015	WATSON THOMAS R & SHARON M	3724 CREEDMOOR AVE	Modesto CA 95357	\$26.00
079-010-016	GONZALEZ JOSEPH R	3728 CREEDMOOR AVE	Modesto CA 95355	\$26.00
079-010-017	NELSON RONALD J	3732 CREEDMOOR AVE	Modesto CA 95357-1418	\$26.00
079-010-018	RAMIREZ GABRIELA	3736 CREEDMOOR AVE	Modesto CA 95357	\$26.00

079-010-019	CHANG STANLEY & EMILY	3800 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-020	AU-YEUNG CHI & AU-YEUNG TZE HING LAM	3804 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-021	SALDANA BENJAMIN	3808 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-022	VELAZQUEZ RAUL & VELAZQUEZ MARIBEL	3812 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-023	XIAOKUN ZHI	3816 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-024	STEWART ALLAN HENRY ET AL TRS	3900 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-025	JAMES GLORIA R	3904 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-026	RIVERA PAUL C & CARMEN	3908 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-027	KUMAR ABINESH	3912 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-028	HAMO ALEN	3916 CREDMOOR AVE	Modesto CA 95357	\$26.00
079-010-029	DYRCE JEFFREY LEE	636 CODINGTON WAY	Modesto CA 95357-1423	\$26.00
079-010-030	GALITO FISHER USA M	632 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-031	SMITH AUSTIN KEITH	628 CODINGTON WAY	Modesto CA 95357-1425	\$26.00
079-010-032	LAURANCE MICHAEL E & DEBRA	624 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-033	LOWERO CHARLES	620 CODINGTON WAY	Modesto CA 95357	\$26.00
079-010-034	LOVEALL DENNIS J & TANG JANVY LEE	3925 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-035	HALE DENNA M	3921 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-036	CHARLES TIMOTHY M & CHARLES LISA A	3917 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-037	GALLEGOS ELIDIA	3913 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-038	RAMIREZ JUAN J & RAQUEL COSIO	3909 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-039	MARIGLEN VALERIANO M	3905 DILLINGHAM AVE	Modesto CA 95357-1423	\$26.00
079-010-040	VIAN SUNILA TR	3901 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-041	PENA ADRIAN C	3925 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-042	BRESHEARS DONALD K	3921 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-043	DELAGADO MIGUEL	3917 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-044	JESUS MANUEL A & MARY L TRS	3913 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-045	KUZMAN ALEJANDRA ROBLES	3909 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-046	BEJARANO JUAN PABLO	3905 DILLINGHAM AVE	Modesto CA 95357-1421	\$26.00
079-010-047	ALBARRAN APUTRO S & ALBARRAN CELIA P	3901 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-048	GALLO MARTIN & GALLO BEATRIZ	3725 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-049	SANTOS LUZ MARIA	3721 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-050	PEREZ ROSE P & ROSA M	3717 DILLINGHAM AVE	Modesto CA 95357-1420	\$26.00
079-010-051	KUMAR ASHOK	3713 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-052	MADRYGAL ROBERT	3709 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-053	GARDALI CHARLES J TR	3705 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-010-054	JIAO HUIYING TR	3701 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-001	MOUNBUA CHANNI ET AL	3700 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-002	VARGAS EDWARD J & RACHELLEE DEE TRS	3704 DILLINGHAM AVE	Modesto CA 95357-1422	\$26.00
079-011-005	LIANG JIN & CEN CHUNWAN	3709 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-004	KOCHOU NINOUS & DOMARINA	3712 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-005	BAJAN GEORGE & YOUNAN MARIAM	3716 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-006	RODRIGUEZ MARCELINO & RODRIGUEZ ELENA	3720 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-007	CHUJANGS INVESTMENT INC	3724 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-008	ALVES JASON L	3800 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-009	WONG SHERINE L TR	3804 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-010	SAMO LUAY	3908 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-011	KINGSLEY BRANDON K & AMBER N	3812 DILLINGHAM AVE	Modesto CA 95357-1424	\$26.00
079-011-012	STILLWELL VINCE & ESCOBAR EVELYN	3816 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-013	ROWE DANIEL V & ROWE MICHELLE R	3820 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-014	LOBAO THOMAS A & LOBAO LISA	3824 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-015	MARTINHO THERESA SILVA TR	3900 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-016	CONTRERAS JAVIER	3904 DILLINGHAM AVE	Modesto CA 95357-1584	\$26.00
079-011-017	CARRERA MELINDA S	3908 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-018	YASQUEZ ROSA	3912 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-019	BAXTER RACHEL	3916 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-020	MENDEZ JOSE ALVAREZ & TERESA JESUS	3920 DILLINGHAM AVE	Modesto CA 95357-1584	\$26.00
079-011-021	SAENSCOURY TONY & SAENSCOURY MARY	3924 DILLINGHAM AVE	Modesto CA 95357	\$26.00
079-011-022	MARQUEZ ELIZABETH K & MARQUEZ RICHARD R	616 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-023	TORRE BRIAN EDWARD & TRISHA ANN	612 CODINGTON WAY	Modesto CA 95357-1443	\$26.00
079-011-024	REGALADO JUAN	608 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-025	CEJA MIGUEL Y & BEATRICE	604 CODINGTON WAY	Modesto CA 95357-3528	\$26.00
079-011-026	MORALES STACIE A & KENNETH	600 CODINGTON WAY	Modesto CA 95357	\$26.00
079-011-027	LEBOR FRANCIS LOUIS	3925 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-028	MUSQUEZ MACARNO F & ISA M	3921 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-029	PANEY JERRY S & TONIE	3917 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-030	MC KAY JAMES A & MC KAY MARY I	3913 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-031	FERNANDEZ ELMA ET AL	3909 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-032	BAILEY ELIZABETH M & STEVE R	3905 ELLENBORO AVE	Modesto CA 95357-1441	\$26.00
079-011-033	MANN GYANESH & SHAKUNTALA	3901 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-034	LOVE JAMES H & LOVE BRENDA W	3825 ELLENBORO AVE	Modesto CA 95357	\$26.00

079-011-035	LEVCHENKO LAURIE	3821 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-036	KIRKBRIDE CHRISTOPHER CHARLES & LUNSA R	3817 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-037	GALLARDO CLAYTON LEON	3813 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-038	PADILLA ROBERTO	3809 ELLENBORO AVE	Modesto CA 95357-1439	\$26.00
079-011-039	MARTINEZ DOLORES ET AL	3805 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-040	BARRS TONYA	3801 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-041	ALDWOOD PETER SHLIMON & RIMA	3725 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-042	MORRIS SAMUEL DAVID ET AL	3711 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-043	LOPEZ DIANA MORENO	3717 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-044	KEYGHALI KARNAVAL & ESTER	3713 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-045	COSTA WILMA D & DAVID JR	3709 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-046	BURCU VASILE & TABITA	3705 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-011-047	CHIPIL JOSEPHINE U TR	3701 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-001	HONBERGER ROBERT & HONBERGER LISA	541 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-002	BFTYAGHOUR WILHAM & LINDA TRS	545 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-003	WONG SAI YING & LIXIAN KUANG TRS	549 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-004	KUWAMOTO LARRY & BETTY TRS	553 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-005	CHAND ATISH & BEENA	557 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-006	PETER ALBERTA	601 WADDELL WAY	Modesto CA 95357	\$26.00
079-012-007	SUAREZ-MILLAN THANIA A	3700 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-008	MARQUES YESENIA	3704 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-009	MOORE MICHAEL	3708 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-010	KIDD BRIAN & KIDD KIMBERLY	3712 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-011	ESTRADA JOSE & ALICIA	3716 ELLENBORO AVE	Modesto CA 95357-1440	\$26.00
079-012-012	SERRANO GUADALUPE & MARIA ELENA	3720 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-013	MIRANDA CYNTHIA & MAGANA JOSE LUIS BARRAGAN	3724 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-014	GAL HARMAIL & DARSHAN	3800 ELLENBORO AVE	Modesto CA 95357-1440	\$26.00
079-012-015	BARRIENTOS JAVIER & ARCADIA	3804 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-016	CORRAL EDUARDO & SANDRA	3808 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-017	CHUANG TINA Y	3812 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-018	AGAS JANELYN R	3816 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-019	MADEROS KATHLEEN J	3820 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-020	BRITZKE GARY T & BRITZKE PATRICIA L	3824 ELLENBORO AVE	Modesto CA 95357-1443	\$26.00
079-012-021	PENA BERNIE & PENA TREAMMA	3900 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-022	NR 4 LLC	3904 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-023	SOLOMON LLOYD R & JEAN M TRS	3908 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-024	THOMAS DOUGLAS F & GLENDA J	3912 ELLENBORO AVE	Modesto CA 95350	\$26.00
079-012-025	RODRIGUEZ ALFONSO	3916 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-026	BARCYLO PATRICIA	3920 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-027	MATA JUAN W ETA L	3924 ELLENBORO AVE	Modesto CA 95357	\$26.00
079-012-028	SALINAS ELIZABETH & ALBREY	554 CODINGTON WAY	Modesto CA 95354	\$26.00
079-012-029	AUSTIN BEVERLY	552 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-030	VALLADOLID RAMIRO & DE VALLADOLID MA CRUZ COBARRIL	548 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-031	CHAIKINZ MICHAEL	544 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-032	TAH 2016-1 BORROWER LLC	540 CODINGTON WAY	Modesto CA 95357	\$26.00
079-012-033	MC CLELLAN BRUCE	3825 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-034	WILDTMAN GALEN J	3821 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-035	RATANA NAM & RATANA TIMOTHY	3817 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-036	SONIA RUBEN & SONIA GIORIA L	3813 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-037	ORNELAS GABRIEL M & KATLYN T	3809 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-038	TORRES VICTOR MANUEL & PANTOJA MARIA	3805 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-039	MENDOZA NANCY M	3801 GATESVILLE AVE	Modesto CA 95354	\$26.00
079-012-040	GRAVES LINDA M	3825 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-041	TUFES TERRY B & TUFES LENORE L	3821 GATESVILLE AVE	Modesto CA 95357-1445	\$26.00
079-012-042	KINNE DONNELLY & SUSAN N TRS	3817 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-043	ORNELAS NUI & ELISANGELA	3813 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-044	BUSH CHARLES F & BUSH DONNA L	3809 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-045	PENA JOSEPH	3805 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-046	ODISHO CATHERINE ET AL	3801 GATESVILLE AVE	Modesto CA 95356	\$26.00
079-012-047	SHEPHERD NORMAN E & LISA N	3725 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-048	BARTHOLOMEW RUSSELL RAY	3721 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-049	RUSSELL GARRICK	3717 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-050	JENSEN STEVEN H & TONIA R	3713 GATESVILLE AVE	Modesto CA 95354	\$26.00
079-012-051	PATEL JAGUBHAI & PATEL GANGABEN	3709 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-012-052	NELSON LESTER J & NELSON CRESENCIA	3705 GATESVILLE AVE	Modesto CA 95356	\$26.00
079-012-053	MUTOZA CRAIG J	3701 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-001	HERNANDEZ ELI U ET AL	521 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-002	VARGAS EDWARD J & RACHELLE DEE TRS	525 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-003	ROCHA JOHN DANIEL & ROCHA DIANNE MARIE	529 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-004	VANDERHEIDEN FORIN	533 WADDELL WAY	Modesto CA 95357-1444	\$26.00

079-013-005	CORREA ARMANDO M JR & IRMA A	537 WADDELL WAY	Modesto CA 95357	\$26.00
079-013-006	VALLADOLID YESENIA	3700 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-007	BATEMAN WALTER	3704 GATESVILLE AVE	Modesto CA 95357-1446	\$26.00
079-013-008	GOUVIA JOHN E & GOUVIA TERRE L	3708 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-009	DELEMOS ALBINA	3712 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-010	LE CANH & TIEU MY HA	3716 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-011	AYALA DIEGO ADRIAN ET AL	3720 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-012	MORA-MARTINEZ MA R	3724 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-013	MARTINEZ PEDRO & IRMA	3800 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-014	LOWN ROCHELLE	3804 GATESVILLE AVE	Modesto CA 95357-1448	\$26.00
079-013-015	GONIV VILMA	3808 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-016	PARKINSON MARK & DIANE	3812 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-017	BROWN WILLIAM K & SHAMIRAN A	3816 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-018	OXFORD DAVID C JR	3820 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-019	TAPIA YER YANG ET AL	3824 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-020	PETTIGREW AUSTIN T	3900 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-021	ROUNDREANG BOUNLONG	3904 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-022	ALVARENGA VICTOR	3908 GATESVILLE AVE	Modesto CA 95358-1575	\$26.00
079-013-023	GUARADAO ARIEL	3912 GATESVILLE AVE	Modesto CA 95357-1412	\$26.00
079-013-024	JOLLIFF GARTH & KATHERINE	3916 GATESVILLE AVE	Modesto CA 95357	\$26.00
079-013-025	BAXTER RACHEL A	3920 GATESVILLE AVE	Modesto CA 95357-1412	\$26.00
079-013-026	YIP AARON K & ELISE H	3924 GATESVILLE AVE	Modesto CA 95357-1455	\$26.00
079-013-027	FARIAS ROBERTO F & ELIZABETH	536 CODDINGTON WAY	Modesto CA 95357	\$26.00
079-013-028	USSERY CAROL D	532 CODDINGTON WAY	Modesto CA 95357	\$26.00
079-013-029	ZAVALA CLEMENTE JR & ZAVALA IRMA	528 CODDINGTON WAY	Modesto CA 95357-1455	\$26.00
079-013-030	OCNOA SARUANA	524 CODDINGTON WAY	Modesto CA 95357	\$26.00
079-013-031	MIRANDA SERGIO	520 CODDINGTON WAY	Modesto CA 95357	\$26.00
079-013-032	DEACRUZ JENNIFER ROBYN	3925 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-033	CAMPBELL LISA R	3921 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-034	RODRIGUEZ MANUEL & MARIA E TRS	3917 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-035	GUZMAN JONATHAN	3913 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-036	HENDERSON DAVID	3909 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-037	SHAHESALDIN JOHNY K & SHAHESALDIN MOLINA M	3905 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-038	JOSEPHSON JOSEPH A & JOSEPHSON STACEY	3901 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-039	BARABEZ JACOB & ARACELI	3825 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-040	KELLEY JOSHUA & KATHERINA	3821 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-041	HERRANDEZ SALVADOR M & HERRANDEZ NILDA M	3817 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-042	RODRIGUEZ ELENA	3813 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-043	AQUINO J GABRIEL MENDOZA & MENDOZA NIEVES	3809 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-044	ATHINEL GEORGE K & ATHINEL INAAIM M	3805 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-045	ALVARADO ALFONSO F	3801 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-046	DUPIN JAY ALAN	3725 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-047	WATKINS WALLY T & LAUREN A	3721 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-048	DIAND VIJAY ET AL	3717 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-049	SABINIANO MARION N ET AL	3713 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-050	CAPUTO LYNDA BINGHAM TR	3709 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-051	SMITH STEVEN J & SMITH AIDA L	3705 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-013-052	LOPEZ MARIO & LUZ ELVIRA	3701 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-001	GARCIA MIGUEL & GARCIA MARIA	449 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-002	CABAGNOT DOLORES R & FLYNN G	501 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-003	OSHANA OSHANA & OSHANA MARGRIT	505 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-004	WILSON KELLIE MICHELLE & RYAN CHRISTOPHER	509 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-005	KOLN SAMMANS	513 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-006	SANCHEZ JOSE L & MADRIGAL AUCMA	517 WADDELL WAY	Modesto CA 95357	\$26.00
079-014-007	AUSTIN CATHERINE ANN TR	3700 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-008	BECCERA-BARRERA GERMAN & BECCERA LUISA G	3704 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-009	MILTON JEANNIE	3708 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-010	CASTRO GREGORY ALAN & BARBARA LYNN TRS	3712 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-011	DIXON GARY W TR	3716 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-012	AMES JAMES C & ADELE TRS	3720 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-013	WARNER JO ANNE	3724 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-014	GARCIA THERESA L	3800 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-015	BERGHORST REBECCA L ET AL	3804 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-016	GLOVER KEITH R & MENDOZA ARACELI CORRAL	3808 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-017	DINH ASHKA ET AL	3812 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-018	RIVERA DAVSI M	3816 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-019	HUYNH NGOC DUNG THI ET AL	3820 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-020	CASTANEDA JOSE J & MARGARET	3824 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-021	GUZMAN MIRIAM & FLORES MARTIN	3900 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-022	SLUGA HOWLAND P	3904 LAURENBURG AVE	Modesto CA 95357	\$26.00

079-014-023	TORRES JOSE DE JESUS & TORRES MARIA COLORES	3908 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-024	HO KAI-YIN SILAS & WANG LI	3912 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-025	SINHA NAVIN & SINGH PRIYI P	3916 LAURENBURG AVE	Modesto CA 95357-1412	\$26.00
079-014-026	CHRISTIAN RICHARD D & DIANE L TRS	3920 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-027	JENKINS JASON L & CHRISTINE M	3924 LAURENBURG AVE	Modesto CA 95357	\$26.00
079-014-028	PIERCE FRANKLIN C & JODI L	516 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-029	PRASAD SURESH & PRASAD MUNI L	512 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-030	CASTELLANOS RIGOBERTO	508 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-031	REYON SOPHEA B. OUM SAVANARA	504 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-032	ROCHA SERAPIO & MARIA	500 CODINGTON WAY	Modesto CA 95357	\$26.00
079-014-033	ATWOOD BOBBY D	3925 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-034	BEST JERROLIN E	3921 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-035	GIOVANNONI CASEY L	3917 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-036	MALIK ROBERT	3913 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-037	VACA ANDRES SERVIN	3909 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-038	CHAU VINCENT	3905 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-039	ROSAS SAMUEL	3901 WILKESBORO AVE	Modesto CA 95357-1493	\$26.00
079-014-040	YOUNG HOLLY M ET AL	3825 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-041	FAMA JOSELUITO & FAMA DOROTEA	3821 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-042	CICERO THEODORE JR & CAROL	3817 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-043	CABRERA THOMAS S. CABRERA JANET S I	3813 WILKESBORO AVE	Modesto CA 95357-1491	\$26.00
079-014-044	RIVERA LOUIS S & LORELLA J TRS	3809 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-045	JARAMILLO ARTURO	3805 WILKESBORO AVE	Modesto CA 95357-1491	\$26.00
079-014-046	ROGERS MEGAN ET AL	3801 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-047	DAITAM KRISHAN RAAI	3725 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-048	BAINS SARVATINDER & BELBINDER K	3721 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-049	BOUCHER GARY C & BOUCHER DENISE K	3717 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-050	POWLEY ANAMARIA	3713 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-051	PRASAD GEORGE & PRASAD LAITA	3709 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-052	WARD JODY LEE & CHEN DIAO	3705 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-014-053	BENJAMIN LINDA & EUGENE	3701 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-001	COLLINS TOMMY S	440 WADDELL WAY	Modesto CA 95357	\$26.00
079-016-002	RIRD BYRON M	3704 WILKESBORO AVE	Modesto CA 95357-1492	\$26.00
079-016-003	BARNES REECE WAYNE	3700 WILKESBORO AVE	Modesto CA 95354-1024	\$26.00
079-016-004	BIERMAN ALLEN	3712 WILKESBORO AVE	Modesto CA 95357-1492	\$26.00
079-016-005	PRASAD VIJAY	3716 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-006	GONZALEZ JOSE	3710 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-007	YUMANG ELADIO M JR & VIOLETA	3800 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-008	KOHN RONALD & JUANITA I	3804 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-009	CANCINO DANIEL DISU & FEDERICA BERNARTE TRS	3808 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-010	RESALES JOSE L & FRANCO MARIA T	3817 WILKESBORO AVE	Modesto CA 95357-1494	\$26.00
079-016-011	STINHUYER WILLARD & STINHUYER MARLENE	3816 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-012	MAREK BETTY J ET AL	3820 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-013	ACIERTO PHILIP	3824 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-014	LUZUNARIS MIGUEL ORLANDO	3900 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-015	OU KANG YE & LIANG LIJHEN	3904 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-016	VILLASENOR RICARDO & ANA L RAMINEZ DE	3908 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-017	MANSOUR ALAN M	3912 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-018	EASTHAM GLENDA S	3916 WILKESBORO AVE	Modesto CA 95354	\$26.00
079-016-019	GERSON COREY	3920 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-020	SOLORIO SAMMY & MARIA L	3924 WILKESBORO AVE	Modesto CA 95357	\$26.00
079-016-021	SINGH ADESH & AACHAL	440 CODINGTON WAY	Modesto CA 95357	\$26.00
079-016-022	JOHNSON ALDORA J & VELTON JR	436 CODINGTON WAY	Modesto CA 95357	\$26.00

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-269**

RESOLUTION CONFIRMING THE FISCAL YEAR 2018-19 DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF CHARGES WITHIN LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT NO. 2 FOR DRY CREEK MEADOWS SUBDIVISIONS NOS. 7-10, CREEKWOOD MEADOWS SUBDIVISION AND YOSEMITE MEADOWS SUBDIVISION UNITS 1 & 2

WHEREAS, on May 8, 2018, the City Council, by Resolution No. 2018-172, declared its intent to levy charges or assessments for the purpose of administering the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 7-10, Creekwood Meadows Subdivisions, and Yosemite Meadows Subdivision Units 1 and 2 under the provisions of California Streets and Highways Code Sections 22500 through 22679, more commonly known as the Landscape and Lighting Act of 1972, and

WHEREAS, the charges against the real property are not levied with regard to property values but rather by allocated cost reports prepared by the Engineer of Work, and

WHEREAS, the City has determined and certifies that the charges are either exempt from or in compliance with all the provisions of Proposition 218, which were passed by the voters in November 1996, and

WHEREAS, the City has further determined the charges are in compliance with all laws pertaining to the levy of such charges,

WHEREAS, on June 26, 2018 a public hearing was held.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby orders the levy and collection of such charges within City of Modesto

Landscape Maintenance Assessment District No. 2 for Dry Creek Meadows Subdivisions Nos. 7-10, Creekwood Meadows Subdivisions, and Yosemite Meadows Subdivision Units 1 and 2 for Fiscal Year 2018-19, and in each subsequent fiscal year in which the charges may validly be levied.

BE IT FURTHER RESOLVED, that a certified copy of this resolution and **attached** documentation shall be delivered to the Auditor-Controller of the County of Stanislaus for placement of such charges on the 2018-19 County Tax Roll, and in each subsequent fiscal year in which the charges may validly be levied.


BE IT FURTHER RESOLVED, that the diagram of said assessment district, which is **attached** hereto, and amount of levy thereon is hereby confirmed.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

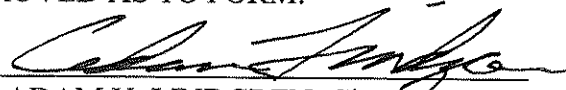
NOES: Councilmembers: None

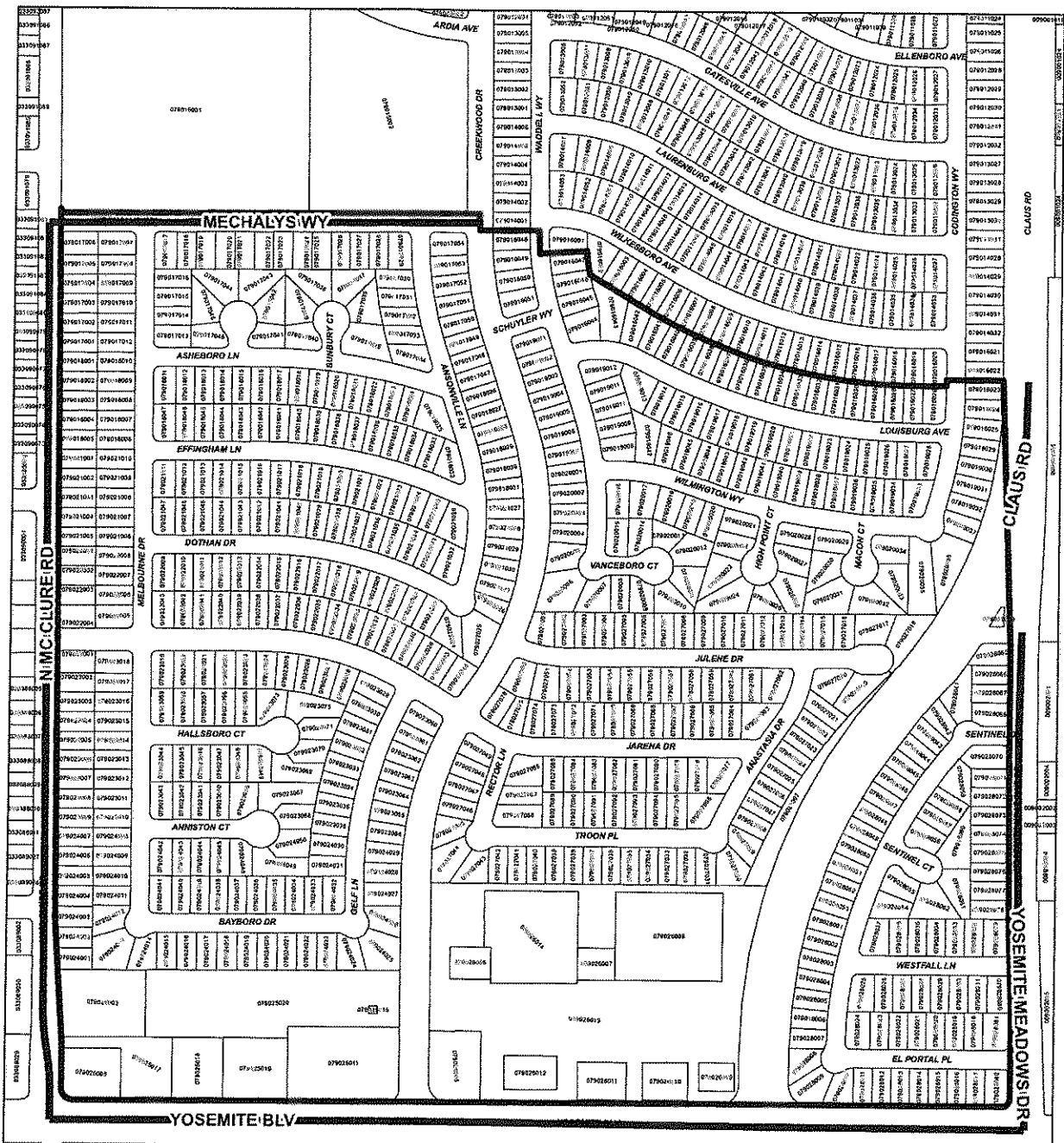
ABSENT: Councilmembers: Ah You, Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



Assessment District Diagram

Landscape Maintenance Assessment District No. 2

(Dry Creek Meadows Subdivisions No. 7 - 10)

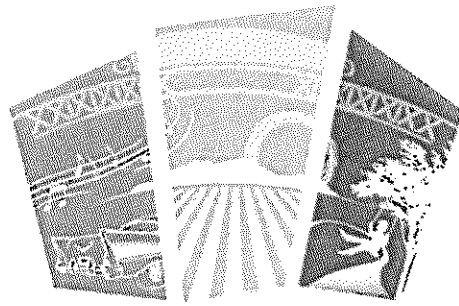
(Creekwood Meadows Subdivision)

(Yosemite Meadows Units No. 1 & 2)



Date: 1/25/2018





MODESTO

CALIFORNIA

City of Modesto LANDSCAPE MAINTENANCE ASSESSMENT DISTRICT No. 2

◆ DRY CREEK MEADOWS SUBDIVISIONS Nos. 7 through 10 ◆

◆ CREEKWOOD MEADOWS SUBDIVISION ◆

◆ YOSEMITE MEADOWS SUBDIVISION UNITS 1 & 2 ◆

*A Landscape Maintenance Assessment District pursuant
to the Landscape and Lighting Act of 1972*

ENGINEER'S ANNUAL REPORT

FISCAL YEAR
JULY 1, 2018 - JUNE 30, 2019



Prepared By:

Jessica Narayan
Infrastructure Financing Program
Supervisor

Certified By:

Vickey Dion
City Engineer

Accepted By Motion:

Modesto City Council

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SECTION I HISTORY

On April 4, 1989, Landscape Maintenance Assessment District No. 2 ("LMAD No. 2") was formed in accordance with the Landscape and Lighting Act of 1972 (California Streets and Highway Code §22500 through §22679) ("the Act") to administer the maintenance of landscaping in the public right-of-way within the street medians and adjacent to the access control walls in Dry Creek Meadows Subdivisions Nos. 7 through 10, Creekwood Meadows Subdivision, and Yosemite Meadows Subdivision Units 1 and 2. All costs for LMAD No. 2 are funded by the annual assessments levied on each property within the district. The Act requires several courses of action on the part of City staff and City Council prior to August 10th of each year.

The Act initially requires the City Council to order, prepare, and file an Engineer's Annual Report for the City Council. This report is prepared for the purpose of detailing the plans and specifications for the maintenance of work, the estimates of costs for landscape maintenance performed by the City Contractor, utility service charges, City street tree pruning costs, City staff time to administer the maintenance contract, and additional work to be performed by the City Contractor at the request of the City.

Prompted by negative reserve balances in LMAD No. 2, staff successfully completed a Proposition 218 ballot in June 2000. This ballot added an annual cost of living increase based on the Building Cost Index ("BCI"). As a result of this ballot, the approved "inflater" adjusts each year's assessment. California Government Code §54954.6(a) and (c) requires that a notice be mailed no less than 45 days in advance of the public hearing to all property owners if costs will increase.

Upon City Council's approval of the Engineer's Annual Report, the City Council adopts a resolution declaring its intent to levy and collect assessments within LMAD No. 2 for the following fiscal year and schedules a public hearing. This public hearing and proposed resolution levying the proposed assessments is in accordance with the annual assessment procedures.

Finally, in compliance with the Act, the City Council conducts the public hearing and adopts certain resolutions in accordance with the California Streets and Highways Code §22625 through 22641. The City Clerk is required to give the Modesto Bee notice of the public hearing no less than ten (10) days prior to the scheduled hearing date. All interested persons are afforded the opportunity to be heard during the public hearing. Should there be any protests, whether written or oral, the City Council may choose to continue the hearing to a later date and/or may change any part of the Engineer's Annual Report to address the concerns of the property owner(s). The adopted resolution is then forwarded to the Auditor-Controller of the County of Stanislaus for placement of such charges on the upcoming year's County Tax Roll.

SECTION II ANNUAL ASSESSMENT REVIEW AND SUMMARY

A. PARCEL REVIEW

Total Acreage: 135.20 Acres

Total Assessed Acreage: 134.172 Acres

1. Single-Family Residential: 116.087 acres (590 Parcels)
2. Commercial: 18.085 acres (18 Parcels)
3. Publicly- Owned: 1.028 acres (2 Parcels)
 - a) One (1) parcel owned by the City of Modesto (0.03 acres) which is utilized as a traffic island.
 - b) One (1) parcel owned by the Empire School District (1.0 acres) which is utilized as its District Offices.

According to the §22663 of the California Streets and Highways Code, public property owned by any public agency and in use in the performance of a public function shall not be subject to assessment.

B. ANNUAL ASSESSMENTS

Each parcel receives equal benefits from LMAD No. 2. The annual assessment levied is calculated by dividing the total cost estimate by the total number of acres.

1. The single-family residential properties are levied on a flat rate, which is calculated by dividing the total cost estimate by the number of residential acres and subsequently by the total number of residential parcels.
2. Commercial properties are levied based on actual acreage.

The annual assessment is to be adjusted annually according to the BCI for the San Francisco Bay Area (SF BCI), as reported in the Engineer News Record the first week of March. Due to the unavailability of the SF BCI for the first week of March, the second week reporting must be utilized.

The inflationary adjustment is applied when the district has minimal or negative reserves to offset the total cost estimates for the upcoming fiscal year. The increase for fiscal year 2018-2019 is 3.608333071% (The difference between the March 12, 2018 SF BCI, 6921.42, and the March 13, 2017 SF BCI, 6680.37, divided by the March 13, 2017 SF BCI, 6680.37).

The total annual assessment for LMAD No. 2 for Fiscal Year 2018-2019 is \$21,970.55.
 (Fiscal Year 2017-2018 assessment \$21,205.39 x 3.608333071%).

C. PROJECTED ANNUAL ASSESSMENT SUMMARY

1. Single-Family Residential Annual Assessment – 590 Parcels

\$21,970.55	Annual Assessment for Fiscal Year 2018-2019
÷ 134.172	Total assessed acres
<hr/>	
\$ 163.75	Annual assessment per acre
\$ 163.75	Annual assessment per Acre
x 116.087	Residential acres
<hr/>	
\$ 19,009.25	Total residential annual assessment
\$ 19,009.25	Total residential annual assessment
÷ 590	# Parcels
<hr/>	
\$ 32.22	Total residential annual assessment/parcel

* For levying purposes, the total annual assessment has been rounded to \$32.22 per residential parcel for a total annual residential assessment of \$19,009.25.

2. Commercial Annual Assessment – 18 Parcels

APN	Acres	\$/Acre	Fiscal Year 2018-2019 Annual Assessment
079-025-005	0.495	\$163.75	\$81.06
079-025-011	1.36	\$163.75	\$222.70
079-025-015	0.01	\$163.75	\$1.64
079-025-017	0.67	\$163.75	\$109.71
079-025-018	0.49	\$163.75	\$80.24
079-025-019	0.66	\$163.75	\$108.08
079-025-020	2.61	\$163.75	\$427.39
079-026-005	0.59	\$163.75	\$96.61
079-026-006	0.21	\$163.75	\$34.39
079-026-007	0.2	\$163.75	\$32.75
079-026-008	1.54	\$163.75	\$252.18
079-026-009	0.16	\$163.75	\$26.20
079-026-010	0.28	\$163.75	\$45.85
079-026-011	0.3	\$163.75	\$49.13
079-026-012	0.29	\$163.75	\$47.49
079-026-013	6.37	\$163.75	\$1,043.09
079-026-014	1.36	\$163.75	\$222.70
079-027-087	0.49	\$163.75	\$80.24

D. COMPARISON TO PREVIOUS FISCAL YEAR

The proposed 2018-2019 annual assessment for single-family residential parcels has increased from \$31.10 to \$32.22 per parcel. The proposed 2018-2019 annual assessment for commercial parcels has increased from \$158.05 to \$163.75 per acre.

SECTION 3 FINANCIALS – ANNUAL ASSESSMENT REVENUE & EXPENSE PROJECTIONS

LMAD No. 2 Fund 6490	Estimated FY 2017-18 ¹	Proposed FY 2018-19 ²
Beginning Fund Balance	\$ (5,500)	\$ (4,962)
Revenue (Cost Center 80020)		
Special Assessments	\$ 12,294	\$ 21,971
Interest	\$ (13)	
<i>Estimated - Special Assessments</i>	\$ 8,911	
Total Revenue	\$ 21,192	\$ 21,971
Expenses (Cost Center 80020)		
	Account	
<i>Operating Budget</i>		
Postage Expenses	52025	\$ -
Water Utility Expenses	53043	\$ (1,236)
Repair and Maintenance Services - Landscape	53165	\$ (12,833)
Professional Services	53300	\$ (1,000)
Services City Forces - Interfund	54500	\$ (3,103)
<i>Estimated - Water Utility Expenses</i>	53043	\$ (764)
<i>Estimated - Repair and Maintenance Services</i>	53165	\$ (1,167)
<i>Estimated - Professional Services</i>	53300	\$ (1,000)
<i>Estimated - Services City Forces</i>	54500	\$ (1,551)
Total Expenses	\$ (20,654)	\$ (20,713)
Ending Fund Balance	\$ (4,962)	\$ (3,704)

¹ The estimated amount shows what has been expended as of 02-28-2018. There will be more expenses through the end of the fiscal year (June); these are shown as Estimated.

² The estimated expenditures for FY 2018-19 are based on the revenue that is currently able to be generated within LMAD No. 2.

³ Actual revenue received for FY 2017-18 tax levy.

⁴ Proposed levy.

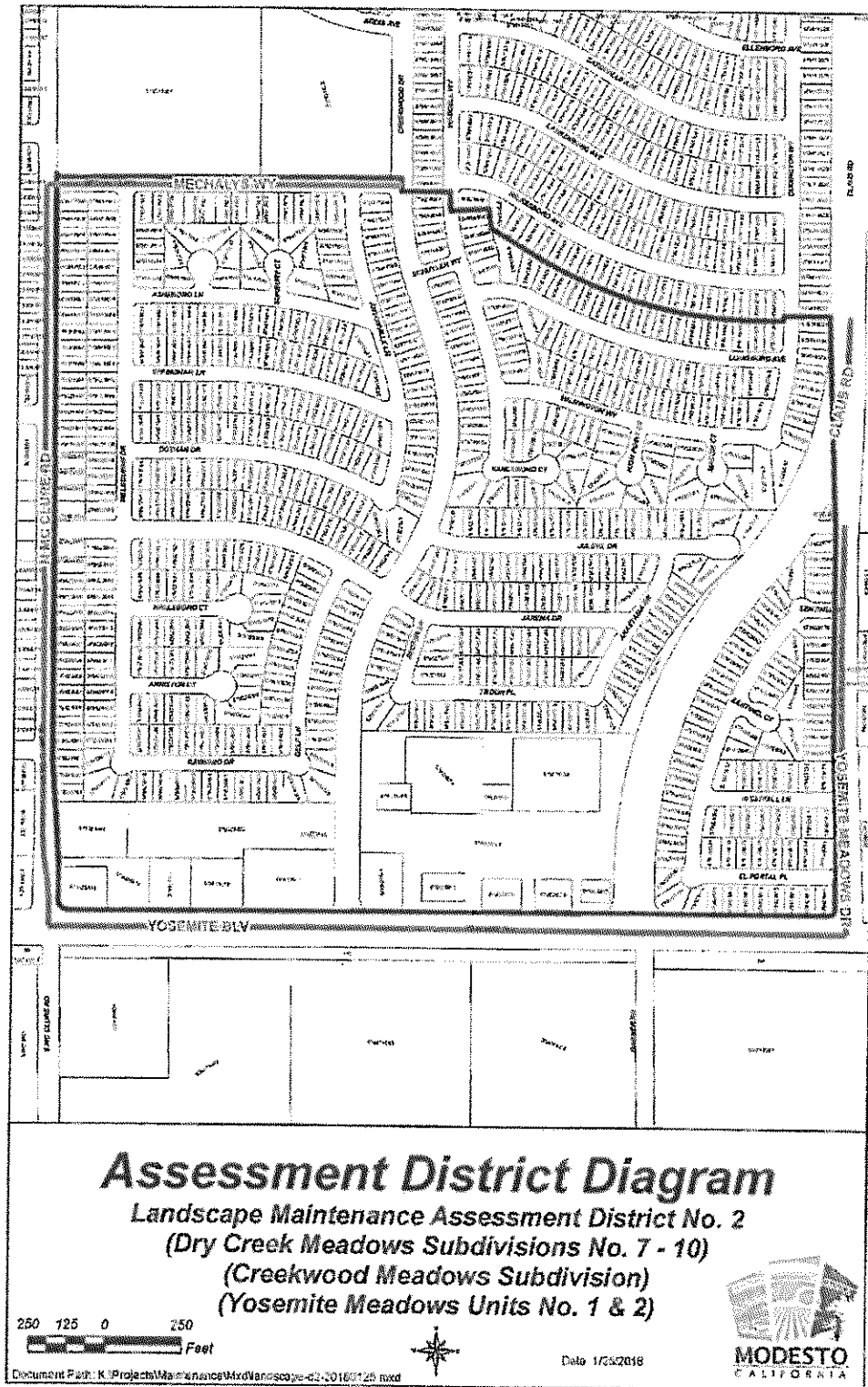
⁵ Estimated revenues for second installment of FY 2017-18 tax levy.

SECTION IV MAINTENANCE & PLAN SPECIFICATIONS

Plans and specifications are available for review in the Public Works Department, located at 512 Jefferson Street, Modesto, CA. For more information, contact Kelly Gallagher, Parks Operations Manager at (209) 524-2330.

SECTION V

ANNUAL ASSESSMENT DISTRICT DIAGRAM



SECTION VI ANNUAL ASSESSMENT LIST BY PARCEL & OWNER

Fee Parcel	Owner	Site Address	City/State/Zip	2018/19
079-016-023	MARTINEZ MARIA R LEON	432 CODDINGTON WAY	Modesto CA 95354	\$32.22
079-016-024	ESTRADA JOSE & ALFARO ALICIA ESTRADA	428 CODDINGTON WAY	Modesto CA 95357	\$32.22
079-016-025	SWARTZ SHERYL R	424 CODDINGTON WAY	Modesto CA 95354	\$32.22
079-016-026	SARHAD WILSON	3921 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-027	MADRIGAL XOCITL	3917 LOUISBURG AVE	Modesto CA 95357-1327	\$32.22
079-016-028	FREDDIE MICHAEL J R BARNES-FREDDIE SCARLETT M	3913 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-029	AGUIRRE EDWARD JR & AGUIRRE ANGELICA	3909 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-030	POPLIN VALERIE L	3905 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-031	JACKSON TOMMIE JR & CHARLOTTE TRS	3901 LOUISBURG AVE	Modesto CA 95357-1327	\$32.22
079-016-032	VILLALOBOS ANGEL SERGIO LT AL	3825 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-033	ORRBLANDER MARK ET AL	3821 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-034	LOPEZ ARMULFO & ANA M	3817 LOUISBURG AVE	Modesto CA 95357-1325	\$32.22
079-016-035	POOLE ROLAND J & POOLE CHERYL S	3813 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-036	CHAND VINAI	3809 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-037	ARNOLD JASON DEAN & ROSE E	3805 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-038	MEDRANO JESUS F AYON	3801 LOUISBURG AVE	Modesto CA 95357-1325	\$32.22
079-016-039	SHIMMER ARI R	3721 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-040	VAN DELEN DARCY J	3717 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-041	CHEN RAY CHONG	3713 LOUISBURG AVE	Modesto CA 95357-1323	\$32.22
079-016-042	GONCHAR RONALD S	3709 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-043	JOSE DAVID L	3705 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-016-044	CHAND VINAY ET AL	424 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-045	SMITH OLIVER BERT & SMITH SHERAIE ANN TRS	428 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-046	JOHNSON GHARETT W ET AL	432 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-047	SARMIENTO JORGE	436 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-048	SALEN JOSHUA	445 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-049	MARTINEZ SHIRLEY F	441 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-050	PULIDO OLGA A	437 WADDELL WAY	Modesto CA 95357	\$32.22
079-016-051	SUAREZ FRANCISCO J ET AL	433 WADDELL WAY	Modesto CA 95357	\$32.22
079-017-001	MEN CHHADAVY TR	428 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-002	LEYVA YOVANIA M & RODRIGUEZ ARMANDO LEYVA	432 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-003	LANDAUERDE JUAN A & YANY M	436 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-004	KHOSHABA TERESA I TR	440 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-005	MONACO DONALD F & GLORIA E TRS	444 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-006	BORGES MARIA NOEMIA ET AL	448 N MC CLURE RD	Modesto CA 95357	\$32.22
079-017-007	DILLON DEBRA L	441 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-008	CRAWFORD EDWARD A & CRAWFORD SUSAN E	437 MELBOURNE DR	Modesto CA 95357-1471	\$32.22
079-017-009	YOUNG MICHAEL E & YOUNG DORTHYLA M	433 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-010	NILNES CLIFFORD L & DOBOTHY S	429 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-011	DE LEON MELANIE R	425 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-012	FOXWORTHY SHERRI NESS TR	421 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-013	CAMARENA JESUS JR & CAMARENA ESTHER	420 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-014	JUAREZ GERARDO RAMIREZ & GOMEZ MARITZA	424 MELBOURNE DR	Modesto CA 95354	\$32.22
079-017-015	CHAN CORINA TR	428 MELBOURNE DR	Modesto CA 95357-1471	\$32.22
079-017-016	BERLIN GARY R JR & CHRISTIE	432 MELBOURNE DR	Modesto CA 95357	\$32.22
079-017-017	VALDEZ ARTHUR DAVID TRS & VALDEZ ANGELENE	3512 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-018	BIRCH HANNAH	3516 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-019	SOLORZA JUAN M LOPEZ & LOPEZ BRENDA C TRS	3520 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-020	XAVIER BURT & XAVIER CATHY	3524 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-021	CAMARENA CLAUDIA DIAZ ET AL	3528 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-022	SHERGILL SURIHVR S & GURBAX N	3532 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-023	HOLDER SHERRI L & CLARK R	3600 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-024	KEYS SANDY M	3604 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-025	YOUNAN GILBERT & YOUNAN IMAN	3608 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-026	NANIMACHANTHY KERK	3612 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-027	OROZCO LEONARDO & OROZCO YESSENIA	3616 MECHALYS WAY	Modesto CA 95350	\$32.22
079-017-028	PHAM HOANG KIM	3620 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-029	JACKSON DAVE P & JACKSON MARIA	3824 MECHALYS WAY	Modesto CA 95357	\$32.22
079-017-030	GALLEGOS HUGO HERNESTO & TIFFANY	449 ANSONVILLE LN	Modesto CA 95354	\$32.22
079-017-031	BATIN TABINDER	445 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-032	BLAIR JOHNNY B ET AL	441 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-033	FRICK WADE L	437 ANSONVILLE LN	Modesto CA 95357-1403	\$32.22
079-017-034	YANG TENG	3613 ASHBORO LN	Modesto CA 95357	\$32.22
079-017-035	WILLIAMS JEFFREY & LAURA L	420 SUNBURY CT	Modesto CA 95357	\$32.22
079-017-036	PALLAN LUCAS	424 SUNBURY CT	Modesto CA 95357	\$32.22
079-017-037	CODE ERIC A & JULIE A	428 SUNBURY CT	Modesto CA	\$32.22
079-017-038	BROWN ELIZABETH TR	429 SUNBURY CT	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Site Address	City/State/Zip	2018/19
079-017-039	GIBON MICHAEL ANTHONY	435 SUNBURY CT	Modesto CA 95357	\$32.22
079-017-040	HAMILTON JASON	3541 ASHEBORO LN	Modesto CA 95357	\$32.22
079-017-041	HAMILTON STEVEN D & HAMILTON BRIGITTE	3533 ASHEBORO LN	Modesto CA 95357	\$32.22
079-017-042	TOUMA EMMANUEL & TOUMA SHOSHAN	424 BELFORT CT	Modesto CA 95357-1405	\$32.22
079-017-043	WEGEL JERRY & LINDA	428 BELFORT CT	Modesto CA 95357	\$32.22
079-017-044	ROCHA JUAN C & SAN JUANA	429 BELFORT CT	Modesto CA 95357-1405	\$32.22
079-017-045	LUNA SOCORRO A	425 BELFORT CT	Modesto CA 95357-1405	\$32.22
079-017-046	ARMSTRONG JASON R & JENNIFER L	3521 ASHEBORO LN	Modesto CA 95357-1302	\$32.22
079-017-047	CARRERO BRUCE R & EDDYTHE E TRS	424 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-048	MIRANDA OSCAR	428 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-049	SINGH BALJIAR	432 ANSONVILLE LN	Modesto CA 95354	\$32.22
079-017-050	NGUYEN KHANH NGOC & HIEU	436 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-051	CARRASCO VIRGINIA	440 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-052	RUIZ MIRELA	444 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-053	VALENCIA MARIA	448 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-017-054	PAL SAULA TR	452 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-001	PALMERIN LUCIO C & LIDIA	424 N MC CLURE RD	Modesto CA 95354	\$32.22
079-018-002	PEREZ FERNANDO H & VILLARRUEL MARIA ALEJANDRA	428 N MC CLURE RD	Modesto CA 95354	\$32.22
079-018-003	WONG FAT SIUNG & WONG LINDA T	416 N MC CLURE RD	Modesto CA 95354	\$32.22
079-018-004	AU-YEUNG WAI & AU-YEUNG ANELA	412 N MC CLURE RD	Modesto CA 95354	\$32.22
079-018-005	AU-YEUNG PIR KWAN	408 N MC CLURE RD	Modesto CA 95357	\$32.22
079-018-006	SAN RESMEY M ET AL	401 MELBOURNE DR	Modesto CA 95357-1470	\$32.22
079-018-007	BARONNER STEVEN E	405 MELBOURNE DR	Modesto CA 95357	\$32.22
079-018-008	LOPEZ IVAN A	409 MELBOURNE DR	Modesto CA 95357	\$32.22
079-018-009	JACOB DIDOL B & AIGANTHINA M	413 MELBOURNE DR	Modesto CA 95357	\$32.22
079-018-010	SLAREZ-MILLAN THANIA A	417 MELBOURNE DR	Modesto CA 95354	\$32.22
079-018-011	DEHKORDI ROYA K & NIJAN SIROOS	3512 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-012	STEVENS JAKE L & STEVENS GAIL M	3516 ASHEBORO LN	Modesto CA 95357-1301	\$32.22
079-018-013	AZIZ ROBERT	3520 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-014	HAN EDMON K & TORIMA HELEN	3524 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-015	SMITH MILLER VETRENA	3528 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-016	TAYLOR RICHARD N & JILL B	3532 ASHEBORO LN	Modesto CA 95357-1301	\$32.22
079-018-017	CUMMINGS ANNIE	3536 ASHEBORO LN	Modesto CA 95357-1301	\$32.22
079-018-018	MAGANA ALMA V CHAVEZ	3540 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-019	ATTA DAVID Z	3544 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-020	GOMEZ ALICIA TR	3600 ASHEBORO LN	Modesto CA 95357-1304	\$32.22
079-018-021	REG CAPITAL INVESTMENTS & ASSET MANAGEMENT	3604 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-022	MURCH PAUL WILLIAM & JENNIFER LYNN	3608 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-023	WENGER DEBORAH J TR	3612 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-024	MADAYAG CATANA TR	3616 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-025	PLAUSHER PRESTON SCOTT ET AL	3620 ASHEBORO LN	Modesto CA 95357	\$32.22
079-018-026	CHILDRESS JANET	420 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-027	KEM SOKNOM & VANHA TRS	416 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-028	ROMASANTA CHRISTINE M ET AL	412 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-029	COONEY BILLY D ET AL TRS	408 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-030	PERCE VALERIE A	404 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-031	PANG SUN KIM & LIEV MENG HU TRS	400 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-018-032	VELA J HELIA	409 ANSONVILLE LN	Modesto CA 95354	\$32.22
079-018-033	GOODWIN BEVERLY	3629 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-034	STECKMAN CHRIS D & STECKMAN SHARON A	3625 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-035	RODRIGUES PRAMILA & LEWIS BERTRAND PAUL	3621 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-036	CASTILLO ROBERT	3617 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-037	ROUCHECK BELINDA	3613 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-038	BRITT SCOTT ALAN	3609 EFFINGHAM LN	Modesto CA 95357-1435	\$32.22
079-018-039	MAJIK MOHAMMAD ZAHOR & NUJRAT NASIM TRS	3605 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-040	DEHKORDI ROYA K & NIJAN SIROOS	3601 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-041	EDENS JOHN L & CARYN E	3537 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-042	CAMPBELL KIMBERLY	3533 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-043	TORRES SINGER L	3529 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-044	PEREZ AREL CUEVAS & CANO KLENY	3525 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-045	PLACINTAR MARINELA	3521 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-046	CASTILLO ISMAEL ET AL	3517 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-018-047	FAVILA HORTENCIA Y	3513 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-019-001	REDDY JUSTIN M & JAVIER	425 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-002	FLORES ELIAS C & MARIA	421 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-003	REISORFF HELEN	417 WADDELL WAY	Modesto CA 95354-1340	\$32.22
079-019-004	PEREZ WILLIAM MEZQUITA TR	413 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-005	COFFEY STEVE R & COFFEY ANNE LEE	409 WADDELL WAY	Modesto CA 95357-1340	\$32.22
079-019-006	LARA SAMUEL A & SALINAS ANANI	405 WADDELL WAY	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Site Address	City/State/Zip	2018/19
079-019-007	YAU KING PO & SU AI CENG	401 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-008	SINGH GURLAL	409 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-009	CARRASCO GONZALO C & CARRASCO TERESA V	404 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-010	ACOSTA ANTHONY T & ANDREA	408 WADDELL WAY	Modesto CA 95357-1339	\$32.22
079-019-011	LOPEZ MARGARITA	412 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-012	MORALES RODOLFO ET AL	416 WADDELL WAY	Modesto CA 95357	\$32.22
079-019-013	CASTELLO RICHARD M	3712 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-014	PRASAD HAROLD ROTESH ET AL	3716 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-015	LAMBERT STEVEN T & RENATA W	3720 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-016	MEHA MARIO JR	3800 LOUISBURG AVE	Modesto CA 95357-1324	\$32.22
079-019-017	GRUENHAGEN ASHLEY N ET AL	3804 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-018	GALVAN SALVADOR R	3808 LOUISBURG AVE	Modesto CA 95357-1324	\$32.22
079-019-019	ENGLEMAN ALEXANDER C ET AL TRS	3812 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-020	ZARAGOZA ELIZABETH	3816 LOUISBURG AVE	Modesto CA 95357-1324	\$32.22
079-019-021	KIMBROUGH BRUCE & JOANNE M TRS	3810 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-022	MICO RICARDO G & MARIA REGINA I	3824 LOUISBURG AVE	Modesto CA 95357-1324	\$32.22
079-019-023	RAMIREZ STANLEY D ET AL	3820 LOUISBURG AVE	Modesto CA 95354	\$32.22
079-019-024	LOUCKS DAVID GEORGE & JOSEFA M TRS	3804 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-025	SENGSOURITH FENG & INTHAVONG CHANPHENG	3908 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-026	DNR SUNIL	3912 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-027	CORTES ALEXANDRA ET AL	3916 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-028	ROSAS JUAN JR	3920 LOUISBURG AVE	Modesto CA 95357	\$32.22
079-019-029	TRAWICK VERNON R & CLAUDETTE	420 CODINGTON WAY	Modesto CA 95357	\$32.22
079-019-030	LA PLACA SONDRA ET AL	416 CODINGTON WAY	Modesto CA 95357	\$32.22
079-019-031	GALVAN DIEGO	412 CODINGTON WAY	Modesto CA 95357	\$32.22
079-019-032	TERESI GUIDO P TR	408 CODINGTON WAY	Modesto CA 95354	\$32.22
079-019-033	NGUYEN THANH O	3909 WILMINGTON WAY	Modesto CA 95357-1350	\$32.22
079-019-034	OSHAMA ASHAT	3905 WILMINGTON WAY	Modesto CA 95357-1350	\$32.22
079-019-035	ALVIZO LETICIA	3901 WILMINGTON WAY	Modesto CA 95355	\$32.22
079-019-036	PHANOUVONG ALEXANDER & PHAYVANH	3817 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-037	GRIFFITH JACK E & GRIFFITH MELINDA D	3813 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-038	LEMUS MOISES & SANCHEZ CELIA	3809 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-039	KARRAS CHRISTINA CATHLEEN	5805 WILMINGTON WAY	Modesto CA 95354-1347	\$32.22
079-019-040	APPLEBY DOMINIC M & CANDI C	3801 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-041	RODRIGUES SILVIO J ET AL	3733 WILMINGTON WAY	Modesto CA 95357-1345	\$32.22
079-019-042	MUARES CIDRO & CORNELIA	3725 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-043	LEFEVRE PETER A TR	3721 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-044	RUTSCHOW JOAN A TR	3717 WILMINGTON WAY	Modesto CA 95357-1345	\$32.22
079-019-045	URIBE IRENE	3713 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-046	ENRIQUEZ JOHANNA	3709 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-019-047	HICHTENHOLZ ZIMOVY TR ET AL	3705 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-001	GONZALES GABRIEL D & GONZALES SHARON	341 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-002	PRASAD KAMLESH & PRAVIN LATA	337 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-003	MORONES MICHAEL O	333 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-004	OVERWEG DAVID A & CATHIE M TRS	329 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-005	SEY AGNES A	325 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-006	RODRIGUEZ RUBEN G & RODRIGUEZ ROSEMARY	321 WADDELL WAY	Modesto CA 95357	\$32.22
079-020-007	MONSON STEPHEN DERALD TR	3700 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-008	JOHNSON JAYNE MARIE & EDWARD ZEEB	3704 VANCEBORO CT	Modesto CA 95357-1337	\$32.22
079-020-009	BROWER PROPERTIES 2 LLC	3708 VANCEBORO CT	Modesto CA 95354	\$32.22
079-020-010	HULA DAVID W & REBECCA J	3712 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-011	RUIZ NEMORIO & LIDUVANA	3716 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-012	THORNTON LAWRENCE R & JUDITH A	3717 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-013	LEFEVRE PETER A TR	3713 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-014	KIM EDDIE & KI HYUN	3709 VANCEBORO CT	Modesto CA 95357	\$32.22
079-020-015	MORI HOWARD & MORI KELLY B	3705 VANCEBORO CT	Modesto CA 95357-1337	\$32.22
079-020-016	BRAVO GONZALO & MARIA	3700 WILMINGTON WAY	Modesto CA 95357-1346	\$32.22
079-020-017	ORTIZ LUCIA MORALES	3704 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-018	HORSTMAN DAVID	3708 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-019	EGBKUADIE JOHN N & EGBKUADIE LUCKY E	3712 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-020	CHAND PREM & CHAND BINDRA MATI	3716 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-021	CHAN NORMAN NOM & YEH SHERRY HSN-JU TRS	329 HIGH POINT CT	Modesto CA 95357-1317	\$32.22
079-020-022	GARCIA JOSE H & MARTHA J	325 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-023	VAN TREASE ROBERT & VAN TREASE PATRICIA K	321 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-024	TEIXEIRA PATRICIA ET AL	317 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-025	MARKS STEVEN R	315 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-026	RAMOS AARON MJR	320 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-027	JOHNSON ERMA	324 HIGH POINT CT	Modesto CA 95357	\$32.22
079-020-028	ROJAS LUCAS G & LISA	328 HIGH POINT CT	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Site Address	City/State/Zip	2018/19
079-020-029	TERESA GUIDO PETER TR	329 MACON CT	Modesto CA 95357	\$32.22
079-020-030	HUYNH PHONG T & BOGINTHENE K	325 MACON CT	Modesto CA 95357	\$32.22
079-020-031	RAMIREZ MOSES & ROSINA	321 MACON CT	Modesto CA 95355	\$32.22
079-020-032	GIRARD THOMAS F & GIRARD CATRINA	320 MACON CT	Modesto CA 95357	\$32.22
079-020-033	ESCAMILLA AUGUSTIN JR & ESCAMILLA LISA A	324 MACON CT	Modesto CA 95357-1328	\$32.22
079-020-034	MAILLUN TERESHA TR	328 MACON CT	Modesto CA 95357	\$32.22
079-020-035	IBARRA LOUIE JR & IBARRA KRISTY	3808 WILMINGTON WAY	Modesto CA 95357	\$32.22
079-020-036	CORTEZ JOSE DE JESUS & HIDALGO ESMERALDA	400 CODINGTON WAY	Modesto CA 95357	\$32.22
079-020-037	CASTELLANOS RIGOBERTO & MARIA	404 CODINGTON WAY	Modesto CA 95357	\$32.22
079-021-001	MELIUS AARON M	404 N MC CLURE RD	Modesto CA 95354	\$32.22
079-021-002	SINGH KRISHAN	400 N MC CLURE RD	Modesto CA 95357	\$32.22
079-021-003	MORALES VANESSA & BENJAMIN R	328 N MC CLURE RD	Modesto CA 95357	\$32.22
079-021-004	GREEN JIM & AMY	324 N MC CLURE RD	Modesto CA 95357	\$32.22
079-021-005	RODRIGUEZ GABRIEL C & CARILLO MIREYA	320 N MC CLURE RD	Modesto CA 95357	\$32.22
079-021-006	DE HART ERIC A & CHANTENE M	317 MELBOURNE DR	Modesto CA 95357	\$32.22
079-021-007	TACKETT MICHAEL DEON & GWENDOLYN SUE TRS	321 MELBOURNE DR	Modesto CA 95357	\$32.22
079-021-008	LIANG JIN & CHUNYUAN	325 MELBOURNE DR	Modesto CA 95357	\$32.22
079-021-009	EBERT MONICA	329 MELBOURNE DR	Modesto CA 95357	\$32.22
079-021-010	YAU KING PO ET AL	323 MELBOURNE DR	Modesto CA 95357	\$32.22
079-021-011	COTTRELL STEPHEN M	3512 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-012	GONZALES JOHN V & JEANNETTE D	3516 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-013	ROYSDON JASON J & ANGELA D	3520 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-014	MCGILL PICKY	3524 EFFINGHAM LN	Modesto CA 95355	\$32.22
079-021-015	PRASAD JAG & LITA	3528 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-016	BECCERA JACINTO & BELCERRA MARIA	3532 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-017	LEE VICTOR & YUNG HSIEH	3536 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-018	BORJATHONG BOUNPHENG & KHAMKEO	3600 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-019	CASTRO JESUS R & CASTRO ESTHER M	3604 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-020	HERMANDEZ CARMEN C	3608 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-021	JALLOH MAMADU	3612 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-022	FOUNTAIN DEBORAH A TR	3616 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-023	GARZA EULOGIO III & RITA R	3620 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-024	DAVIS BASIL	3624 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-025	TOMTY TERRY L & ROSENTHAL MARCA	3628 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-026	WILLIAMS RENEE E TR	3632 EFFINGHAM LN	Modesto CA 95357	\$32.22
079-021-027	GOMEZ ALICIA TR	335 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-021-028	KATTANANAI KAYTHAWEEP	332 ANSONVILLE LN	Modesto CA 95357-1480	\$32.22
079-021-029	HARRIS SHAWN N & AMANDA KRISTINE	328 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-021-030	TOWNLEY PERRY & BRENDA	324 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-021-031	MILLER JOSEPH R ET AL	320 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-021-032	FULGAR JOSEPH J & ALICIA R	3633 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-033	DENDOLK CHRISTOPHER B & JENNECE N	3629 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-034	COULIBALY LLC	3625 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-035	MORRELL ERNEST DAVIS & MORRELL KATHERINE YVONNE	3621 DOTHAN DR	Modesto CA 95358-1481	\$32.22
079-021-036	LOPEZ-ATAYDE ERIC & BLANCA Y	3617 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-037	LIM SOKHEANG	3613 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-038	BEE TAO-CHING & BEE SUE CHEN	3609 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-039	MANGAL SHIU PRASAD ET AL	3605 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-040	HANLESS KEVIN	3601 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-041	WILLIAMS LOUISE G TR	3537 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-042	OLIVAREZ ARNOLD & OLIVAREZ DARLENE	3533 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-043	MUSE MARTIN D & OWENS OLIVIA	3529 DOTHAN DR	Modesto CA 95358	\$32.22
079-021-044	CAPPS FRANKLIN J & SUSANN J TRS	3525 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-045	PARRA CARLA	3521 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-046	AHLSTAND GARY J SR & PAMELA M TRS	3517 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-047	AHLSTAND GARY J SR & PAMELA M TRS	3513 DOTHAN DR	Modesto CA 95357	\$32.22
079-021-001	LANGI HENRY	316 N MC CLURE RD	Modesto CA 95357	\$32.22
079-022-002	GUZMAN JUAN	312 N MC CLURE RD	Modesto CA 95355	\$32.22
079-022-003	SINGH KRISHAN & KAUR BANIT	308 N MC CLURE RD	Modesto CA 95354	\$32.22
079-022-004	ARTAGA RAUL ARTURO & GRACE	304 N MC CLURE RD	Modesto CA 95357	\$32.22
079-022-005	MORALES MARTHA ALICIA ET AL	301 MELBOURNE DR	Modesto CA 95357	\$32.22
079-022-006	ARROYO MARGARITA	305 MELBOURNE DR	Modesto CA 95357	\$32.22
079-022-007	RADLOFF HAROLD TRS & RADLOFF M KATHLEEN	309 MELBOURNE DR	Modesto CA 95357	\$32.22
079-022-008	CRANE CHARLIE	313 MELBOURNE DR	Modesto CA 95357	\$32.22
079-022-009	DECLAZO LORALJE & JACK	3512 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-010	TORRES ALFREDO & RAQUEL	3508 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-011	PAL PABRIN & ROSMINI	3520 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-012	JALIREGUR PEDRO A & GUADALUPE V TRS	3524 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-013	COVARRUBIAS EDLYN ET AL	3528 DOTHAN DR	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Situs Address	City/State/Zip	2018/19
079-022-014	SILVERIA TIMOTHY M	3532 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-015	LUIZINGO CHALIN TR	3535 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-016	CARMONA JOSE F III & FEIITA	3600 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-017	KUMAR AMAR	3604 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-018	CHAND ROVINESH	3608 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-019	CARLSON JOHN HENRY & GAYLEN TRS	3612 DOTHAN DR	Modesto CA 95357-1478	\$32.22
079-022-020	MANCO TERESA & ENRIQUE	3616 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-021	CAMELA FRANCISCO J	3620 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-022	JAUREGUI GRISelda	3624 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-023	CHAGE IRENE A TR	3628 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-024	HERNANDEZ ARMANDO & ANALIA	3632 DOTHAN DR	Modesto CA 95357	\$32.22
079-022-025	NOLL KARI P & NOLL GYDA J	312 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-022-026	LOPEZ DAVID & LOPEZ IRMA	316 ANSONVILLE LN	Modesto CA 95357	\$32.22
079-022-029	CABELLO FRANCISCO A & CABELLO KAREN MICHELLE	3529 JARENA DR	Modesto CA 95354	\$32.22
079-022-030	QUACH CAM ET AL	3625 JARENA DR	Modesto CA 95354	\$32.22
079-022-031	CAMARENA JESUS D & ESTHER	3621 JARENA DR	Modesto CA 95357	\$32.22
079-022-032	LOPEZ JOSE & CLAUDIA	3617 JARENA DR	Modesto CA 95357	\$32.22
079-022-033	SANDOVAL IRMA	3623 JARENA DR	Modesto CA 95357	\$32.22
079-022-034	VILLARREAL JOE & VIRGIE	3609 JARENA DR	Modesto CA 95357	\$32.22
079-022-035	KUMAR AMAR	3605 JARENA DR	Modesto CA 95357	\$32.22
079-022-036	GONZALEZ GUADALUPE & GONZALEZ ESPERANZA	3601 JARENA DR	Modesto CA 95357	\$32.22
079-022-037	BOUNPHENG VIENG	3537 JARENA DR	Modesto CA 95357	\$32.22
079-022-038	YU DENISE E ET AL	3533 JARENA DR	Modesto CA 95357	\$32.22
079-022-039	FLORES DANIEL C & DOMINA N	3529 JARENA DR	Modesto CA 95357	\$32.22
079-022-040	BERTOLOTI GUSTAVO	3525 JARENA DR	Modesto CA 95357	\$32.22
079-022-041	WANG CHAO SHENG & WANG CHIEH IAN	3521 JARENA DR	Modesto CA 95357	\$32.22
079-022-042	GRAY SHERRIE W	3517 JARENA DR	Modesto CA 95357	\$32.22
079-022-043	SANCHEZ ZENaida	3513 JARENA DR	Modesto CA 95357	\$32.22
079-022-045	MARKS WESLEY	3533 JARENA DR	Modesto CA 95357	\$32.22
079-022-046	MARKS WESLEY	0 JARENA DR	Modesto CA 95357	\$32.22
079-023-001	SKEEN LINDSAY	248 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-002	KHAN SHAN N	244 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-003	SANTOS FLORENTINO C & MARIA A	240 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-004	CAMARENA JOSE R & CAMARENA ISABEL C	236 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-005	SIGNIS MIAT H	232 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-006	FSPITIA ANGEL VALDEZ ET AL	228 N MC CLURE RD	Modesto CA 95354	\$32.22
079-023-007	CORTEZ LUIS A	224 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-008	KIM EDDIE	220 N MC CLURE RD	Modesto CA 95357	\$32.22
079-023-009	CUTLER DAVID J & JUDITH A TRS	216 N MC CLURE RD	Modesto CA	\$32.22
079-023-010	CRISP JEFF C & CRISP DORTHY	221 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-011	GRANT RYAN M & ANNE P	225 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-012	SON DARA	229 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-013	ALIABADI REBEKA SMARLOU	233 MELBOURNE DR	Modesto CA 95357-1336	\$32.22
079-023-014	HERNANDEZ JORGE MURILLO & MURILLO ANA P	237 MELBOURNE DR	Modesto CA 95357-1336	\$32.22
079-023-015	AMINSAAHEHI KAMI	241 MELBOURNE DR	Modesto CA 95357-1336	\$32.22
079-023-016	ALVARADO J JESUS E & GUTIERREZ MARIA ELVIA GUZMAN	245 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-017	LEW KERN YUFEN	249 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-018	YU LENA XIAO QING	253 MELBOURNE DR	Modesto CA 95357	\$32.22
079-023-019	ESPINOZA MIGUEL	3512 JARENA DR	Modesto CA 95357	\$32.22
079-023-020	AGUILAR FELIX ET AL	3516 JARENA DR	Modesto CA 95357-1318	\$32.22
079-023-021	WEDEL JERRY L & LINDA L	3520 JARENA DR	Modesto CA 95357	\$32.22
079-023-022	MONTANEZ MAURILLO RODRIGUEZ	3524 JARENA DR	Modesto CA 95357	\$32.22
079-023-023	BEDDY JAVIER & JUDITH M	3528 JARENA DR	Modesto CA 95357	\$32.22
079-023-024	ENOS JEREMY	3532 JARENA DR	Modesto CA 95357	\$32.22
079-023-025	VICTORIA ROBERTO	3609 JARENA DR	Modesto CA 95357	\$32.22
079-023-026	CSMA ET LLC	3605 JARENA DR	Modesto CA 95357	\$32.22
079-023-027	GALLO SANTOS & GALLO FELIPA	3608 JARENA DR	Modesto CA 95357-1370	\$32.22
079-023-028	MALFATTI ANTHONY & RHIANNON	3612 JARENA DR	Modesto CA 95357	\$32.22
079-023-029	LEMOS DUARTE M TR	245 GELF LN	Modesto CA 95357-1313	\$32.22
079-023-030	NARAYAN UMESH ET AL	241 GELF LN	Modesto CA 95357	\$32.22
079-023-031	BANUELOS MARTHA A	237 GELF LN	Modesto CA 95357	\$32.22
079-023-032	SILVA RICHARD A TR	233 GELF LN	Modesto CA 95357-1313	\$32.22
079-023-033	NEWMAN SUSAN ET AL	229 GELF LN	Modesto CA 95357	\$32.22
079-023-034	ALFARO JOSE JR ET AL	225 GELF LN	Modesto CA 95357	\$32.22
079-023-035	ACOSTA GARY SIMON TRS & ACOSTA SYLVIA ANN	221 GELF LN	Modesto CA 95354	\$32.22
079-023-036	ESTRADA RICHARD THOMAS & SBHANTI-ESTRADA JOANNE N	217 GELF LN	Modesto CA 95357-1311	\$32.22
079-023-039	AGUIRRE ESMERALDA LOPEZ	3529 ANNISTON CT	Modesto CA 95350	\$32.22
079-023-040	WOHNHIAS ALICIA	3525 ANNISTON CT	Modesto CA 95357	\$32.22
079-023-041	PONTE JOSEPH JOAQUIN JR & PONTE VIRGINIA RUTH	3521 ANNISTON CT	Modesto CA 95357-1800	\$32.22

Fee Parcel	Owner	Situs Address	City/State/Zip	2018/19
079-023-042	TOWNSEND DONALD K & JOYCE A TRS	3517 ANNISTON CT	Modesto CA 95354	\$32.22
079-023-043	FAGUNDES ANTONIO L & HAIR JACQUELINE K TRS	3513 ANNISTON CT	Modesto CA 95357	\$32.22
079-023-044	TOWNSEND DONALD K & JOYCE A TRS	3512 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-045	CHANEY CHRIS	3516 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-046	LOBATO JOSE B & LILIANA GUADALUPE	3520 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-047	PRASAD CHANDRA SEN & DAYA WATI TRS	3524 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-048	MARTINE MARTIN D & EMERINA P	3528 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-049	SINGH BALWINDER TR	3532 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-055	BUCK NICOLE R	3529 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-056	BORK VIRGINIA L & BORK RICHARD D	3525 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-057	JOHNSON JEFFREY I & JOHNSON SUZANNE T	3521 HALLSBORO CT	Modesto CA 95354	\$32.22
079-023-058	OLENCIALE MOLLY	3517 HALLSBORO CT	Modesto CA 95357-1315	\$32.22
079-023-059	MARTINEZ MARISSA	3513 HALLSBORO CT	Modesto CA 95357-1315	\$32.22
079-023-060	SELLERS CLYDE W & SHERRY L	740 GELF LN	Modesto CA 95357-1312	\$32.22
079-023-061	SONALES ERIC & LUZ	236 GELF LN	Modesto CA 95357	\$32.22
079-023-062	MONA DELMA & MIGUEL	232 GELF LN	Modesto CA 95357	\$32.22
079-023-063	VYBORNEY VERNON E & VYBORNEY VIRGINIA C	228 GELF LN	Modesto CA 95357	\$32.22
079-023-064	SALWAECHTER JENNIFER PATRICIA ET AL	224 GELF LN	Modesto CA 95357	\$32.22
079-023-065	LAL NEALE K & ANURADHA	220 GELF LN	Modesto CA 95357	\$32.22
079-023-066	VANDER HEIDE RALPH PETER JR & KATHRYN NABZESKA	216 GELF LN	Modesto CA 95357	\$32.22
079-023-067	RODRIGUEZ MELCHOR M ET AL	3533 ANNISTON CT	Modesto CA 95357	\$32.22
079-023-068	KNOEPFLE RACHEL RENEE	3537 ANNISTON CT	Modesto CA 95357	\$32.22
079-023-069	RODRIGUEZ MIGUEL A & EDITH E	3536 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-070	SIMMALY NICK & KLOSOUKANANH AM	3540 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-071	BRYANT KIMBERLY D	3541 HALLSBORO CT	Modesto CA 95357	\$32.22
079-023-073	BOTELLO ALMA C	3533 HALLSBORO CT	Modesto CA 95357 CA	\$32.22
079-023-075	ENOS EDWARD R JUDY	3537 HALLSBORO CT	Modesto 95350 CA	\$32.22
079-024-001	LYEK LYSIRI & MIN DAISY	126 N MC CLURE RD	Modesto CA 95354	\$32.22
079-024-002	YAN CAN LIANG & WU JIN LING	132 N MC CLURE RD	Modesto CA 95354	\$32.22
079-024-003	GARCIA DWAYNE & KRISTI	136 N MC CLURE RD	Modesto CA 95357	\$32.22
079-024-004	FAULKNER JAMES & SHARON D	200 N MC CLURE RD	Modesto CA 95357	\$32.22
079-024-005	ARMSTRONG CHESTER A TR	204 N MC CLURE RD	Modesto CA 95357	\$32.22
079-024-006	SIDHU BALDEV S & MANMOHAN K TRS	208 N MC CLURE RD	Modesto CA	\$32.22
079-024-007	KHETSAVANI AMY S	212 N MC CLURE RD	Modesto CA 95357	\$32.22
079-024-008	YOUSSEF KHOSHARA & ODISHO THURAYA	217 MELBOURNE DR	Modesto CA 95357-1335	\$32.22
079-024-009	CHIRIZ NADIA	213 MELBOURNE DR	Modesto CA 95357	\$32.22
079-024-010	CNEA BORAYLUTH C & NHEL SOPHANDARY	209 MELBOURNE DR	Modesto CA 95357	\$32.22
079-024-011	GRANT ERIC A & GRANT KAMERA L	205 MELBOURNE DR	Modesto CA 95357	\$32.22
079-024-012	GALAS VINCE N	201 MELBOURNE DR	Modesto CA 95357-1335	\$32.22
079-024-013	BARBOSA MARCELO BERMILLO & MONICLAIR RODRIGUEZ	3508 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-014	ZAMORA VICTOR & ZAMORA VERONICA	3512 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-015	GONZALEZ ANDRES & ESPERANZA	3516 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-016	JORGENSEN FRANK E & MIRIAM M TRS	3520 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-017	GRANT JEFF	3524 BAYBORO DR	Modesto CA 95357-1308	\$32.22
079-024-018	ESTRADA FRANCISCO & ESTRADA JULIA	3528 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-019	CREE DEBORAH J	3600 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-020	COLWELL DONALD SR & COLWELL JO ANN	3604 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-021	DAOUD OLGA P	3608 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-022	WEISS RAJE GRANT	3612 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-023	EW BROWER INC	3616 BAYBORO DR	Modesto CA 95357-1307	\$32.22
079-024-024	BROOKS TODD	3620 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-025	SUERRERO VICENTE ALVARADO	3624 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-026	CAZAREZ ENRIQUE JR ET AL	208 GELF LN	Modesto CA 95354	\$32.22
079-024-027	GONSALVES MATTHEW M	204 GELF LN	Modesto CA 95357-1310	\$32.22
079-024-028	MARRIOTT ANNE K	208 GELF LN	Modesto CA 95357-1310	\$32.22
079-024-029	KARELIN ZENA M	212 GELF LN	Modesto CA 95357	\$32.22
079-024-030	FLORES CESAR J & MAYRA	213 GELF LN	Modesto CA 95357	\$32.22
079-024-031	HADIWEH YOUSSEF	208 GELF LN	Modesto CA 95357	\$32.22
079-024-032	MOU CHRISTINA	3617 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-033	WEAVER KRISTEN ELIZABETH TR	3613 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-034	BEJAWI FRANKLIN LANE & MICHELLE KRISTAL	3609 BAYBORO DR	Modesto CA 95357-1308	\$32.22
079-024-035	WEAVER KRISTEN ELIZABETH TR	3605 BAYBORO DR	Modesto CA 95357-1308	\$32.22
079-024-036	BEE TAO CHING & SUE CHEN	3601 BAYBORO DR	Modesto CA 95357-1308	\$32.22
079-024-037	PAL REENA D	3529 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-038	VALDEZ ARTHUR DAVID TRS & VALDEZ ANGELINE	3525 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-039	ZEIGER MIREYA MICHEL	3521 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-040	GALLARDO LYDIA ET AL TRS	3517 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-041	KIST DAVID L & PADILLA YVETTE M	3513 BAYBORO DR	Modesto CA 95357	\$32.22
079-024-042	SAMUEL MICHAEL & NIRONA	3512 ANNISTON CT	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Site Address	City/State/Zip	2018/19
079-024-043	RUIZ ADRIAN	3516 ANNISTON CT	Modesto CA 95357-1300	\$32.22
079-024-044	KUMAR RAKESH R & DOREEN V	3520 ANNISTON CT	Modesto CA 95351	\$32.22
079-024-045	JK VALLEY PROPERTIES LLC	3524 ANNISTON CT	Modesto CA 95357	\$32.22
079-024-046	CORREA FRANCISCO J & MURILLO BLANCA J	3528 ANNISTON CT	Modesto CA 95357	\$32.22
079-024-049	RAMIREZ MICHAEL & MARRIU	3532 ANNISTON CT	Modesto CA 95357-1300	\$32.22
079-024-050	KNEFFLE JEFF	3536 ANNISTON CT	Modesto CA 95357	\$32.22
079-025-005	WHITE ALAN WAYNE SR & EVELYN KAY TRS	3501 YOSEMITE BLVD	Modesto CA 95357	\$81.06
079-025-011	YOSEMITE AND CREEKWOOD INC	3521 YOSEMITE BLVD	Modesto CA 95357-0523	\$22.70
079-025-015	CYPRESS EQUITIES GROUP III LP	8 CREEKWOOD DR	Modesto CA 95354	\$1.64
079-025-017	BEARDEN ROBERT G TR	3513 YOSEMITE BLVD	Modesto CA 95357	\$109.71
079-025-018	BEARDEN FAMILY LIMITED PARTNERSHIP	0 YOSEMITE BLVD	Modesto CA 95357	\$80.24
079-025-019	OJU LLC	3601 YOSEMITE BLVD	Modesto CA 95357	\$188.08
079-025-020	CYPRESS EQUITIES GROUP III LP	117 CREEKWOOD DR	Modesto CA 95354	\$427.39
079-026-005	MC DONALDS CORP	3801 YOSEMITE BLVD	Modesto CA 95357	\$96.51
079-026-006	LEONG JACK G TR	YOSEMITE BLVD #A	Modesto CA 09535-4000	\$34.39
079-026-007	LEONG JACK G TR	YOSEMITE BLVD #B	Modesto CA 09535-4000	\$32.75
079-026-008	CREEKWOOD PLAZA LLC	YOSEMITE BLVD	Modesto CA 95357-0523	\$72.18
079-026-009	CREEKWOOD PLAZA LLC	YOSEMITE BLVD	Modesto CA 95357-0523	\$26.20
079-026-010	CREEKWOOD PLAZA LLC	YOSEMITE BLVD	Modesto CA 95357-0523	\$45.85
079-026-011	CREEKWOOD PLAZA LLC	3601 YOSEMITE BLVD #7	Modesto CA 95357-0523	\$49.13
079-026-012	CREEKWOOD PLAZA LLC	YOSEMITE BLVD	Modesto CA 95357-0523	\$47.49
079-026-013	CREEKWOOD PLAZA LLC	3801 YOSEMITE BLVD	Modesto CA 95357-0523	\$1,043.09
079-026-014	PALLIOS ENTERPRISES	3801 YOSEMITE BLVD	Modesto CA 95357	\$22.70
079-027-001	ESPINOZA EVERADO & MARIA LUZ	3701 JULENE DR	Modesto CA 95357	\$32.22
079-027-002	BERGSS FROM ROBERT E TR	3705 JULENE DR	Modesto CA	\$32.22
079-027-003	GILBERT LYNETTE & LANCE	3709 JULENE DR	Modesto CA 95357	\$32.22
079-027-004	GREWAL MANJEET & JASKIRAN TRS	3713 JULENE DR	Modesto CA 95357	\$32.22
079-027-005	VILLALPANDO HERIBERTO & ROSA	3717 JULENE DR	Modesto CA 95357	\$32.22
079-027-006	GALLO JOE & ROSALIA	3721 JULENE DR	Modesto CA 95357	\$32.22
079-027-007	VHAN SUJEV	3725 JULENE DR	Modesto CA 95353	\$32.22
079-027-008	GUDIEL JORGE G & MIRNA	3801 JULENE DR	Modesto CA 95357	\$32.22
079-027-009	ADAIR KENNETH L	3805 JULENE DR	Modesto CA 95357	\$32.22
079-027-010	MAKASYUK GUADALUPE	3809 JULENE DR	Modesto CA 95357	\$32.22
079-027-011	HIAFT RALPH W TR	3813 JULENE DR	Modesto CA 95357	\$32.22
079-027-012	GIRTON BROOKS C	3817 JULENE DR	Modesto CA 95357	\$32.22
079-027-013	TERRA MATTHEW ET AL	3821 JULENE DR	Modesto CA 95358	\$32.22
079-027-014	CASTILLO ANGELICA	3825 JULENE DR	Modesto CA 95357	\$32.22
079-027-015	DARPHIAN JANE L TR	3801 JULENE DR	Modesto CA 95357	\$32.22
079-027-016	AWARD PROPERTIES	3805 JULENE DR	Modesto CA 95357	\$32.22
079-027-017	GUPHIL CAROLYN S	3809 JULENE DR	Modesto CA 95357	\$32.22
079-027-018	YOUNAN ALBERT M ET AL	3813 JULENE DR	Modesto CA 95354	\$32.22
079-027-019	BURCIU VASILE & TABITA	3808 JULENE DR	Modesto CA 95355	\$32.22
079-027-020	KANNO JANET	3900 JULENE DR	Modesto CA 95357-1355	\$32.22
079-027-021	MUNDO RUFINO O & REYNALDA	232 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-022	URY TRACY L TR	238 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-023	NIELSEN MARK C	244 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-024	TINOCO REBECCA K	250 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-025	SARDAR CAPITAL LLC	216 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-026	AQUINO NESTOR JOSE P & AQUINO LUCILLE J	212 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-027	SCANLAN MARY A ET AL	208 ANASTASIA DR	Modesto CA 95354	\$32.22
079-027-028	ANDREINI CHRIS PAUL & VICKY ANN TRS	204 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-029	LINDSAY STANLEY & MICHELE	200 ANASTASIA DR	Modesto CA 95357	\$32.22
079-027-030	WESCOTT WILLIAM	3824 TROON PL	Modesto CA 95357	\$32.22
079-027-031	SANTANA LISA MARIE	3820 TROON PL	Modesto CA 95357	\$32.22
079-027-032	BRIAR TRAVIS	3816 TROON PL	Modesto CA 95357	\$32.22
079-027-033	GIRALDES VINCENT ROBERT & ANGELA	3812 TROON PL	Modesto CA 95357	\$32.22
079-027-034	ORZCO EDUARDO & LOPEZ CELIA LIZETH HURTADO	3808 TROON PL	Modesto CA 95357	\$32.22
079-027-035	AGUINGA LINDA L ET AL	3804 TROON PL	Modesto CA 95357	\$32.22
079-027-036	DE LEON GUSTAVO MUNOZ & MEDINA ARIANA CERVANTES	3800 TROON PL	Modesto CA 95357	\$32.22
079-027-037	VALDEZ ARTHUR DAVID TRS & VALDEZ ANGELINE	3724 TROON PL	Modesto CA	\$32.22
079-027-038	SIDHU BALDEV S & MANMOHAN K TRS	3720 TROON PL	Modesto CA 95357	\$32.22
079-027-039	VEGA JUAN MANUEL & MARIA A	3716 TROON PL	Modesto CA 95357-1363	\$32.22
079-027-040	CHAND VIJAY ET AL	3712 TROON PL	Modesto CA 95357	\$32.22
079-027-041	SANCHEZ NOEMI	3708 TROON PL	Modesto CA 95357	\$32.22
079-027-042	GOMEZ PATRICIA & FRANCISCO JAVIER	3704 TROON PL	Modesto CA 95357	\$32.22
079-027-043	GARRISON JAMES R & STACY L	3700 TROON PL	Modesto CA 95357	\$32.22
079-027-044	NAIR RAJESH R & IRMA	201 RECTOR LN	Modesto CA 95357	\$32.22
079-027-045	SCHIED MICHAEL D & SCHEID MARLYN J	205 RECTOR LN	Modesto CA 95357	\$32.22
079-027-046	RODRIGUEZ SALVADOR & MONIQUE	209 RECTOR LN	Modesto CA 95351	\$32.22

Fee Parcel	Owner	Situs Address	City/State/Zip	ZG18/19
079-027-047	HOLLAND DARRELL	213 RECTOR LN	Modesto CA 95357	\$32.22
079-027-048	MUIR LARRY R & LESLIE A	217 RECTOR LN	Modesto CA	\$32.22
079-027-049	TORRES LUIS JAVIER	221 RECTOR LN	Modesto CA 95357	\$32.22
079-027-050	SABINIANO MARION N	3700 JULENE DR	Modesto CA 95357	\$32.22
079-027-051	TRISTAN ROGER ET AL	3704 JULENE DR	Modesto CA 95357	\$32.22
079-027-052	CHAND ATISH & REENA G	3708 JULENE DR	Modesto CA 95357	\$32.22
079-027-053	SCHAFNER-BORNHAM TIMOTHY & REBECCA	3712 JULENE DR	Modesto CA 95357	\$32.22
079-027-054	MIRANDA CARMEN ET AL	3716 JULENE DR	Modesto CA 95357	\$32.22
079-027-055	CHANHMISAY KEVIN S & TIFFANE	3720 JULENE DR	Modesto CA 95357	\$32.22
079-027-056	DOUGLAS MARY G	3724 JULENE DR	Modesto CA 95357	\$32.22
079-027-057	ANAYA EFRAIN FERNANDEZ & FERNANDEZ ANIELITA	3800 JULENE DR	Modesto CA 95357	\$32.22
079-027-058	GALLO SANTOS & GALLO FELIPA A	3804 JULENE DR	Modesto CA 95357	\$32.22
079-027-059	OCHJA MARIO A & ROBLES LUIZ D	3808 JULENE DR	Modesto CA 95357	\$32.22
079-027-060	BLANAS FRANK G	3812 JULENE DR	Modesto CA 95357	\$32.22
079-027-061	REINKE SANDRA K	3816 JULENE DR	Modesto CA 95357	\$32.22
079-027-062	DASS SULOCHANA & VIJAY	3820 JULENE DR	Modesto CA 95357	\$32.22
079-027-063	HASKEL ANNA	3825 JARENA DR	Modesto CA 95357	\$32.22
079-027-064	RAYGOZA JOSE H JR TR	3821 JARENA DR	Modesto CA 95357-1360	\$32.22
079-027-065	DHESI PAVINDER & KIRANIT	3817 JARENA DR	Modesto CA	\$32.22
079-027-066	HAMMONDS THEOPOND J	3813 JARENA DR	Modesto CA 95357	\$32.22
079-027-067	FRIEDE SUKANTIA	3809 JARENA DR	Modesto CA 95357	\$32.22
079-027-068	GUERRERO ANTHONY & GUERRERO DEBORAH	3805 JARENA DR	Modesto CA 95357	\$32.22
079-027-069	ABOK MAWULE K & ALIMA A	3801 JARENA DR	Modesto CA 95357	\$32.22
079-027-070	CHAND ATISH & CHAND REENA	3725 JARENA DR	Modesto CA 95357	\$32.22
079-027-071	HAMILTON DAWN J	3721 JARENA DR	Modesto CA 95357	\$32.22
079-027-072	CHANDRA KAVITA RAGNI	3717 JARENA DR	Modesto CA 95357	\$32.22
079-027-073	NAVA MARGARITA ET AL	3713 JARENA DR	Modesto CA 95357	\$32.22
079-027-074	CHAND RAJ RATTAN	3709 JARENA DR	Modesto CA 95357	\$32.22
079-027-075	GALLO SANTOS & FELIPA A	3705 JARENA DR	Modesto CA 95357	\$32.22
079-027-076	KOMMAVONGS BOUNKONG & PHILAVONG ALING	3701 JARENA DR	Modesto CA 95357	\$32.22
079-027-077	BRUHN JULEE	213 ANASTASIA DR	Modesto CA 95354	\$32.22
079-027-078	BIER TYLER A & SCHWABKE LISA	3812 JARENA DR	Modesto CA 95357	\$32.22
079-027-079	SERRA JOSE M & RIOS LUSIA	3808 JARENA DR	Modesto CA 95357	\$32.22
079-027-080	PRESINAL ERIC ALBERTO & NORMA EDITH	3804 JARENA DR	Modesto CA 95357	\$32.22
079-027-081	LOPEZ LISANDRO ET AL	3800 JARENA DR	Modesto CA 95357	\$32.22
079-027-082	RODRIGUEZ CURTIS LEE & HEIDI P	3724 JARENA DR	Modesto CA 95357	\$32.22
079-027-083	MEDINA RAMON	3720 JARENA DR	Modesto CA 95357	\$32.22
079-027-084	KNADS SVETLANA	3716 JARENA DR	Modesto CA 95357	\$32.22
079-027-085	KISARA SRINIVAS	3712 JARENA DR	Modesto CA 95357	\$32.22
079-027-086	DOYLE CATHY M	220 RECTOR LN	Modesto CA 95357	\$32.22
079-027-087	BAILEY GUY E & BAILEY DONNA M	112 RECTOR LN	Modesto CA 95357	\$32.22
079-027-088	WOLDA BRADY & EMILY	208 RECTOR LN	Modesto CA 95319	\$32.22
079-027-089	MESSER KEVIN & KAREN	3717 TROON PL	Modesto CA 95357	\$32.22
079-027-090	DE JESUS MARIO C & DE JESUS ARLENE M	3721 TROON PL	Modesto CA 95357	\$32.22
079-027-091	AMERICAN RESIDENTIAL PROPERTIES OF L P	3725 TROON PL	Modesto CA 95357	\$32.22
079-027-092	GARCIA JUAN & CARMEN A	3801 TROON PL	Modesto CA 95357	\$32.22
079-027-093	WIENZICKI JANE K	3805 TROON PL	Modesto CA 95354	\$32.22
079-027-094	BROWN JOSHUA N & DANA J	3809 TROON PL	Modesto CA 95357	\$32.22
079-027-095	LOPEZ ISAACS & HIDRICO	3813 TROON PL	Modesto CA 95357	\$32.22
079-027-096	BAKUS LAUREN N	3817 TROON PL	Modesto CA 95357	\$32.22
079-027-097	AGRESTI DEBRA MARIE	CREEKWOOD DR	Modesto CA 92658	\$80.24
079-028-001	MCNALLY STEVE	205 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-002	TEJERA TERRY	201 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-003	BARRAGAN BENJAMIN M & BARRAGAN IMELDA R	111 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-004	AWARD PROPERTIES LLC	117 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-005	HAWKINS TROY R	113 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-006	FARNON AARON D & FARNON LINDA M	109 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-007	NAVA YOLANDA GALLO	105 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-008	MICHAEL LAWMA	101 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-009	SHOOK TIMOTHY	3900 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-010	ROCHA JOSE	3904 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-011	PONS-LANGLOT ALFRED	3908 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-012	JOHNSON JOHN R & HUNTER KELLY N	3912 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-013	ROBERTSON CORY & KARYN	3916 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-014	HUIJER JOSEPH FREDERICK	3920 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-015	DURAN ROBERT JR & MELANIE JT	3924 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-016	BURCIU VASILE & TABITA	3928 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-017	WONG MAY TR	3932 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-018	ARELIAMA-BARRAJAS AIME GUADALUPE ET AL	3933 EL PORTAL PL	Modesto CA 95357	\$32.22

Fee Parcel	Owner	Situs Address	City/State/Zip	2018/19
079-028-019	FRITCHARD INVESTMENTS LLC	3928 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-020	CARRAL TED M & ANA M	3925 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-021	VIERRA JAMES	3921 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-022	BOULTON MEL G	3917 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-023	MARTIN JEFFREY	3913 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-024	REED NANCY R & JOHNNY E	3909 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-025	RODRIGUEZ MICHAEL JAMES	3900 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-026	TANNER TOMMIE G & GRACIE L TRS	3904 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-027	CARRILLO SALINA	3908 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-028	SOUHAVONG BOUATHONG	3912 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-029	WU WAN BEN	3918 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-030	HERNANDEZ JOSE J & CASTRO GAVY	3920 WESTFALL LN	Modesto CA 95350	\$32.22
079-028-031	CAPISTRAN JUAN & BARRAGAN ELISA	3924 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-032	YOUNGER ROGER COLEMAN & LAURA JEAN TRS	3925 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-033	HOUSE BONITA E TR	3921 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-034	PRASAD RESHMI D	3917 WESTFALL LN	Modesto CA 95357-0420	\$32.22
079-028-035	HUEY JIMMY WING TR ET AL	3913 WESTFALL LN	Modesto CA	\$32.22
079-028-036	BARRAGAN JESSE & BARRAGAN OLIVIA T	3909 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-037	OCHOA PALILO & MENDOZA MARIA DE JESUS	3901 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-040	VILLEGAS MARIE TR	3936 EL PORTAL PL	Modesto CA 95357	\$32.22
079-028-041	JOHNSON LENDALL	257 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-042	BUSTAMANTE GONZALO & BUSTAMANTE LUZ	253 SENTINEL DR	Modesto CA 95355	\$32.22
079-028-043	VICTORINO CHRISTOPHER J & KRISTIN M	249 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-044	ALARCON MARTIN JR	245 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-045	ACEVEDO PAVO SANDOVAL	241 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-046	FRIAS VERONICA	237 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-047	ALBERTO SILVIA	233 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-048	YOUNGER RONALD & YOUNGER LYDIA	229 SENTINEL DR	Modesto CA 95355-9768	\$32.22
079-028-049	RODRIGUEZ SATURNINO ARIAS	225 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-050	ATKINS DEBRA MICHELLE	221 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-051	HINSH LONNIE O & PAMELA K TRS	217 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-052	HOOK JEFFREY ALLEN & HOOK KIMBERLY ANN	213 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-053	ZAMORA ANTONIO S & ZAMORA MARIA A	209 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-054	ROBERTSON BRETT A ET AL	212 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-055	COSTA JOE & COSTA MARY	208 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-056	CORREIA ADRIANA M	208 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-057	RIDDICKS LAWRENCE V & DIEDRE M	206 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-058	DESOTO ROBERT	240 SENTINEL DR	Modesto CA 95357	\$32.22
079-028-059	HANNINK DOUG & KATHY TRS	244 SENTINEL DR	Modesto CA 95350	\$32.22
079-028-060	RUIZ NICHOLE	3905 SENTINEL CT	Modesto CA 95357	\$32.22
079-028-061	NORTON STANLEY W & NORTON LAURIE K	3908 SENTINEL CT	Modesto CA 95357	\$32.22
079-028-062	CIBRIAN FRANK ET AL	3904 SENTINEL CT	Modesto CA 95357	\$32.22
079-028-063	BROWN TANYA M	313 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-064	BOSMA KRISTI K & BOSMA STEVEN R	309 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-065	RODRIGUEZ ALFRED	305 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-066	CISNEROS HEER R CISNEROS ROSALINA	301 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-067	TOMA TITANIA Y	241 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-068	HERNANDEZ SALVADOR & BELTRAN MARIA T	237 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-069	LAPAN JASON	233 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-070	HARDIN MIKE A	229 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-071	KAUR DALBIR TRS	225 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-072	PADILLA RODRIGO	221 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-073	VELASCO CARLOS	217 YOSEMITE MEADOWS	Modesto CA 95358-0009	\$32.22
079-028-074	SOTO GILBERTO & SOTO MARIA	213 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-075	PEREZ VALENTINE M ET AL	209 YOSEMITE MEADOWS	Modesto CA 95357	\$32.22
079-028-076	MEDINA TERESA M & MENDOZA UBERATO	3929 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-077	SUMTER JASON ET AL	3928 WESTFALL LN	Modesto CA 95357	\$32.22
079-028-078	NAVARRO JOSE R	3937 EL PORTAL PL	Modesto CA 95357	\$32.22

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-270**

RESOLUTION CONFIRMING THE FISCAL YEAR 2018-19 DIAGRAM AND ASSESSMENT, AND ORDERING THE LEVY AND COLLECTION OF CHARGES WITHIN THE SHACKELFORD LANDSCAPE AND LIGHTING DISTRICT

WHEREAS, the City of Modesto by Resolution No. 2018-173, adopted on May 8, 2018, declared its intent to levy charges or assessments for the purpose of administering the maintenance of seventy-seven 200-watt high pressure sodium street lights in the Shackelford Landscape and Lighting District under the provisions of California Streets and Highways Code Sections 22500 through 22679, more commonly known as the Landscape and Lighting Act of 1972, and

WHEREAS, the charges against the real property are not levied with regard to property values but rather by allocated cost reports prepared by the Engineer of Work, and

WHEREAS, a public hearing was held on June 26, 2018, and

WHEREAS, the City has determined and certifies that the charges are either exempt from or in compliance with all the provisions of Proposition 218, which was passed by the voters in November 1996. The City of Modesto has further determined the charges are in compliance with all laws pertaining to the levy of such charges.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it orders the levy and collection of such charges within City of Modesto Shackelford Landscape and Lighting District for Fiscal Year 2018-19, and in each subsequent fiscal year in which the charges may validly be levied; that a certified copy of this resolution and **attached** documentation shall be delivered to the Auditor-Controller of the County of

Stanislaus for placement of such charges on the 2018-19 County Tax Roll, and in each subsequent fiscal year in which the charges may validly be levied.

BE IT FURTHER RESOLVED, that the diagram of said assessment district, **attached** hereto, and amount of levy thereon is hereby confirmed.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Kenoyer, Madrigal, Ridenour, Zoslocki,
Mayor Brandvold

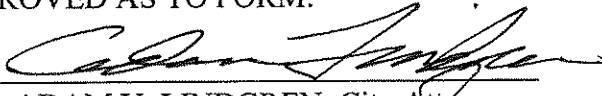
NOES: Councilmembers: None

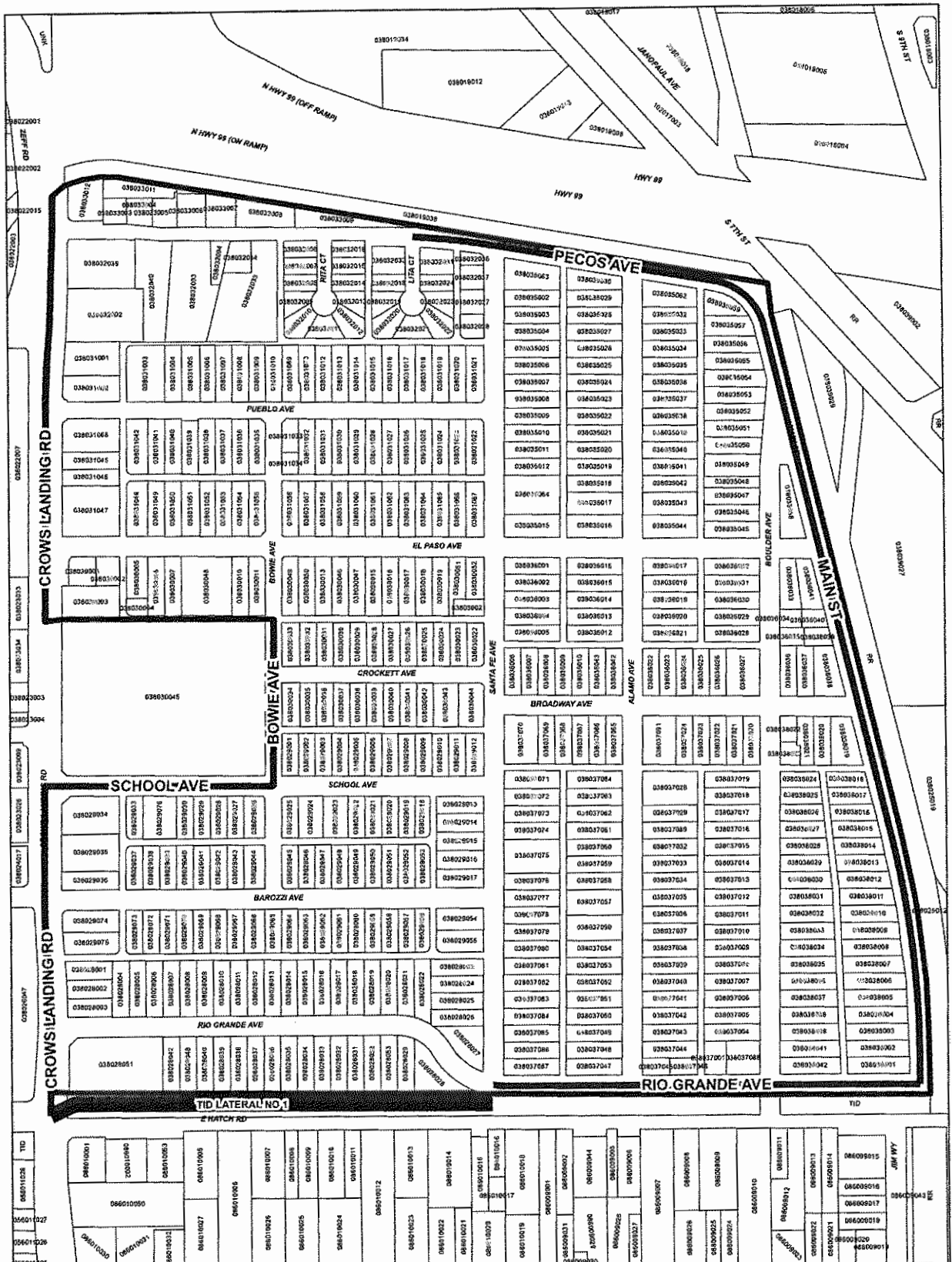
ABSENT: Councilmembers: Ah You, Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

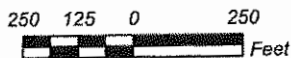
APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



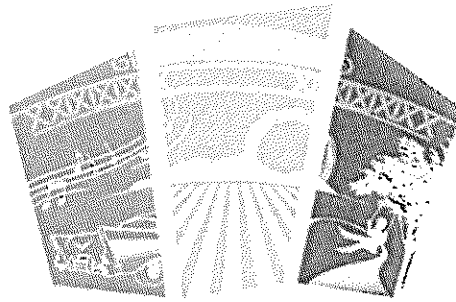
Assessment District Diagram

Shackelford Landscape and Lighting District



Date: 1/25/2018





MODESTO

CALIFORNIA

City of Modesto
SHACKELFORD LANDSCAPE AND LIGHTING DISTRICT
*A Landscape and Lighting District pursuant
to the Landscape and Lighting Act of 1972*

ENGINEER'S ANNUAL REPORT

FISCAL YEAR
JULY 1, 2018 - JUNE 30, 2019



Prepared By:
Jessica Narayan
Infrastructure Financing Program
Supervisor

Certified By:
Vickey Dion
City Engineer

Accepted By Motion:
Modesto City Council

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VI.	Annual Assessment List by Parcel & Property Owner

SECTION I HISTORY

On June 29, 1999, the Shackelford Landscape and Lighting District ("Shackelford LLD") was formed in accordance with the Landscape and Lighting Act of 1972 (California Streets and Highway Code §22500 through §22679) ("the Act") to install and maintain streetlights to deter crime, promote traffic safety, and aid law enforcement officers. All costs for the Shackelford LLD are funded by the annual assessments levied on each property within the district. The Act requires several courses of action on the part of City staff and City Council prior to August 10th of each year.

The Act initially requires the City Council to order, prepare, and file an Engineer's Annual Report for the City Council. This report is prepared for the purpose of detailing the plans and specifications for the maintenance, operation, and servicing of the District, including, but not limited to the materials, equipment, labor, and administrative expenses. The following services maintain facilities and improvements provided by the District as a special benefit to the parcel owners within the District; the cost of the services is paid entirely by the assessments levied by the District:

- Payment to local utility company for monthly power costs of energizing street lights in the District
- Payment to local utility company for maintenance of street lights in the District that the utility company owns (usually those lights that are mounted on wooden poles)
- Maintenance provided by the City of Modesto for street lights in the District that are owned by the City of Modesto (usually those lights that are mounted on steel poles)

Upon City Council's approval of the Engineer's Annual Report, the City Council adopts a resolution declaring its intent to levy and collect assessments within the Shackelford LLD for the following fiscal year and schedules a public hearing. This public hearing and proposed resolution levying the proposed assessments is in accordance with the annual assessment procedures.

Finally, in compliance with the Act, the City Council conducts the public hearing and adopts certain resolutions in accordance with the California Streets and Highways Code §22625 through 22641. The City Clerk is required to give the Modesto Bee notice of the public hearing no less than ten (10) days prior to the scheduled hearing date. All interested persons are afforded the opportunity to be heard during the public hearing. Should there be any protests, whether written or oral, the City Council may choose to continue the hearing to a later date and/or may change any part of the Engineer's Annual Report to address the concerns of the property owner(s). The adopted resolution is then forwarded to the Auditor-Controller of the County of Stanislaus for placement of such charges on the upcoming year's County Tax Roll.

SECTION II ANNUAL ASSESSMENT REVIEW AND SUMMARY

A. PARCEL REVIEW

There are 493 residential parcels within the Shackelford LLD, unless otherwise determined.

B. ANNUAL ASSESSMENTS

Each parcel receives equal benefits from the Shackelford LLD. The annual assessment levied is calculated by dividing the total cost estimate by the total number of parcels within the Shackelford LLD.

The total annual assessment for the Shackelford LLD for Fiscal Year 2018-2019 is \$25,562.05. This is based on the amount needed for Fiscal Year 2018-19 based on projected expenses and fund balance.

C. PROJECTED ANNUAL ASSESSMENT SUMMARY

Residential Annual Assessment – 493 Parcels

\$25,562.05	Annual Assessment for Fiscal Year 2018-2019
÷ 493	# of Parcels
<hr/>	
\$ 51.85	Annual assessment per parcel

D. COMPARISON TO PREVIOUS FISCAL YEAR

The proposed 2018-2019 annual assessment for residential parcels has increased from \$39.39 to \$51.85 per parcel.

SECTION 3 FINANCIALS – ANNUAL ASSESSMENT REVENUE & EXPENSE PROJECTIONS

Shackelford LLD Fund 6470		Estimated FY 2017-18 ¹	Proposed FY 2018-19
Beginning Fund Balance		\$ 17,534	\$ 10,101
Revenues (Cost Center 80015)			
Account			
Special Assessments	47051	\$ 11,917 ²	\$ 25,582 ³
Interest Revenue on Bank Account	48010	\$ (1)	
<i>Estimated - Special Assessments</i>		\$ 7,943 ⁴	
Total Revenues		\$ 19,460	\$ 25,562
Expenses (Cost Center 80015)			
Account			
<i>Operating Budget</i>			
Postage Expenses	52025	\$ -	\$ (100)
Electricity Utility Expenses	53040	\$ (12,385)	\$ (23,500)
Services City Forces - Interfund	54500	\$ (2,198)	\$ (3,980)
<i>Estimated - Postage Expenses</i>	52025	\$ (100)	\$ -
<i>Estimated - Electricity Utility Expenses</i>	53040	\$ (11,115.00)	\$ -
<i>Estimated - Services City Forces - Interfund</i>	54500	\$ (1,097.36)	\$ -
Total Expenses		\$ (26,892)	\$ (27,580)
Ending Fund Balance		\$ 10,101	\$ 8,083 ⁵

¹ The estimated amount shows what has been expended as of 02-28-18. There may be more expenses posted for the fiscal year; these are shown as *Estimated*.

² Actual revenue received for FY 2017-18 tax levy.

³ Proposed levy for FY 2018-19.

⁴ Estimated revenues for second installment of FY 2017-18 tax levy.

⁵ Reserve funding equals 29.31% of Annual Operating Cost (50% is maximum allowable)

SECTION IV MAINTENANCE & PLAN SPECIFICATIONS

Plans and specifications are available for review in the Public Works Department, located at 512 Jefferson Street, Modesto, CA. For more information, contact Kelly Gallagher, Parks Operations Manager at (209) 524-2330.

SECTION V ANNUAL ASSESSMENT DISTRICT DIAGRAM



SECTION VI ANNUAL ASSESSMENT LIST BY PARCEL & OWNER

Parcel	Owner	Situs	City State Zip	18/19 Amt
038-028-001	SERRANO ANTONIO H & SERRANO MARIA G	1328 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-028-002	STILLE JERRY	CROWS LANDING RD	Modesto CA 95358	\$51.85
038-028-003	STILLE JERRY	1328 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-028-004	STILLE JERRY	115 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-005	GARCIA VALENTIN	119 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-006	CARDENAS JOSE J	123 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-007	RAMIREZ MARIA ELENA	127 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-008	GARIBAY ADELIA ET AL	131 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-009	ANDREWS LUKE J & CAROLYN M	201 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-010	OLGUN RACHEL O TR	205 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-011	YEPEZ EFREN & YEPEZ GUADALUPE OCHOA	209 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-012	MENDOZA EDGAR	213 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-013	AL SUMERI FAHMI	217 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-014	HERBERA MARIA ET AL	221 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-015	AMESCUA JOSE	225 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-016	CARDENAS JOSE JESUS	229 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-017	BAROJO DIEGO O GARCIA	301 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-018	GARZA JOSE R & GARZA ROSA E	305 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-019	ACOSTA ELENA	309 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-020	DIAZ RODRIGO	313 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-021	CASTILLO NORMA GUADALUPE	317 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-022	VALDEZ-VALENCIA ELENA GUADALUPE	321 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-023	SOZA EFREN M & ANDREA A	1315 SANTA FE AVE	Modesto CA 95351	\$51.85
038-028-024	HO CHINH U & TAN MINGJEAN TRS	1319 SANTA FE AVE	Modesto CA 95357	\$51.85
038-028-025	MELGOSA JAVIER & ADMA NASHIRA	1323 SANTA FE AVE	Modesto CA 95351	\$51.85
038-028-026	CASTILLO RAUL & BRAULIA TRS	1327 SANTA FE AVE	Modesto CA 95351	\$51.85
038-028-027	CHEN HSIAG WUN	343 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-028	VARGAS MARIA HERNANDEZ DE ET AL	320 RIO GRANDE AVE	Modesto CA 95354	\$51.85
038-028-029	REAS MARIANO & MARIA C	318 RIO GRANDE AVE	Modesto CA 95358	\$51.85
038-028-031	ARROYO ISMAEL GARIBY ET AL	306 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-032	AVILA OCTAVIO S	302 RIO GRANDE AVE	Modesto CA 09535	\$51.85
038-028-033	MARES CARLOS	230 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-034	SANCHEZ JESUS	226 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-035	SPERONI STACEY	222 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-036	AVILES CYNTHIA	218 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-037	GARIBAY ET AL ISMAEL	214 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-028-038	TRUJILLO SALOMÉ L & ET UX	210 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-039	AL-SUMERI FAHMI	206 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-040	SANDOVAL CARMEN ET AL	204 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-042	CARUSO SHOPPING CENTER INC	128 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-048	KNIGHT ELLEN FAITH TR	202 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-051	CARUSO SHOPPING CENTER INC	1418 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-028-052	CARDENAS JOSE JESUS	310 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-028-053	CARDENAS JOSE JESUS	316 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-029-001	DIARTE FELIPE B	221 SCHOOL AVE	Modesto CA 95354	\$51.85
038-029-002	CARRILLO JOSE A	225 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-003	GRAGG EUGENE LARBY	229 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-004	HENDRIX SHIRLEY	301 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-005	RODRIGUEZ MARY P	305 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-006	MEZA ISIDRO	309 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-007	BURROWS FLORES I	313 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-008	ALBERTO LUCAS & MODESTA	317 SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-009	ALBERTO LUCAS & ALBERTO MODESTA	321 SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-010	SWARTZ JACK ODFEL TR	325 SCHOOL AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-029-011	ANGELES REMIGIO & SANCHEZ DELFINA	329 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-012	JIMENEZ JOSE L & JIMENEZ ESPERANZA G	333 SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-013	LARA JOSE A & LARA BERTHA A	326 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-014	PIERRO BENJAMIN ET AL	1238 SANTA FE AVE	Modesto CA 95351	\$51.85
038-029-015	GAYLE NOVI L	1737 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-029-016	PENA ARTURO & PENA ARCELIA	1741 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-029-017	JIMENEZ-FUENTES ROSELO & JIMENEZ SELENE	1245 SANTA FE AVE	Modesto CA 95358-	\$51.85
038-029-018	MODESTO CITY OF	SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-019	VILLA ROGELIO ET AL	318 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-020	LIAMAS HILDA MARIA	314 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-021	MEZA ISIDRO	310 SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-022	HOOVER ROBERT S JR TR ET AL	306 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-023	AGUIAYO ISMAEL	302 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-024	ORTEGA RODOLFO & LETICIA	228 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-025	GUINO FRANCISCO & GUINO GUADALUPE	227 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-026	MODESTO CITY SCHOOL DIST	SCHOOL & BOWLE AVE	Modesto CA	\$51.85
038-029-027	VANKIRK VENDY & ET UX	SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-028	VANKIRK VENDY V TRS & VANKIRK MARJORIE H	206 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-029	VANKIRK VENDY V TRS & VANKIRK MARJORIE H	202 SCHOOL AVE	Modesto CA 95351-	\$51.85
038-029-030	VANKIRK BLONDELL TR	128 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-033	AGUILERA CONNIE HEIRS OF	116 SCHOOL AVE	Modesto CA 95351	\$51.85
038-029-034	VIRK DAVINDER S & SARBHIT TRS	1230 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-029-035	GARCIA JOSE & SOFIA TRS	1138 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-029-036	SERRANO VICTOR M TR	1246 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-029-037	MARTIN WILLIAM R TRS & MARTIN JUDITH L	117 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-038	MARTIN WILLIAM R TRS & MARTIN JUDITH	BAROZZI AVE	Modesto CA	\$51.85
038-029-039	GARBAY MARIA DE JESUS	125 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-040	GARCIA ROBERTO P ET AL	129 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-041	ARNETT SANDRA JEAN ET AL	201 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-042	TORRES SIXTO A & GALVAN OFELIA FLORES	205 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-043	HERNANDEZ ASCENCION & LUCIA	209 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-044	CASTILLO ALMA	213 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-045	MADRIGAL UBALDO ADAM	221 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-046	DIAZ RODRIGO	225 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-047	BARAJAS JOSE & BARAJAS MARIA	229 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-048	JIMENEZ ANTONIO F & JIMENEZ TERESA F	301 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-049	PILLIDO JOSE G ET AL	305 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-050	ACEVES ANGEL & ELVA TRS	309 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-051	LOPEZ NESTOR	313 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-052	CASTILLO GUSTAVO DIAZ	317 BAROZZI AVE	Modesto CA 95351-	\$51.85
038-029-053	GARIBAY ISMAEL	321 BAROZZI AVE	Modesto CA 95351-	\$51.85
038-029-054	MARTINEZ ANTONIO & MARTINEZ GEORGINA M	1305 SANTA FE AVE	Modesto CA 95351	\$51.85
038-029-055	CALDERON LUIS ET AL	1309 SANTA FE AVE	Modesto CA 95354	\$51.85
038-029-056	PEREZ LETICIA M	322 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-057	MARTINEZ SALVADOR & MARTINA	318 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-058	BAISENO JOSE & CAMACHO MIREYA SOSA	314 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-059	GALVAN LUIS & MARIA ANGELICA	310 BAROZZI AVE	Modesto CA 95350	\$51.85
038-029-060	CALDERON MANUEL ET AL	306 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-061	GOODRICH PATRICIA A	302 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-062	LOPEZ NICOLAS	230 BAROZZI AVE	Modesto CA 95351-	\$51.85
038-029-063	GARCIA FELIPE O & GARCIA CHRISTINA	226 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-064	GARCIA MARIO A & GARCIA MARY G	222 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-065	JIMENEZ PETRA	218 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-066	SOTO RAUL	214 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-067	MORENO MARTIN DE SANTIAGO & MARISOL	210 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-068	JALREGUI JESUS	206 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-069	ALVARADO SALVADOR & ALVARADO MARIA E	202 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-070	NELSON MARY E ET AL	128 BAROZZI AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-029-071	MARTIN JUDITH L TR	BAROZZI AVE	Modesto CA	\$51.85
038-029-072	GARCIA GIOVANNI	120 BAROZZI AVE	Modesto CA	\$51.85
038-029-073	ESPINOZA ROSARIO T	116 BAROZZI AVE	Modesto CA 95351	\$51.85
038-029-074	FELIX RAFAELA	1304 CROWS LANDING RD	Modesto CA 95350-	\$51.85
038-029-075	FELIX RAFAELA	1312 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-029-076	TAYLOR BENNE W JR ET AL	120 SCHOOL AVE	Modesto CA 95351	\$51.85
038-030-001	EL DORADO MARKET INC	1104 CROWS LANDING RD	Modesto CA 95358	\$51.85
038-030-002	CH SET FREE CHRISTIAN FELLOWSH	110 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-003	EL DORADO MARKET INC	1108 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-030-004	MODESTO CITY SCHOOLS	EL PASO AVE	Modesto CA 95351-	\$51.85
038-030-005	MODESTO CITY SCHOOLS	116 EL PASO AVE	Modesto CA 95351-	\$51.85
038-030-006	MODESTO CITY SCHOOLS	120 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-007	CH GOD OF	124 EL PASO AVE	Modesto CA 95351-	\$51.85
038-030-010	BECCERRA REFUGIO & ARMAS BENIGNA	208 EL PASO AVE	Modesto CA 95358-	\$51.85
038-030-011	BECCERRA REFUGIO E & ARMAS BENIGNA	212 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-013	GALVAN ROBERTO	228 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-015	RIOS HENRY V & RIOS LYDIA F	304 EL PASO AVE	Modesto CA 95351-	\$51.85
038-030-016	CARDENAS VIDAL & CARDENAS SOCORRO	308 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-017	MUNOZ CRISOFORO R	312 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-018	GARCIA FRANCISCO J	316 EL PASO AVE	Modesto CA 95350-	\$51.85
038-030-019	RONALES GABRIEL	320 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-021	CAMARGO LAURA A ET AL	1112 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-030-022	SALDANA JUAN DE LEON & HELDA DE LEON	328 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-023	SHERMAN DAVID H TR	325 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-024	MORENO CARLOS & EVANGELINA TRS	321 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-025	ARELLANO CONSUELO	317 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-026	LUNA JOSE GUADALUPE JR	313 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-027	MURILLO SUSANA	309 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-028	SOMEZ REFUGIO	305 CROCKETT AVE	Modesto CA 95351-	\$51.85
038-030-029	VENEGAS-ZENDEJAS EVANGELINA	301 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-030	MURILLO SUSANA	299 CROCKETT AVE	Modesto CA 95351-	\$51.85
038-030-031	MECCA DIANE MARIA TR	229 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-032	CARRERA ZOLO LOPEZ & IRMA LETICIA TRS	225 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-033	TAH 2015-1 BORROWER LLC	1120 BOWIE AVE	Modesto CA 95351	\$51.85
038-030-034	PANIAGUA RUPERTO ZEPEDA	220 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-035	NAVARRO FRANCISCO & NAVARRO ROSA O	224 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-036	LUNA JESUS	228 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-037	LUNA FRANCISCO ET AL	232 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-038	LUNA HJAN I R ET UX	300 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-039	KINGSTON PATTI CAINE ET AL	304 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-040	LUNA CARLOS	308 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-041	LUNA CARLOS & LUNA LETICIA	312 CROCKETT AVE	Modesto CA 95351-	\$51.85
038-030-042	GONZALEZ MANUEL	316 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-043	MEDINA HERIBERTO	320 CROCKETT AVE	Modesto CA 95351	\$51.85
038-030-044	SOSA GEORGE ALEJANDRO	1211 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-030-046	SARZA ROSA ANGELICA	232 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-047	LINARES FELIPE P & LINARES MARTHA A	300 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-048	CH GOD OF	200 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-049	ROMERO ROSALVA L	220 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-050	PARSONS JOSEPH J TR	224 EL PASO AVE	Modesto CA 95351-	\$51.85
038-030-051	REYES JOSE G	328 EL PASO AVE	Modesto CA 95351	\$51.85
038-030-052	MELGOZA CRISTOBAL & ANITA	328 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-001	RAMIREZ FERNANDO	936 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-031-002	RAMIREZ FERNANDO	938 CROWS LANDING RD	Modesto CA 95351-	\$51.85
038-031-003	AGUILERA SALVADOR	117 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-004	MENDEZ LOURDES	125 PUEBLO AVE	Modesto CA 95351-	\$51.85
038-031-005	FONG CARLOS ALBERTO URENA	129 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-006	VALLE XAVIER	201 PUEBLO AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ass
038-031-007	PADILLA FRANCISCO C & PADILLA MARIA E	205 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-008	RODRIGUEZ RUBEN GARZA & ROSEMARY	209 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-009	GARCIA IRMA	212 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-010	CHAVEZ JOEL C	217 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-011	GOONSBY WAYNE R HEIRS OF	229 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-012	INIGUEZ JORGE S ET AL	233 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-013	GALVAN MARIA ANGELICA	303 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-014	FRANCO JOSE A & FRANCO HORTENCIA P	305 PUEBLO	Modesto CA 95351	\$51.85
038-031-015	SALGADO REFUGIO ET AL	309 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-016	LEW JOE	313 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-018	MENWETHER SANDY Y	317 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-019	GUZMAN JULIAN M & MOTA-GUZMAN DELIA	321 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-020	ESPINOZA LAZARO ET AL	325 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-021	TORRES MARGARITO M	921 SANTA FE AVE	Modesto CA 95351	\$51.85
038-031-022	ACAIBON ANGELA M QUINTEROS ET AL TRS	1007 SANTA FE AVE	Modesto CA 95351	\$51.85
038-031-023	GILMORE DANIEL	324 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-024	MENDOZA ENRIQUE Y & MENDOZA IRMA A	320 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-025	CADENAS JESUS TRS ET AL	316 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-026	FUNK MARIA	312 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-027	ROBBINS JAMES P & ROBBINS PATRICIA C	308 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-028	CASTRO RAYMOND & CASTRO MARTHA E	304 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-029	GALVAN JOSE LUIS & SOLEDAD	300 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-030	SIGALA STEVE & TERESA	232 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-031	BLEVINS RALPH D & JACQUELINE E	228 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-032	HERNANDEZ RENE	234 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-033	RAI GURJEET S & JASPREET K	220 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-034	RAI GURJEET S & JASPREET K	1010 BOWIE AVE	Modesto CA 95351	\$51.85
038-031-035	CABRERA AGUSTIN	212 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-036	SIGALA STEVE & TERESA	208 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-037	MADRIGAL RAFAELA	204 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-038	OCHOA JOSE LUIS	200 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-039	LARA CONSUELO M	128 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-040	AL-SUMERI FAHMI	124 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-041	DEA BILLY & FRANCES Y	120 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-042	WOODMAN BEN A & WOODMAN TANIA L	116 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-045	GUJARDO HECTOR	1010 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-031-046	GUJARDO HECTOR	1014 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-031-047	PORRAS SIXTO	1024 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-031-048	LOZANO SANDRA LUZ SUAREZ	117 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-049	FLORES MIGUEL ANGEL	121 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-050	REYNOSO JORGE	125 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-051	CENTENO MARIA	129 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-052	ORTEGA GILBERTO H & ORTEGA FRANCISCA	201 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-053	ORTEGA GILBERTO H & ORTEGA FRANCISCA Z	205 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-054	BETTENCOURT LULA JENE	209 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-055	MENDEZ LOURDES	213 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-056	YEFREMENKO ALEKSANDR	221 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-057	LOTT ROBERT LYNDELL & BETTY ROSEMARY	225 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-058	GONZALEZ ROSA TERESITA COYT	229 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-059	GONZALEZ ROSA TERESITA COYT	233 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-060	GARZA JUAN P ET AL	301 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-061	GARZA JOAQUIN J JR & GARZA GRACIELA	305 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-062	GARZA JOSE ROBERTO & GARZA ROSA E	309 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-063	MENDEZ LOURDES	313 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-064	GARZA JOSE ROBERTO & ROSA E	317 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-065	GARZA JOSE R & GARZA ROSA E	321 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-066	GOMEZ JUSTINO	325 EL PASO AVE	Modesto CA 95351	\$51.85
038-031-067	GOMEZ JUSTINO & GOMEZ MARTINA	1019 SANTA FE AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-031-068	JIB DICKENS INVESTMENTS LLC	1802 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-031-069	JOHNSON DAVID J & JOHNSON LAVELDA C	221 PUEBLO AVE	Modesto CA 95351	\$51.85
038-031-070	CASTILLO RUBEN & CASTILLO M MAGDALENA	225 PUEBLO AVE	Modesto CA 95351	\$51.85
038-032-002	MENDOZA ROBERTO & LIVIER	924 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-032-003	GORDO BRUCE ANTHONY	132 PECOS AVE	Modesto CA 95351	\$51.85
038-032-004	GARCIA FERNANDO	208 PECOS AVE	Modesto CA 95351	\$51.85
038-032-006	CORTEZ EDDIE T	101 RITA CT	Modesto CA 95351	\$51.85
038-032-007	CORTEZ EDDIE T	105 RITA CT	Modesto CA 95351	\$51.85
038-032-008	ZRANDEJAS VALENTIN LUNA	109 RITA CT	Modesto CA 95351	\$51.85
038-032-009	INIGUEZ BERNABE ET AL	113 RITA CT	Modesto CA 95351	\$51.85
038-032-010	INIGUEZ ISMAEL & INIGUEZ MARIA G	117 RITA CT	Modesto CA 95351	\$51.85
038-032-011	ASCENCIO MARTIN G ET AL	122 RITA CT	Modesto CA 95351	\$51.85
038-032-012	AVILA MIGUEL	118 RITA CT	Modesto CA 95351	\$51.85
038-032-013	BRIONES GUADALUPE	114 RITA CT	Modesto CA 95351	\$51.85
038-032-014	YOUNG RUTH	118 RITA CT	Modesto CA 95351	\$51.85
038-032-015	CERVANTES JUANA LAURA ROSAS	108 RITA CT	Modesto CA 95351	\$51.85
038-032-016	INIGUEZ BERNABE ET AL	102 RITA CT	Modesto CA 95351	\$51.85
038-032-018	ZAVALA PATIÑO DAULA	109 LITA CT	Modesto CA 95351	\$51.85
038-032-019	TANAKA TAD TADASHI TRS & TANAKA EVA WONG	113 LITA CT	Modesto CA 95351	\$51.85
038-032-020	GUERRERO JESSICA GARCIA ET AL	117 LITA CT	Modesto CA 95351	\$51.85
038-032-021	FLORES PEDRO & ET UX	122 LITA CT	Modesto CA 95351	\$51.85
038-032-023	MALDONADO VERA MARIO F	118 LITA CT	Modesto CA 95351	\$51.85
038-032-023	FERNANDEZ JESUS M	114 LITA CT	Modesto CA 95351	\$51.85
038-032-024	TANAKA TAD TADASHI TRS & TANAKA EVA WONG	110 LITA CT	Modesto CA 95351	\$51.85
038-032-027	SKSALA STEVE	913 SANTA FE AVE	Modesto CA 95351	\$51.85
038-032-028	RIDER TARA LOUISE	917 SANTA FE AVE	Modesto CA 95351	\$51.85
038-032-031	WONG ERNEST H & KLOCKO ANNE L TRS	105 LITA CT	Modesto CA 95351	\$51.85
038-032-032	SANKA GURMIT	105 LITA CT	Modesto CA 95351	\$51.85
038-032-033	PENALOZA FRANCISCO M	220 PECOS AVE	Modesto CA 95351	\$51.65
038-032-034	SOLORIO DANIEL SR & SOLORIO SHERRY A	214 PECOS AVE	Modesto CA 95351	\$51.85
038-032-036	GARCIA MARIANO B. GARCIA ELVA	328 PECOS AVE	Modesto CA 95351	\$51.85
038-032-037	VALENCIA HUMBERTA M	909 SANTA FE AVE	Modesto CA 95351	\$51.85
038-032-039	MENDOZA ROBERTO & LIVIER	900 CROWS LANDING RD	Modesto CA 95358	\$51.85
038-032-040	CITY OF MODESTO	PECOS AVE	Modesto CA 95358	\$51.85
038-033-003	MENDOZA ROBERTO & LIVIER	105 PECOS AVE	Modesto CA 95351	\$51.85
038-033-004	MENDOZA ROBERTO & LIVIER	121 PECOS AVE	Modesto CA 95351	\$51.85
038-033-005	SLAMPTER HENRY C III	127 PECOS AVE	Modesto CA 95351	\$51.85
038-033-006	NAVARRO RAMON H & JUSTINE	201 PECOS AVE	Modesto CA 95351	\$51.85
038-033-007	TUCKER KRISTY	209 PECOS AVE	Modesto CA 95351	\$51.85
038-033-008	CORTEZ ED	215 PECOS AVE	Modesto CA 95351	\$51.85
038-033-009	GILMORE DANIELA	225 PECOS AVE	Modesto CA 95351	\$51.85
038-033-011	MENDOZA ROBERTO & LIVIER	109 PECOS RD	Modesto CA	\$51.85
038-033-012	MENDOZA ROBERTO & LIVIER	854 CROWS LANDING RD	Modesto CA 95351	\$51.85
038-035-002	RIVERA CONSUELO B	917 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-003	DUONG SUNSHINE & WEBB NICHOLAS E	918 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-004	LOPEZ MARTIN & PATRICIA	920 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-005	VILLA ROGELIO JR	924 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-006	KAUN PARMINDER	928 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-007	MARTINEZ JOSE MARTIN BARAJAS	932 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-008	BRINKMAN LOUAIN TR	936 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-009	DELVALLE ROCIO	1002 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-010	PALOMARES JESUS HECTOR	1006 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-011	CORTES EUGENIO & ESPINO DE CORTES GUILLERMINA	1010 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-012	KEM SOKHOM & VANHA TRS	1014 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-015	CASTILLO ANGELA ESTER	1028 SANTA FE AVE	Modesto CA 95351	\$51.85
038-035-016	SANCHEZ ARMANDO RAMIREZ	1029 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-017	HUERTA MARTHA	1023 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-018	HERNANDEZ MARIA G ET AL	1018 ALAMO AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-035-019	MURILLO GUILLERMINA	1015 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-020	MANZO ANTONIO	1011 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-021	TOVAR MANUEL & ROSIE	1097 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-022	HERNANDEZ MANUEL & HERNANDEZ MARIA	1001 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-023	PINA FRANCISCO REYES	937 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-024	GIL RICARDO	933 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-025	SHARMA RAJIV & MRIDULA	929 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-026	ESCALANTE OSCAR	925 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-027	DE LA TORRE MIGUEL ET AL	921 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-028	PADILLA JAIME & ROSE FONSECA DE	917 ALAMO AVE	Modesto CA 95352	\$51.85
038-035-029	VELASQUEZ ERIK NEVAREZ	913 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-030	HERRANDEZ ANTONIO & GUADALUPE	412 PECOS AVE	Modesto CA 95351	\$51.85
038-035-032	ANGLIN JAMES JR & ET UX	916 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-033	ANGLIN JAMES R & ANGLIN ALETA M	920 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-034	ANGLIN JAMES JR & ET UX	924 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-035	TOOR ARVINDER KAUR	928 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-036	GARCIA RAMON & ET UX	932 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-037	AGUILAR JOSE P & ENOLIA	936 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-038	JALREGUI ANTONIO	1002 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-039	OLIVERA EMETERIO & ET UX	1006 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-040	KAUR MANJIT	1010 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-041	CHAVEZ MANUEL G & ET UX	1014 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-042	BARRAGAN JOHN J & LETICIA R	1018 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-043	GOMEZ LETICIA ET AL	1022 ALAMO AVE	Modesto CA 95351-	\$51.85
038-035-044	SANTANA ELBA	505 EL PASO AVE	Modesto CA 95351-	\$51.85
038-035-045	VASQUEZ ALFREDO & ET UX	1028 BOULDER AVE	Modesto CA 95351-	\$51.85
038-035-046	SANCHEZ FRANCISCO & HUERTA MARIA ISABEL	1025 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-047	KEM SONHOM & VANHA TRS	1021 BOULDER AVE	Modesto CA 95351-	\$51.85
038-035-048	CALDERON PEDRO OMAR R JR	1019 BOULDER AVE	Modesto CA 95351-	\$51.85
038-035-049	TORRES JOSE	1017 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-050	RAMIREZ AGUSTIN JR	2007 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-051	NAVARETE JAVIER	1005 BOULDER AVE	Modesto CA 95351-	\$51.85
038-035-052	SALDANA HILARIO	1001 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-053	GARZA JULIO ESTERAN	935 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-054	GARZA JOAQUIN JR	931 MAIN ST	Modesto CA 95351-	\$51.85
038-035-055	JONES RICHARD J	927 MAIN ST	Modesto CA 95351	\$51.85
038-035-056	SANCHEZ ANTONIO R & SANCHEZ MARIA	523 MAIN ST	Modesto CA 95351	\$51.85
038-035-057	PERKINS STEVEN A & ELSY E TRS	919 MAIN ST	Modesto CA 95351	\$51.85
038-035-058	ALEMAN MARIA HEIRS OF ET AL	1026 BOULDER AVE	Modesto CA 95351	\$51.85
038-035-059	BURRELL JOSEPHINE THOMPSON TR	530 PECOS	Modesto CA 95351	\$51.85
038-035-062	GONZALES DAVID	912 ALAMO AVE	Modesto CA 95351	\$51.85
038-035-063	BEITRAN AMPARO TR	908 SANTA FE	Modesto CA 95351	\$51.85
038-035-064	MONTES GUADALUPE C	1018 SANTA FE AVE	Modesto CA 95351	\$51.85
038-036-001	GOMEZ JUSTINO & GOMEZ MARTINA	1104 SANTA FE AVE	Modesto CA	\$51.85
038-036-002	MILLINS GUY E JR	1106 SANTA FE AVE	Modesto CA 95351	\$51.85
038-036-003	MACIEL BENJAMIN & MARISOLA JIMENEZ	1110 SANTA FE AVE	Modesto CA 95358	\$51.85
038-036-004	GOMEZ JUSTINO & GOMEZ MARTINA	1114 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-036-005	GOMEZ JUSTINO & GOMEZ MARTINA	1116 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-036-006	ALEMAN ARMANDO ET AL	1124 SANTA FE AVE	Modesto CA 95351	\$51.85
038-036-007	ARREGUIN PABLO & ARREGUIN ESTHER	405 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-008	MOTA NAVARRO IGNACIO & GUTIERREZ-DE MOTA TERESITA	409 BROADWAY AVE	Modesto CA 95351-	\$51.85
038-036-009	GILL HARJINDER	413 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-010	FLORES JORGE LUIS ET AL	417 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-012	RAMIREZ MARIA DEL REFUGIO GARZA DE	1117 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-013	SIGALA STEVE	1113 ALAMO AVE	Modesto CA 95358	\$51.85
038-036-014	LOPEZ MARIBEL PEREZ	1109 ALAMO AVE	Modesto CA 95351-	\$51.85
038-036-015	GOMEZ JUSTINO	1105 ALAMO AVE	Modesto CA 95358	\$51.85
038-036-016	MULLINS GUY III	1101 ALAMO AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-036-017	GARCIA RICARDO	1102 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-018	ALVARA GONZALO & MARISLA	1106 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-019	LOPEZ FRANCISCO M & DELIA Y TRS	1110 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-020	ARROYO RAFAEL & ALMA PATRICIA	1114 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-021	TELLECHEA RUBEN & DAHLIA	1118 ALAMO AVE	Modesto CA 95351	\$51.85
038-036-022	GOMEZ ESTELA A	501 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-023	SOUZA DAWN ET AL TRS	505 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-024	GARCIA JUAN M & BLAKE ALMA D	507 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-025	PADILLA ANGEL GAIL ET AL	509 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-026	MENDOZA AGUSTIN	517 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-027	SHAIBI YEHIA AHMED QASSEM & KASSIM FATIMA TRS	1125 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-028	WALLACE DANNY L & WALLACE ESTHER G	1119 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-029	GROKHOLSKY YAKOV	1113 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-030	AMADOR OLIVER RAY	1109 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-031	ORTEGA MARIA	1105 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-032	CHRISTIANSEN JON FREDERICK	1101 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-033	SHAIBI YEHIA AHMED QASSEM & KASSIM FATIMA TRS	607 EL PASO AVE	Modesto CA 95351	\$51.85
038-036-034	GROKHOLSKY YURY	1114 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-035	ZABALZA RUBEN JR	1118 BOULDER AVE	Modesto CA 95351	\$51.85
038-036-036	SOLANO MIGUEL ANGEL LOPEZ	601 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-037	CRISANTOS FERNANDA ALVAREZ	605 BROADWAY AVE	Modesto CA 95350	\$51.85
038-036-038	SHAIBI YEHIA AHMED QASSEM & KASSIM FATIMA TRS	613 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-039	AZEVEDO DANIEL ROBERT ET AL	1117 MAIN ST	Modesto CA 95351	\$51.85
038-036-040	WILSON CLIFFORD & WILSON LIA F	1113 MAIN ST	Modesto CA 95351	\$51.85
038-036-041	OLVERA DAVID R ET AL	606 EL PASO AVE	Modesto CA 95351	\$51.85
038-036-042	AGUILAR ENDELIA ET AL	425 BROADWAY AVE	Modesto CA 95351	\$51.85
038-036-043	LEDEZMA LOURDES	421 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-001	EL BUEN SAMARITANO ASEMBLEAS DE DIOS	521 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-037-004	ANGUETA MERCEDES DELAPAZ	1329 BOULDER AVE	Modesto CA	\$51.85
038-037-005	VASQUEZ JOSEF	1325 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-006	LOPEZ ENRIQUETA P & ANTONIO	1311 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-007	VASQUEZ JOSEF A	1317 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-008	AVILA MIGUEL A	1313 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-009	GUTIERREZ GUADALUPE	1309 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-010	PEREZ VICENTE & EVANGELINA	1305 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-011	GONZALEZ YOLANDA V	1301 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-012	ROMERO ADRIAN	1245 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-013	GOMEZ LUIS SR & GOMEZ JUANA	1241 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-014	GARZA JOAQUIN JR	1237 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-015	ASCENCIO MIGUEL G & ASCENCIO HERMELINDA F	1233 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-016	KALK MANJIT	1229 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-017	RAMIREZ JULIA GARZA ET AL	1225 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-018	BUONG SUNSHINE NHU & WEBB NICHOLAS E	1221 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-019	MAI MICHAEL	1217 BOULDER AVE	Modesto CA 95351	\$51.85
038-037-020	CONTRERAS RICARDO	516 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-021	PEREZ EMIGDIO SILVA	522 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-022	GARCIA MARIBEL	518 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-023	GALVAN ROBERTO & GALVAN EMMA	514 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-024	ALSUMERI FAHMI	510 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-026	MODESTO CITY OF	ALAMO AVE	Modesto CA 95351	\$51.85
038-037-029	GALVAN ROBERTO & EMMA	1226 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-032	VILLA ROGELIO JR	1234 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-033	PELAYO OSCAR	1238 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-034	PELAYO OSCAR	1242 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-035	LOPEZ VICTORIANO A & ET UX	1246 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-036	PEREZ AURELIO & PEREZ MARIA ROCIO	1302 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-037	PELAYO ARTURO & PELAYO EDLMIRA S	1306 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-038	ESTRADA MARIA ELENA	1310 ALAMO AVE	Modesto CA 95351	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-037-039	VASQUEZ APOLINAR	1316 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-040	OSUNA ANTONIO V HEIRS CF	1318 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-041	OSUNA ISIDRA	1322 ALAMO AVE	Modesto CA 95350	\$51.85
038-037-042	RIOS HENRY V & RIOS LYDIA F	1326 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-043	GARZA JUAN P	1330 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-044	GARZA JUAN PABLO	1334 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-045	MARTINEZ JUAN MANUEL	1338 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-046	GARZA JUAN PABLO	511 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-037-047	TEMPLO ROSA DE SARON	421 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-037-048	PADILLA BENJAMIN G	1333 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-049	GARCIA ELPIDIO	1329 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-050	HORN ADELLA R	1325 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-051	ROSA LUIS	1321 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-052	ZERMENO REFUGIO & MARIA	1317 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-053	ARGON JAMES JR & ET UX	1313 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-054	MORENO MANUEL S DE LA TORRE HILDA	1309 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-057	REATEGUI NELSON JR	1245 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-058	BALCIAGA RAYMOND SA & RAMONA	1241 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-059	YANEZ RICARDO	1237 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-060	LOMBU GUSTAVO A	1233 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-061	WINTERS SHIRLEY J ET AL TRS	1229 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-062	ORTEGA ANGELA	1225 ALAMO AVE	Modesto CA 95358	\$51.85
038-037-063	ORTEGA GILBERTO H & ORTEGA FRANCISCA	1221 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-064	PEREZ LUIS A ET AL	1217 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-065	GUERRA-MARTINEZ RIGOBERTO A	1209 ALAMO AVE	Modesto CA 95351	\$51.85
038-037-066	ROMERO ALFEO S & ROMERO FRANCISCA	422 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-067	DE LEON HECTOR S	418 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-068	O MARCOS MICHAEL RUTH	414 BROADWAY AVE	Modesto CA 95351-	\$51.85
038-037-069	RIOS JUVENTINO	410 BROADWAY AVE	Modesto CA 95351	\$51.85
038-037-070	SANDHU PARAMVEER	406 BROADWAY AVE	Modesto CA 95351-	\$51.85
038-037-071	GARCIA VERONICA C	1218 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-072	TELLECHEA FLORENTINO JR & TELLECHEA JOSEFINA B	1222 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-037-073	HENDRIX GUYLANN J	1226 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-037-074	MARTINEZ MARIA DE JESUS ET AL	1230 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-075	DE LA TORRE HUGO	1234 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-076	NINO ARTURO	1242 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-077	DE LA RIVA JOEL	1246 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-078	ROMO MARTIN & ROMO ANA LUZ	1302 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-079	GONZALEZ MELECIO CERVANTES	1306 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-080	ANDERSON TRINA ET AL	1310 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-037-081	OTO MARY ET AL	1314 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-082	MY COMMUNITY LLC	1318 SANTA FE AVE	Modesto CA 95351-	\$51.85
038-037-083	CORASSO ESMERALDA	1322 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-084	DEA BILLY & FRANCES	1326 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-085	AVILA RAFAEL RAMIRO CASTRO ET AL	1330 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-086	NORTH CAL INVESTORS LLC	1334 SANTA FE AVE	Modesto CA 95351	\$51.85
038-037-087	TEMPLE BAUTISTA ROSA DE SARON INC	411 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-037-088	CH ASAMBLEAS DE DIOS BUEN SAMA	525 RIO GRANDE AVE	Modesto CA 95351	\$51.85
038-037-089	RUELAS FELIPE	1230 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-090	BANGEL JAVIER & MARIA	1301 ALAMO AVE	Modesto CA 95351-	\$51.85
038-037-091	BIBLE WAY TABERNACLE	502 BROADWAY AVE	Modesto CA 95351	\$51.85
038-038-001	CONTRERAS PEDRO	611 RIO GRANDE AVE	Modesto CA 95351-	\$51.85
038-038-002	JIMENEZ VICTOR ET AL	1333 MAIN ST	Modesto CA 95351	\$51.85
038-038-003	FLORES AGUSTIN & FLORES IRISNE M	1329 MAIN ST	Modesto CA 95351	\$51.85
038-038-004	TURNER REBECCA	1325 MAIN ST	Modesto CA 95351-	\$51.85
038-038-005	TURNER REBECCA	1321 MAIN ST	Modesto CA 95351-	\$51.85
038-038-006	TORRES RUMALDO ET AL	1317 MAIN ST	Modesto CA 95351	\$51.85
038-038-007	ARREQUIN PABLO	1313 MAIN ST	Modesto CA 95350-	\$51.85

Parcel	Owner	Situs	City State Zip	18/19 Ast
038-038-008	ARREQUIN PABLO	1309 MAIN ST	Modesto CA 95351	\$51.85
038-038-009	GRADILLA ANTONIO & URSUA FIEDAD	1305 MAIN ST	Modesto CA 95351	\$51.85
038-038-010	GRANADOS JACINTO ET AL	1301 MAIN ST	Modesto CA 95351-	\$51.85
038-038-011	GARZA JOAQUIN JR	1245 MAIN ST	Modesto CA 95351	\$51.85
038-038-012	ROMERO BAUDENO SR ET AL	1241 MAIN ST	Modesto CA 95351	\$51.85
038-038-013	GOMEZ IGNACIO & MARIA GUADALUPE	1237 MAIN ST	Modesto CA 95351	\$51.85
038-038-014	PALOMO GUADALUPE F	1233 MAIN ST	Modesto CA 95351-	\$51.85
038-038-015	COX JASON & GLORIA	1229 MAIN ST	Modesto CA 95351	\$51.85
038-038-016	YOOR INDERJIT S	1225 MAIN ST	Modesto CA 95351	\$51.85
038-038-017	ROYAL EQUITY GROUP LLC	1221 MAIN ST	Modesto CA 95351	\$51.85
038-038-018	SINGH JAGDEV & GILL RANJIT KAUR	1217 MAIN ST	Modesto CA 95351	\$51.85
038-038-019	LEW JOE	614 BROADWAY AVE	Modesto CA 95351	\$51.85
038-038-020	RODRIGUEZ FEDERICO	610 BROADWAY AVE	Modesto CA 95351-	\$51.85
038-038-021	AMOLAJKI ABDU	606 BROADWAY AVE	Modesto CA 95351	\$51.85
038-038-022	CH APOST ASBY FTH CHRIST JESUS	592 BROADWAY AVE	Modesto CA 95351	\$51.85
038-038-023	CORTEZ ANTONIO	1214 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-024	LINARES ANA & MARCOS C	1210 BOULDER	Modesto CA 95351	\$51.85
038-038-025	BARAJAS JAVIER & IRMA N	1222 BOULDER AVE	Modesto CA 95351-	\$51.85
038-038-026	NAYARES CARLOS M & ET LUX	1226 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-027	GONZALEZ JESUS & GREGORIA	1230 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-028	CASILLAS HERIBERTO & MARIA	1234 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-029	CHAZ MA INES	1238 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-030	BARRON JOSE F & BARRON COLORES M	1242 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-031	VELASQUEZ PEDRO ET AL	1246 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-032	RIOS AURELIO ET AL	1302 BOULDER AVE	Modesto CA 95351-	\$51.85
038-038-033	CRIA LUZ ELENA CHAVEZ DE	1306 BOULDER AVE	Modesto CA 95350-	\$51.85
038-038-034	AL-SUMERI FAHMI	1310 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-035	OLUDEN-LEDOR CHRISTINA	1314 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-036	LOPEZ MARTHA	1318 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-037	CHAVEZ JOSE & CHAVEZ ANA M	1322 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-038	AGUILAR FELIPE	1326 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-039	BANUELOS H'RAEL	1330 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-041	DEA FRANCES Y ET AL	1334 BOULDER AVE	Modesto CA 95351	\$51.85
038-038-042	DEA FRANCES Y ET AL	603 RD GRANDE AVE	Modesto CA 95351	\$51.85

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-271**

**RESOLUTION AT THE REQUEST OF THE MODESTO BOARD OF
EDUCATION FOR THE PURPOSE OF SUBMITTING TO THE ELECTORS OF
THE MODESTO CITY SCHOOLS BOARD OF EDUCATION A PROPOSAL TO
AMEND SECTION 1500 OF THE CITY CHARTER TO CHANGE THE
ELECTION DATES FOR THE BOARD OF EDUCATION TO THE DATE OF
THE STATEWIDE GENERAL ELECTIONS HELD IN NOVEMBER OF EVEN-
NUMBERED YEARS AND PROVIDE FOR A ONE-TIME EXTENSION OF
EXISTING FOUR-YEAR TERMS FOR BOARD MEMBERS**

WHEREAS, in 2015, the California Legislature adopted and the Governor signed Senate Bill 415, the California Voter Participation Rights Act (“CVPR”), and

WHEREAS, the CVPR prohibits a school district from holding a regular election other than on a statewide election date, if holding an election on an odd-numbered year has previously resulted in voter turnout being at least twenty-five (25%) less than the average voter turnout for the previous four statewide general elections, and

WHEREAS, on December 11, 2017, the Modesto Board of Education adopted Resolution No. 17/18-10, requesting that the City, on its own motion, submit to voters a proposal to amend the Charter to transition School Board elections to November of even-numbered years to ensure compliance with the CVPR, and

WHEREAS, Article XV, Section 1500 of the Charter of the City of Modesto (“Charter”) vests the control, management and administration of the Modesto City School District of Stanislaus County and the Modesto High School District of Stanislaus County, jointly referred to as “Modesto City Schools” or “the District,” in the Modesto Board of Education (“the Board of Education”); and

WHEREAS, Section 1500 the Charter references the fact that all seven (7) members of the Board of Education are elected at regular municipal elections, and

although the City of Modesto will submit to voters in November a measure to transition all future regular municipal election dates to even-numbered years, to ensure that the District's elections also happen in November of even-numbered years it is necessary to seek an amendment to Section 1500 of the City Charter related to District Board of Education elections and when they occur, and

WHEREAS, Article XI, Section 3 of the California Constitution and Government Code Section 34458 provide that the governing body of a city, on its own motion, may submit a proposal to amend its charter to voters, and

WHEREAS, Article IX, Section 16 (b) of the California Constitution establishes that city charter amendments changing the manner in which members of boards of education are elected must be submitted to and approved by a majority of all of the qualified electors of the school district, not just the qualified electors of the City, and

WHEREAS, pursuant to Elections Code Section 1415(a)(2), the City, on its own motion, may submit to voters a proposal to amend the Charter to comply with federal or state voting rights laws at the next statewide primary election, and

WHEREAS, while Section 1604 of the Charter requires the City to review the Charter at least every ten (10) years, and while the City has established a charter review committee to assist it with such review, the City is authorized by Article XI, Section 3 of the California Constitution and Government Code Section 34458 to amend the Charter without convening a charter review committee, and

WHEREAS, if approved by the voters, this ballot measure would allow the Board of Education to ensure compliance with state law by moving its elections to November of even-numbered years, and

WHEREAS, the City Council, pursuant to Resolution 2018-55, called for a general municipal election to be held on and consolidated with the November 6, 2018 statewide general election and for the Stanislaus County Elections Department to conduct such election on behalf of the City of Modesto and the Modesto City Schools and therefore the Council now desires to include this measure on the ballot at said election on behalf of the Modesto City Schools Board of Education.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. Pursuant to Article XI, Section 3 and Article IX, Section 16 of the California Constitution, California Government Code Section 34458, and California Elections Code Sections 1415(a)(2) , the City Council of the City of Modesto proposes to and does hereby, by its own motion, submit to the qualified electors of the Modesto City Schools District, a proposal to amend Section 1500 of the Charter of the City of Modesto, at the municipal election to be held on November 6, 2018 as set forth below, and hereby designates and refers said proposal to be set forth in the form of a ballot measure as hereinafter prescribed for use at said municipal election:

PROPOSED AMENDMENT TO THE CHARTER OF THE CITY OF

MODESTO

Municipal Election

November 6, 2018

The Council of the City of Modesto hereby proposes, on its own motion, to amend Section 1500 of the Charter of the City of Modesto as follows:

MEASURE _

SECTION 1500. - BOARD OF EDUCATION.

The control, management and administration of the public schools of the City of Modesto, and the territory that is now or may hereafter be annexed thereto for school purposes, in accordance with the Constitution and general laws of the State of California, are hereby vested in a Board of Education. In all matters not specifically provided for in this article, the Board shall be governed by the provisions of the general law relating to such matters and shall be vested with all the powers and charged with all the duties provided by the laws of the State for city boards of education. The Board of Education shall be the governing body of the Modesto City School District of Stanislaus County and the Modesto High School District of Stanislaus County.

The Board of Education shall consist of seven (7) members who may receive compensation pursuant to the applicable provisions of the Education Code of the State of California. The Board of Education shall select a method of election for its members, by resolution, including but not limited to trustee or at large, in accordance with Chapter 1, Part 4, Division 1, Title 1 of the California Education Code, or any succeeding statute. The members of the Board of Education shall hold office for a period of four (4) years from and after the ~~first Tuesday following the Regular Municipal Election California Statewide Election on the first Tuesday after the first Monday in November of each even numbered year~~ at which they are elected and continuing until their successors are elected and have qualified. Each Board of Education member term commencing in 2015 shall be extended one year to December 2020 and each member term commencing in 2017 shall be extended one year to December 2022.

No person shall be eligible to be nominated for or to hold office as a member of the Board of Education unless the person is and shall have been for at least thirty (30) days preceding the person's nomination or appointment a resident and registered elector of the school district or districts which are under the jurisdiction of the Board of Education.

Note: Any wording stricken would be deleted by this measure. All of the above wording which is underlined would be added by this measure.

2. On the ballots to be used at said election, in addition to any other matter required by law to be printed thereon, shall be printed the following question:

MEASURE __

To increase voter participation and to conform with State law, shall the City of Modesto Charter be amended to (1) hold future Modesto City Schools Board of Education elections in November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one-time, one-year extension of the terms of current Board of Education members?	Yes	<input type="radio"/>
	No	<input type="radio"/>

3. The City Council hereby orders the City Clerk to submit the proposed charter amendment to the voters of the Modesto City Schools Board at a the regular Municipal Election on November 6, 2018.

4. Pursuant to Elections Code section 12101 et seq., the City Clerk of the City of Modesto is hereby authorized to prepare all required notices related to the ballot measures and to publish such notices as required by law in *The Modesto Bee*, the official newspaper of said City and a newspaper of general circulation printed and published in said City.

5. The Stanislaus County Elections Department is hereby authorized to canvass the returns of the Municipal Election related to this measure.

6. The City Clerk is hereby directed to file a certified copy of this resolution with the Board of Supervisors and the Elections Department of the County of Stanislaus, and the City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

7. Pursuant to Elections Code Section 9280, the City Clerk is hereby directed to transmit a copy of the ballot measure to the City Attorney, who is hereby directed to prepare an impartial analysis of the measure showing the effect of the measure on existing law and the operation of the measure.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: *Stephanie Lopez for*
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: *Adam U. Lindgren*
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-272**

RESOLUTION APPROVING A THIRD AMENDMENT TO THE AGREEMENT WITH ARAMARK UNIFORM SERVICES, MODESTO, CA, FOR THE FURNISHING OF UNIFORM AND LAUNDRY SERVICES, TO INCREASE THE CONTRACT AMOUNT BY \$30,000 FROM \$1,000,000 TO \$1,030,000, AND EXTENDING THE TERM OF THE AGREEMENT FROM JUNE 30, 2018, TO JULY 31, 2018; AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE THIRD AMENDMENT

WHEREAS, Article 22 of the Memorandum of Understanding (MOU) between the City of Modesto and Modesto City Employees Association (MCEA) requires the City to provide uniform and laundry services for Non-Sworn City employees, and

WHEREAS, in addition to the above article, the City is required to provide coveralls, pants, and rain gear for employees, dependent upon classification, and

WHEREAS, on August 14, 2012 by Resolution 2012-321, Council approved an agreement with Aramark Uniform Services, Modesto, CA for the furnishing of uniform and laundry services for a 2 year agreement with 3 one-year extension options at the sole discretion of the City for an estimated annual cost of \$100,000 and a total cost of \$500,000 for the five year term of the agreement, and

WHEREAS, in December 2015, the City reached the five-year spending amount and the Purchasing Division increased the agreement from \$500,000 to \$800,000 without Council approval; In August 2017, once the \$800,000 limit was reached, an additional \$50,000 expenditure was authorized to ensure the uniform and laundry services continued, and

WHEREAS, on the December 12, 2017 Council meeting, Council approved, via Resolution 2017-529, the extension of the agreement to January 31, 2018 and payment of \$100,000 for the period of August 8, 2017 to January 31, 2018, and

WHEREAS, the Finance Department contacted Aramark and Aramark promptly completed an internal audit on the billed services to the City in which Aramark found that a credit was due back to the City in the amount of \$49,510 and a correction plan was identified to monitor the control of this agreement, and

WHEREAS, on the January 23, 2018 by Resolution No. 2018-48 Council approved the second extension of the agreement from February 1, 2018 to June 30, 2018 for an additional increase of \$50,000 which included the credit due to the City, and

WHEREAS, the City has completed the Request for Proposal for the new agreement but due to a recent protest the Finance Department needs additional time to review and respond to the protest; the City is requesting we increase this agreement an additional \$30,000 and extend the term of the Agreement to July 31, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the third amendment to the Agreement with Aramark Uniform Services, Modesto, CA, for the furnishing of uniform and laundry services, to increase the contract amount by \$30,000 from \$1,000,000 to \$1,030,000; and extending the term of the Agreement from July 1, 2018, to July 31, 2018.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute the Third Amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-273**

RESOLUTION APPROVING A GRANT AGREEMENT WITH THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT IN THE AMOUNT OF \$4,016,188 FOR FIVE PROTERRA BATTERY-ELECTRIC FAST-CHARGE ZERO-EMISSION PUBLIC TRANSIT BUSES AND THE INSTALLATION AND DEPLOYMENT OF EIGHT PROTERRA DEPOT CHARGERS, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT AGREEMENT

WHEREAS, in October 2015, the California Air Resources Board (CARB) released a notice to grantees to implement and administer Zero-Emission Truck and Bus Pilot Commercial Deployment Projects under the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments, and

WHEREAS, this program was intended to help accelerate the deployment of a variety of commercially available medium and heavy duty zero-emission vehicles by placing a significant number of zero and near zero emission buses, and

WHEREAS, on January 26, 2016, by Resolution 2016-23, Council approved joining a multi-agency partnership to apply for grant funds under the CARB's Zero-Emission Bus Deployment Project, and

WHEREAS, on June 28, 2016, by Resolution 2016-278, Council accepted the grant award from the San Joaquin Valley Air Pollution Control District (SJVAPCD), and

WHEREAS, the matching funds for the purchase, management of the project, preventative maintenance and vehicle operations contract for the four year period of the grant's term totaling \$2,220,231 are made up of Federal Transit Administration (FTA) and Transportation Development Act (TDA) funds, and

WHEREAS, the battery electric buses will provide a cleaner fuel for providing public transportation around Modesto, and

WHEREAS, the City should see a fuel cost reduction by using battery electric buses in the fleet.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves a grant agreement with San Joaquin Valley Air Pollution Control District in the amount \$4,016,188, for five Proterra battery-electric fast-charge zero-emission public transit buses and the installation and deployment of eight Proterra depot chargers.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Grant Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 26th day of June, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

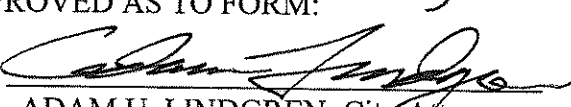
ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-274**

RESOLUTION APPROVING AN AGREEMENT WITH FEHR AND PEERS, WALNUT CREEK, CA, FOR CONSULTANT SERVICES FOR THE SYSTEMIC SAFETY ANALYSIS REPORT PROJECT FOR \$183,240 FOR THE IDENTIFIED SCOPE OF SERVICES PLUS \$18,324 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A TOTAL AMOUNT NOT TO EXCEED \$201,564, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City is ready to begin work for the Systemic Safety Analysis Report Project, and

WHEREAS, in February, 2016 the State of California released guidelines for the Systemic Safety Analysis Report Program (SSARP), and

WHEREAS, the guidelines were developed in consultation with the California Highway Safety Improvement Program (HSIP) Advisory Committee, and

WHEREAS, the SSARP program represents a proactive approach focusing on evaluating roadway networks using a defined set of criteria to identify potential improvements to increase pedestrian and bicycle safety, and

WHEREAS, in March, 2016, staff submitted an application to the State of California, Department of Transportation requesting SSARP funds in the amount of \$225,000 with a local match of \$25,000 for the project, and

WHEREAS, on May 18, 2016, the State of California notified the City that out of 79 SSARP applications received, the City was one of 27 applicants selected to receive funding , and

WHEREAS, on July 5, 2017, by Resolution No. 2017- 269, Council approved the use of \$25,000 in Measure L funds to be used as local match funds for the City's Systemic Safety Analysis Report (SSAR) project, and

WHEREAS, on September 26, 2017, by Resolution No. 2017- 359, Council accepted the State Systemic Safety Analysis Report Program (SSARP) grant in the amount of \$225,000, and

WHEREAS, in accordance with Administrative Directive 3.1 staff solicited and formally advertised for a Request for Qualifications (RFQ) through Planet Bids for consulting services to perform a systemic analysis throughout the City and develop a Systemic Safety Analysis Report (SSAR), and

WHEREAS, four CEDD staff members rated each of the SOQ's based on the firms cover letter, qualifications and experience, project understanding, approach and proposed scope of work, organization and individual roles and responsibilities, and project schedule, and

WHEREAS, from the ratings of the five SOQ's that were received, the top two firms were invited for an oral interview, and

WHEREAS, the same four CEDD staff members rated the top two firms based on consultant presentation and responses to questions from the selection panel, and

WHEREAS, the scores from the SOQ and oral interview were added together and averaged, and

WHEREAS, through this process Fehr and Peers received the top score, and

WHEREAS, staff negotiated a final scope of services and cost proposal with Fehr and Peers.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Fehr and Peers, (Walnut Creek, CA) for consultant services for the Systemic Safety Analysis Report project, for \$183,240 for the

identified scope of services, plus \$18,324 for additional services (if needed), for a total amount not to exceed \$201,564.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-275**

RESOLUTION AMENDING SECTION 3 (COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS), SECTION 6 (HOUSING REHABILITATION PROGRAM), AND SECTION 14 (ENVIRONMENTAL REVIEW) OF THE HOUSING AND URBAN DEVELOPMENT POLICIES & PROCEDURES MANUAL

WHEREAS, the City has been a participating jurisdiction in the Community Development Block Grant (CDBG) Program of the U.S. Department of Housing and Urban Development (HUD) since the program was established by Congress in 1974, and

WHEREAS, HUD distributes federal CDBG funds to states, counties and urban cities to provide decent, safe, and sanitary housing; to provide suitable living environments, and to expand economic opportunities principally for low and moderate-income persons, and

WHEREAS, the City, as an entitlement community, receives approximately \$1.8 million in CDBG funds annually to support a range of eligible activities, from public services to public infrastructure improvements that benefit low- and moderate-income individuals, families and neighborhoods. Federal regulations governing the CDBG program are in Title 24 of the Code of Federal Regulations Part 570 (24 CFR 570), and

WHEREAS, in October 2016, the Council, by Resolution No. 2016-245, adopted a Housing & Urban Development Policies & Procedures Manual (HUD Manual), and

WHEREAS, Housing & Urban Development Policies & Procedures Manual were last updated on June 12, 2018 by Resolution 2018-215, and

WHEREAS, in order to align with current program guidelines and replace older program policies Section 3 (Community Development Block Grant Programs), Section 6

(Housing Rehabilitation Program), Section 14 (Environmental Review) needed to be updated, and

WHEREAS, The Citizen's Housing and Community Development Committee reviewed, approved and forwarded on June 14, 2018 the proposed amended Section 3, Section 6, and Section 14 of the HUD Policies and Procedures to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends Section 3 (Community Development Block Grant Programs) Section 6 (Housing Rehabilitation Program), and Section 14 (Environmental Review) of the Housing and Urban Development Policies & Procedures Manual.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-276**

RESOLUTION APPROVING AN AMENDMENT INCREASING THE AGREEMENT AMOUNT WITH BANK OF AMERICA MERRILL LYNCH, FOR THE BANKING SERVICES BY \$51,034 FROM \$460,000 TO \$511,034, AND EXTENDING THE TERM OF THE AGREEMENT FROM JULY 31, 2018 TO JUNE 30, 2019 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT TO THE AGREEMENT

WHEREAS, on July 2, 2013, by Resolution 2013-247 the City Council awarded the banking services agreement to Bank of America based on its determination that the City's financial needs are best served by a full-service financial institution that provides day-to-day banking services in addition to a Direct Pay Letter of Credit (LOC) for its General Fund Lease Revenue Bonds, Series 2008 (Bonds), and

WHEREAS, on June 7, 2016 by Resolution 2016-243, the City approved a 3-year extension of the Letter of Credit for these Bonds at 60 basis points (0.60%) and a reduction in banking pricing modification by around 21% with Bank of America, and

WHEREAS, as part of the amendment to the Letter of Credit with Bank of America, Resolution 2016-242 Section 5 states that the City is authorized and directed to execute and deliver documents necessary to consummate the transactions authorized to carry out the terms and intent of this Resolution which would include the amendment to extend the term of the existing banking services agreement, and

WHEREAS, the Finance Department plans to issue a formal Request for Proposals in early September which will include both the banking services and LOC to utilize the most cost effective opportunities for the City, and

WHEREAS, Modesto Municipal Code section 8-3.204(d) states that where the Purchasing Manager, in his or her discretion, determines that a process other than the

formal proposal procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality, the purchase may be exempt from the formal bid process, and

WHEREAS, due to pricing required by a corresponding Letter of Credit contract with Bank of America that does not expire until June 30, 2019, the City requires to continue these banking services for the period July 31, 2018 through June 30, 2019 with Bank of America Merrill Lynch.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment to the Agreement with Bank of America Merrill Lynch, increasing the contract amount for the banking services by \$51,034 from \$460,000 to \$511,034; and extending the term of the Agreement from July 31, 2018, to June 30, 2019.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the amendment to the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

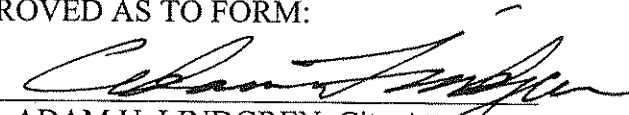
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-277**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

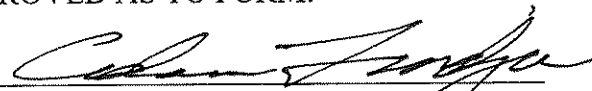
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

COMMUNITY AND ECONOMIC DEVELOPMENT

A budget adjustment is necessary to recognize \$291,038 of unbudgeted Department of Transportation (Caltrans) revenue in the Capital Grants Capital Improvement Project Fund, Fund 3160, to the Right Turn Lane W B D Street at Northbound 9th Street Capital Improvement Project, #100728, and reallocates funding to Engineering/Design/Administration, Construction, Construction Administration and Contingency in expense as approved by Caltrans per the E-76.

A budget adjustment is necessary to recognize \$178,962 of unbudgeted Department of Transportation (Caltrans) revenue in the Streets Capital Facility Fee Fund, Fund 3410, to the Right Turn Lane Southbound McHenry Ave to Westbound Briggsmore Avenue Capital Improvement Project, #100632, and reallocates funding to Engineering/Design/Administration, Construction, Construction Administration and Contingency in expense as approved by Caltrans per the E-76.

A budget adjustment is necessary to recognize \$64,500 of unbudgeted revenue related to Annexation Fees for the CFD No. 2018-1 (Woodglen) fund, Fund 3216 and reallocate the funds to the cost center operating expense budget to cover expenses for the current fiscal year.

A budget adjustment is necessary to increase the Village One #2 CFD fund, Fund 3290 expense budget by \$90,000 to pay for outstanding invoices in the current fiscal year. The expenses in this fund have come in higher this year due to unanticipated costs related to utilities and staff time. The increase in budget will be covered by Fund 3290 reserves.

PUBLIC WORKS

A budget adjustment is necessary to increase the Fleet Management Fund, Fund 5400 expense budget by \$200,000 to pay for outstanding invoices in the current fiscal year. The expenses in this fund have come in higher due to increased fuel and repair/maintenance on equipment and vehicle costs. The increase in budget will be covered by Fund 5400 reserves.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-278**

**RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT
WITH YOSEMITE COMMUNITY COLLEGE DISTRICT AND THE COUNTY
OF STANISLAUS FOR THE CONTINUED OPERATIONS OF THE REGIONAL
FIRE SCIENCE TRAINING CENTER IN FISCAL YEAR 2018-19**

WHEREAS, the Regional Fire Science Training Center (RFTC) operates under a joint use and management agreement between the City, County of Stanislaus (County), and the Yosemite Community College District (District), and

WHEREAS, the original 20-year agreement was for the construction, maintenance and operation of the facility and expired in 2012, and

WHEREAS, a successor agreement was approved in 2014 for the maintenance and operation of the facility for three years, an amendment was approved in 2017 to extend the 2014 agreement through June 30, 2018, and

WHEREAS, the participating agencies are seeking approval of a second amendment to the agreement that will allow the local network to continue use and operation of the RFTC for the 2018-19 fiscal year with an expiration date of June 30, 2019, and

WHEREAS, sufficient funds are budgeted in the Fiscal Year 2018-19 department operating budget, and

WHEREAS, the amendment will allow participating agencies to continue normal operations of the facility while also discussing the future of the partnerships and the facility.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the agreement with Yosemite Community College District and the County of Stanislaus for the continued operations of the Regional

Fire Science Training Center in Fiscal Year 2018-19.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-279**

RESOLUTION APPROVING A THIRD AMENDMENT TO THE AGREEMENT WITH DU-ALL SAFETY, INC. TO CONTINUE PROVIDING REGULATORY SAFETY TRAINING TO THE CITY THROUGH JANUARY 1, 2019 AND TO INCREASE THE AMOUNT BY \$100,000 TO AN AMOUNT NOT TO EXCEED \$328,902, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, in January of 2012 the City entered into a contract with Du-All Safety Consulting to perform mandatory safety training for all department divisions, and

WHEREAS, in February of 2012 the City amended the original agreement to increase the contracted amount to expand the scope of work, and

WHEREAS, on January 23, 2018, by Resolution 2018-53, Council approved a second amendment to the agreement with Du-All Safety with a term to expire September 30, 2018 and an amount not to exceed \$228,902, of which \$165,902 was to ratify past expenditures, and

WHEREAS, at this time, the City has been utilizing Du-All Safety to provide some regulatory training, and

WHEREAS, the City has identified the need for continued safety training, the need to renew a full Request for Proposals (RFP) for Safety Training and Consultation Services and a need to establish a dedicated safety officer to administer a comprehensive city-wide safety program, and

WHEREAS, Du-All is familiar with City operations and policies and is able to provide departments with timely regulatory safety training ensuring the City remains compliant with mandatory federal and state training requirements, and

WHEREAS, the current Council approved contracted amount is reaching the approved limit and the City has an immediate need for continued Safety Consulting and Training, and

WHEREAS, this amendment will authorize the necessary funds to continue to provide mandatory training without interruption until proposal and selection process is closed and completed.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves a third amendment to the agreement with Du-All Safety, Inc. to continue providing regulatory safety training to the City through January 1, 2019 and to increase the amount by \$100,000 to an amount not to exceed \$328,902.

BE IT FUTHER RESOLVED, that the Interim City Manager, or designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-280**

**RESOLUTION APPROVING AN AGREEMENT BETWEEN
GOVERNMENTJOBS.COM, INC., EL SEGUNDO, CA, DOING BUSINESS AS
NEOGOV, FOR AN ELECTRONIC RECRUITMENT, ON-BOARDING AND
OFF-BOARDING PROCESSES WITH AN INITIAL TERM OF JULY 14, 2018
THROUGH FEBRUARY 14, 2021 WITH THE OPTION TO ADD TWO ONE-
YEAR EXTENSIONS FOR A TOTAL AMOUNT NOT TO EXCEED \$135,313
AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE,
TO EXECUTE THE AGREEMENT**

WHEREAS, the City currently uses Neogov Insight Enterprise Edition (IN Subscription), an electronic platform with an annual subscription for all recruitment processes, and

WHEREAS, the onboarding process within the Human Resources Administration division has not automated, and

WHEREAS, the City of Modesto conducted research to recommend NeoGov to transition the City's onboarding functions to an online portal, and

WHEREAS, the Director of Human Resources, in conjunction with the Human Resources Manager, have recommended that NeoGov be accepted as the most viable option for the City's continued electronic recruiting service needs as well as a new online onboarding portal.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement between GovernmentJobs.com, Inc., El Segundo, CA, doing business as NEOGOV, for an electronic recruitment, on-boarding and off-boarding processes with an initial term of July 14, 2018 through February 14, 2021 with the option to add two one-year extensions for a total amount not to exceed \$135,313.

BE IT FUTHER RESOLVED, that the Interim City Manager, or designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

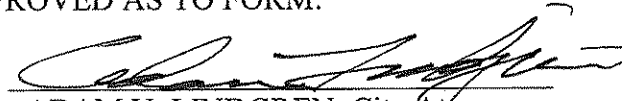
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-281**

**RESOLUTION AMENDING THE CLASSIFICATION PLAN TO CREATE
THE CLASSIFICATION OF SAFETY OFFICER**

WHEREAS, a Position Classification Plan was adopted Council Resolution No. 2008-681 pursuant to Rule 2.2 of the Personnel Rules and Regulations of the City of Modesto, and

WHEREAS, the City Manager has recommended to the Council amendments to the Position Classification Plan, and

WHEREAS, Rule 2.2 of the City of Modesto Personnel Rules provides that revisions to the Classification Plan shall be effective upon adoption of resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. CLASSIFICATION PLAN AMENDED. The Position Classification Plan of the City of Modesto is hereby amended to create the classification of Safety Officer at salary range 438.
2. EFFECTIVE DATE. This Resolution shall become effective the pay period in which August 1, 2018 falls, (Pay Period beginning August 6, 2018).

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-282**

**RESOLUTION AMENDING THE CLASS RANGE TABLE FOR REPRESENTED
MANAGEMENT AND CONFIDENTIAL NON-SWORN CLASSES**

WHEREAS, the City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018 was adopted by Council Ordinance No. 3687-C.S., and

WHEREAS, staff desires to amend the Class Range Table for Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. AMENDMENT TO ORDINANCE NO. 3687-C.S. Attachment 12 entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018”, of Ordinance No. 3687-C.S., is hereby amended and replaced with Exhibit A attached hereto and made a part hereof as though set forth in full herein and summarized as follows:

A. Exhibit “A” entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective August 1, 2018”, is amended to:

i. Add Safety Officer to salary range 438

2. EFFECTIVE DATE. This resolution shall become effective on August 1, 2018.

AMENDED
on 9-11-2018
By Resolution 2018-387

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

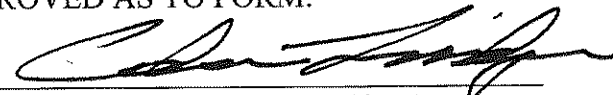
NOES: Councilmembers: None

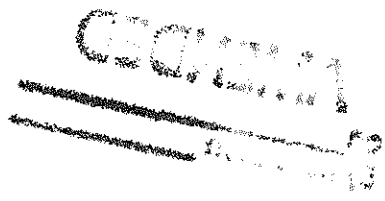
ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



*This version was never finalized, due to clerical error. See Rev. 1 for finalized Resolution.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-282**

**RESOLUTION AMENDING THE CLASS RANGE TABLE FOR REPRESENTED
MANAGEMENT AND CONFIDENTIAL NON-SWORN CLASSES**

WHEREAS, the City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018 was adopted by Council Resolution No. 2018-XXX, and

WHEREAS, staff desires to amend the Class Range Table for Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. AMENDMENT TO RESOLUTION NO. 2018-XXX. Attachment xx entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective June 26, 2018”, of Resolution No. 2018-XXX, is hereby amended and replaced with Exhibit A attached hereto and made a part hereof as though set forth in full herein and summarized as follows:

A. Exhibit “A” entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective August 1, 2018”, is amended to:

i. Add Safety Officer to salary range 438

2. EFFECTIVE DATE. This resolution shall become effective on August 1, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

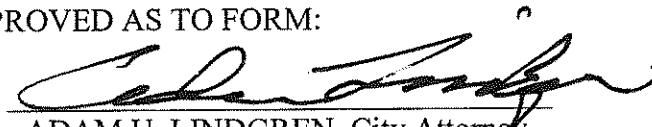
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

CITY OF MODESTO
 CLASS RANGE TABLE
 REPRESENTED MANAGEMENT AND CONFIDENTIAL NON-SWORN CLASSES
 Effective **August 1, 2018**

RANGE	TITLE
410	Administrative Office Assistant II (Confidential) Account Clerk I (Confidential)
412	Police Clerk II (Confidential) Account Clerk II (Confidential)
414	Administrative Office Assistant III (Confidential)
417	Legal Secretary I
418	Systems Technician I Senior Administrative Office Assistant (Confidential)
420	Workers' Compensation Claims Assistant
421	Administrative Services Technician I (Confidential) Legal Secretary II Executive Assistant
422	Deputy City Clerk Homeless Management Information System (HMIS) Technician Systems Technician II
423	Account Technician (Confidential) Custodian Supervisor Senior Legal Secretary Workers' Compensation Claims Examiner I
424	Buyer
425	Administrative Services Technician II (Confidential) Office Supervisor
426	Central Stores Supervisor Employee Benefits Coordinator Financial Analyst I Homeless Management Information System (HMIS) Program Coordinator Senior Systems Technician
427	Administrative Analyst I Technology Solutions Analyst I

RANGE	TITLE
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	Utility Dispatch Supervisor
428	Animal Control Supervisor Human Resources Analyst I Workers' Compensation Claims Examiner II
429	Assistant Planner Parking Adjudication Program Coordinator Parking Services Supervisor Police Range and Training Center Coordinator
430	Assistant City Clerk Financial Analyst II Senior Buyer Software Analyst I Systems Engineer I
431	Administrative Analyst II Events Coordinator Police Civilian Supervisor Technology Solutions Analyst II
432	Human Resources Analyst II Junior Engineer Neighborhood Preservation Supervisor Senior Workers' Compensation Claims Examiner
433	Assistant Surveyor Associate Planner Water Resources Analyst
434	Compost Facility Supervisor Financial Analyst III Operations Supervisor Recreation Supervisor Recycling Program Coordinator Software Analyst II Systems Engineer II
435	Assistant Transportation Planner Business Analyst Cultural Services Program Manager Customer Services Supervisor

RANGE	TITLE
	Emergency Medical Services Coordinator Management Analyst Organizational Development Coordinator Parks Project Coordinator Transit Analyst Weed and Seed Program Coordinator
436	Assistant Engineer Housing Rehabilitation Supervisor Public Safety Information Coordinator Senior Crime and Intelligence Analyst
437	Electrical Supervisor
438	Economic Development Marketing Specialist Plant Maintenance Supervisor Property Agent Public Safety Business Services Analyst Risk and Loss Control Coordinator Safety Officer Senior Community Development Program Specialist Senior Financial Analyst Senior Human Resources Analyst Senior Software Analyst Senior Systems Engineer
439	Administrative Services Officer Associate Land Surveyor Associate Transportation Planner Electrical Supervisor – Utilities Senior Business Analyst Senior Planner
440	Associate Engineer Community and Media Relations Officer Environmental Services Supervisor Integrated Waste Specialist Materials Management Superintendent/City Arborist Solid Waste Enforcement Supervisor Utilities Plant Operations Supervisor Utilities Services Supervisor
441	Housing and Urban Development Supervisor

RANGE TITLE

Infrastructure Financing Program Supervisor
Laboratory Supervisor
Police Civilian Manager
Auditor I

442 Centre Plaza Manager
Construction Inspection Supervisor
Principal Information Technology Administrator
Purchasing Manager
Auditor II

443 Associate Civil/Traffic Engineer
Customer Services Manager
Parks Planning and Development Manager
Senior Transportation Planner

444 Building Safety Program Coordinator
Building Inspection Supervisor
Environmental Regulatory Compliance Manager
Plant Maintenance Superintendent
Recreation Program Manager
Water Superintendent

445 Airport Manager
Deputy Fire Marshal
Facilities Manager
Fleet Manager
Senior Land Surveyor
Streets Manager

446 Accounting Manager

447 Principal Planner
Traffic Operations Engineer

448 Recreation and Neighborhoods Services Manager
Transit Manager
Solid Waste Program Manager

449 Assistant Chief Building Official
Information Technology Manager

450 Business Center Manager

RANGE	TITLE
	Community Development Manager Planning Manager Senior Civil Engineer Wastewater Collections Systems Manager Water Quality Control Plant Manager Water Systems Manager
451	Operations Manager
452	Traffic Engineer
453	Chief Building Official Parks Recreation & Neighborhoods Operations Manager
454	Assistant City Engineer
459	City Engineer Engineering Division Manager

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-283**

RESOLUTION AMENDING THE POSITION ALLOCATION FOR FISCAL YEAR 2018-19 AS ADOPTED IN THE OPERATING BUDGET TO REALLOCATE TWO (0.5) ADMINISTRATIVE OFFICE ASSISTANTS IN THE HUMAN RESOURCES DEPARTMENT TO ONE (1) SAFETY OFFICER IN THE HUMAN RESOURCES DEPARTMENT

WHEREAS, a Position Allocation was adopted by Council on June 12, 2018, as part of the Annual Budget for Fiscal Year 2018-2019, and

WHEREAS, classification studies are conducted to ensure that a classification system is equitable and consistent within an organization and that positions are correctly classified, and

WHEREAS, per Personnel Administrative Order 2.2-87-12, a classification study may be conducted in response to a reclassification request, to develop/revise a classification specification, or to assist in a reorganization, and

WHEREAS, classification studies were conducted by Human Resources to determine appropriate classification, and

WHEREAS, position changes will be effective the pay period in which August 1, 2018 falls, (Pay Period beginning August 6, 2018).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Position Allocation and the Fiscal Year 2018-19 Operating Budget for various departments as follows: Reallocate two (0.5) Administrative Office Assistants in the Risk Management Division of the Human Resources Department to one (1) Safety Officer in the Risk Management Division of the Human Resources Department.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

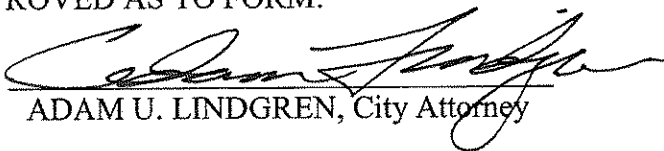
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-284**

RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE OF TWO ARTICULATING LOADERS WITH CLAW BUCKETS TO VOLVO CONSTRUCTION EQUIPMENT AND SERVICES, TURLOCK, CA FOR A TOTAL COST NOT TO EXCEED \$184,532 AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE A PURCHASE ORDER

WHEREAS, two articulating loaders with claw buckets are replacement units and will be used by the Public Works Department, Green Waste and Community Forestry Divisions, and

WHEREAS, both pieces of equipment in these divisions are 2010 model years and have been seeing very high maintenance costs over the past two years resulting in increased downtime and inefficiency, and

WHEREAS, with funds already collected, approved and allocated in the budget adoption for Fiscal Year 2016-2017 for the purchase of replacement units, staff is seeking to award the bid to Volvo Construction Equipment and Services, Turlock, CA for a total cost of \$184,532, and

WHEREAS, all bids had detailed bid specifications posted on Planet Bids per the City's purchasing guidelines and prospective bidders were notified online of the bid opportunity, and

WHEREAS, the City received five completed bids and all bids received were compliant per bid specifications, and

WHEREAS, Sonsray Machinery, Stockton, CA provided the lowest overall bid of \$183,240, however, their bid included an annual subscription fee of \$4,800 for diagnostic software which is a critical component of this equipment purchase. Volvo Construction

Equipment and Services, provided the next lowest bid of \$184,532, an annual subscription fee of \$1,000, and an approximate cost savings of \$38,000 over the 10 year life of the equipment, and

WHEREAS, funding for these pieces of equipment was collected, approved and allocated in the Fiscal Year 2016-2017 budget for the purchase of these replacement units through the Internal Service Fund (ISF) via straight line depreciation over the life of the equipment, and

WHEREAS, sufficient funds for two articulating loaders with claw buckets have been encumbered in the Fleet Replacement Fund: 5409-53246-57003.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchase of two articulating loaders with claw buckets from Volvo Construction Equipment and Services, Turlock, CA for a total cost of \$184,532.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue a purchase order for an estimated total cost of \$184,532.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

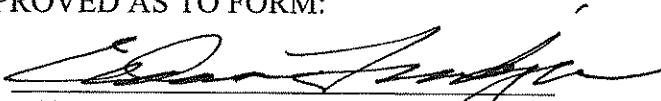
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-285**

RESOLUTION AUTHORIZING AN INCREASE OF THE DIRECTOR OF UTILITIES AUTHORITY TO ISSUE CHANGE ORDERS ON THE LITT ROAD IMPROVEMENT PROJECT FROM 8 PERCENT (\$122,687) TO 30 PERCENT (\$460,075) OF THE ORIGINAL CONSTRUCTION CONTRACT PRICE OF \$1,533,583 WITH MCFADDEN CONSTRUCTION INC., OF STOCKTON, CA, AND INCREASE STAFF BUDGET FROM \$138,022 TO \$194,559

WHEREAS, on January 15, 2018, by Resolution No. 2018-09, Council awarded a \$1,533,583.50 contract to McFadden Construction, Inc. for the construction of the Litt Road Improvement project, and

WHEREAS, the originally authorized construction administration budget was 8 percent (\$122,687), and

WHEREAS, additional change order work not included in the original bid needed to be added to the project to allow completion of the project, and

WHEREAS, the administrative and field inspection costs associated with ensuring the additional change order work conforms to the City's standards of construction and quality.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes an increase in Director's Authority to issue change orders for the Litt Road Improvement project from 8 percent (\$122,687) to 30 percent (\$460,075) and increase staff budget from \$138,022 to \$194,559.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-286**

RESOLUTION APPROVING AN AGREEMENT WITH VALI COOPER AND ASSOCIATES OF EMERYVILLE, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE STANDIFORD AVENUE PAVEMENT REHABILITATION PROJECT IN AN AMOUNT NOT TO EXCEED \$158,741, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 10 PERCENT

WHEREAS, on March 13, 2018, by Resolution No. 2018-124, Council amended an approved list of projects including the Standiford Avenue Pavement Rehabilitation project to be funded with Measure L tax proceeds in Fiscal Year 2017-2018, and

WHEREAS, on June 26, 2018, by Resolution No. 2018-265, Council awarded a \$2,591,417 contract to DSS Company dba Knife River Construction of Stockton, CA for the construction of the Standiford Avenue Pavement Rehabilitation project, and

WHEREAS, Standiford Avenue Pavement Rehabilitation project begins at Dale Road and proceeds 3 miles east to approximately Sherwood Avenue, and

WHEREAS, due to the limited availability of the City's Construction Administration staff, staff recommends utilizing a consultant to provide construction management and inspection services for the construction phase, and

WHEREAS, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, and

WHEREAS, for the construction management and inspection services, a Request for Proposals (RFP) was issued to the 3 on-call firms for construction management and inspection services for this project, and

WHEREAS, after careful review and evaluation by the selection committee, Consolidated CM was selected as the most qualified firm for the Project, and

WHEREAS, Vali Cooper and Associates demonstrated experience with multiple projects similar in scope and size, and

WHEREAS, Vali Cooper and Associates will be the main point of contact for all construction activities and reporting during this project.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Vali Cooper and Associates, for Construction Management and Inspection Services for the Standiford Avenue Pavement Rehabilitation project in an amount not to exceed \$158,740.90 for the identified scope of services.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the Agreement, and is authorized to execute one or more amendments to this agreement in a cumulative amount up to 10 percent of the original agreement amount.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-287**

**RESOLUTION ACCEPTING THE MARK RANDY AND TORRID DIABLO
LIFT STATION PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY
STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING
SECURITIES, AND RELEASING PAYMENTS TOTALING \$1,562,938 TO
MOUNTAIN CASCADE INC., OF LIVERMORE, CA**

WHEREAS, on October 11, 2016, by Resolution No. 2016-415, Council awarded a contract to Mountain Cascade Inc. for the construction of the Mark Randy and Torrid Diablo Lift Station project, and

WHEREAS, there were 6 change orders resulting in an overall increase of \$55,938 for change order work, and

WHEREAS, the Mark Randy and Torrid Diablo Lift Station Project has been completed by Mountain Cascade Inc., of Livermore, Ca in accordance with the contract agreement dated October 11, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Mark Randy and Torrid Diablo Lift Station Project is hereby accepted as complete from said contractor, Mountain Cascade Inc. of Livermore, Ca, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$1,562,937.50, as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

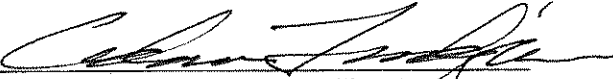
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-288**

RESOLUTION APPROVING A SOLE SOURCE AGREEMENT WITH LABWORKS LLC, LEHI, UTAH, FOR ANNUAL MAINTENANCE SUPPORT FOR THE WATER QUALITY CONTROL LABORATORY, FOR TWO YEARS WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL AMOUNT OF \$15,507 IN THE FIRST TWO YEARS AND SLIGHTLY INCREASING OVER THE FIVE YEARS, NOT TO EXCEED \$81,657 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, Labworks LLC is the sole provider for the maintenance support of the Laboratory Information Management System (LIMS) for the City's Water Quality Control (WQC) Laboratory, and

WHEREAS, LIMS allows the WQC Laboratory to evaluate both water and wastewater quality trends, prepare reports, and supply background data, and ensures that all samples provided to the WQC Laboratory are processed in accordance to all laws and regulations, and

WHEREAS, on January 7, 2014, by Resolution No. 2014-06, Council approved the award of proposal and contract for a LIMS for the Water and Wastewater Divisions to PerkinElmer Health Sciences, Inc./Labworks LLC, for an estimated initial cost of \$229,340 and a five year estimated cost of approximately \$296,455 including annual maintenance, and

WHEREAS, the five year term for this agreement ends July 31, 2018, and

WHEREAS, the WQC Laboratory has had Labworks in place since its purchase in 2014, and

WHEREAS, Labworks is easy to navigate and has user controls to prevent incorrect data names, and

WHEREAS, with the Labworks program, there are only three staff members that have the ability to create the data names; the previous program did not have these controls in place and staff found it difficult to retrieve the appropriate data when requested, and

WHEREAS, Labworks also allows for scheduling of sampling activities; once the schedule is set, it reoccurs at designated intervals, virtually eliminating human error that existed in the previous LIMS, and

WHEREAS, the replacement of the Labworks program would cost approximately \$300,000, require staff to re-customize the program, take a minimum of nine months to complete and need to be maintained as the City's permit requires ten years of data be available, and

WHEREAS, additionally, included in the new agreement with Labworks, LIMS is preparing to launch a new product that will allow online reads of information through a customer portal when off site, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, Staff recommends the award of agreement to Labworks LLC, should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) since they are the sole provider of maintenance program for Labworks, and

WHEREAS, MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirements where the Purchasing Agency's requirements can

be met solely by a single article or process and this purchase qualifies for exemption from formal bidding for that reason.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a sole source agreement with Labworks LLC, Lehi, Utah, for annual maintenance support for the Water Quality Control Laboratory, for two years with three one-year extension options, for an annual amount of \$15,507 in the first two years and slightly increasing over the five years, not to exceed \$81,657 over five years.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

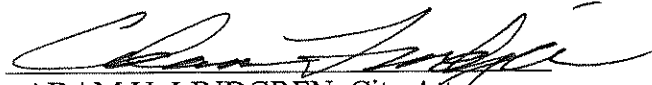
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-289**

**RESOLUTION ACCEPTING THE AIRPORT NEIGHBORHOOD SEWER
IMPROVEMENTS PHASE 2 PROJECT AS COMPLETE, AND ANNEXING
SAID IMPROVEMENTS INTO MODESTO MUNICIPAL SEWER DISTRICT
NO. 1**

WHEREAS, the Airport Neighborhood is an unincorporated, disadvantaged community located on the southeast side of the City of Modesto with 481 parcels that rely on septic systems for treatment of sewage, and

WHEREAS, the Airport Neighborhood's septic systems are failing and pose a threat to public health and groundwater, and

WHEREAS, the City owns and operates a sanitary sewer system adjacent to the Airport, and is prepared to provide sewer services to the Airport Community, and

WHEREAS, the County's Airport Neighborhood Sewer Improvements Phase 2 project installed the remaining sanitary sewer system throughout the area, for future service by the City of Modesto's Wastewater Collection and Treatment System, and

WHEREAS, a report has been filed by the Director of Utilities that the Airport Neighborhood Sewer Improvements Phase 2 Project has been completed dated April 17, 2018, and annexing said improvements into Modesto Municipal Sewer District No. 1.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Airport Neighborhood Sewer Improvements Phase 2 Project is hereby accepted as complete, and that the City Clerk is authorized to file a Notice of Completion with the Stanislaus County Recorder, and annexing said improvements into Modesto Municipal Sewer District No. 1.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

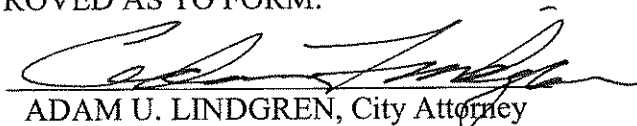
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-290**

RESOLUTION APPROVING A BLANKET WILL SERVE LETTER FOR 390 PARCELS IN THE AIRPORT NEIGHBORHOOD ADJACENT TO THE RECENTLY COMPLETED PHASE 2 SEWER IMPROVEMENTS, ALLOWING CONNECTION TO THE CITY OF MODESTO'S EXISTING SANITARY SEWER SYSTEM, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO APPROVE THE WILL SERVE LETTER

WHEREAS, the Airport Neighborhood is an unincorporated, disadvantaged community located on the southeast side of the City of Modesto with 481 parcels that rely on septic systems for treatment of sewage, and

WHEREAS, the Airport Neighborhood's septic systems are failing and pose a threat to public health and groundwater, and

WHEREAS, the City owns and operates a sanitary sewer system adjacent to the Airport Neighborhood and is prepared to provide sewer services to the Airport Neighborhood, and

WHEREAS, on December 13, 2011, by Resolution No. 2011-477, Council approved a Memorandum of Agreement with the County for City engineering staff to provide sewer design services for the project, and

WHEREAS, the Agreement required that Stanislaus County Public Works Department construct the Airport Neighborhood sewer improvements to City Standards, and

WHEREAS, a Measure M Sewer Advisory Vote was approved to allow City sewer extension in the Airport Community, and

WHEREAS, on June 28, 2016, by Resolution No. 2016-269, Council approved a Memorandum of Agreement with the County for City staff to provide engineering design

support services during construction of Phase 2 of the Airport Neighborhood Sewer Improvement Project and will serve 390 parcels, and

WHEREAS, per the Agreement, the County is to transfer ownership of sewer improvements upon Notice of Completion filed by the County and upon inspection and approval by the City, and

WHEREAS, the Phase 2 sewer improvements have been constructed and are ready to be serviced by the City, and

WHEREAS, residences of the 390 parcels will be allowed to connect to the City's sewer system, and

WHEREAS, the property owner will be required to pay connection fees and enter into an outside Service Agreement for their property.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Blanket Will Serve letter for 390 parcels in the Airport Neighborhood adjacent to the recently completed Phase 2 Sewer Improvements and allows connection to the City of Modesto's existing sanitary sewer system.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to approve the Will Serve letter.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-291**

RESOLUTION APPROVING AN AGREEMENT WITH HDR, INC., FOR DAM BREACH ANALYSIS AND FLOOD INUNDATION MAPS FOR THE JENNINGS PLANT STORAGE PONDS IN AN AMOUNT NOT TO EXCEED \$91,990 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$9,199 FOR ADDITIONAL SERVICES (IF NEEDED), FOR AN ESTIMATED TOTAL COST NOT TO EXCEED \$101,189 AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City has been directed by the California Division of Safety of Dams to prepare an Emergency Action Plan (EAP) for the Jennings Road Storage Ponds, and

WHEREAS, the EAP is required to follow federal guidelines and must include a dam breach inundation study, and

WHEREAS, these maps will reflect reasonable worst-case scenarios for catastrophic failure and breaching of the jurisdictional dam, and

WHEREAS, information from the study will be used for emergency plans contained in the City's EAP for the Jennings Road Storage Ponds, and

WHEREAS, Administrative Directive 3.1 allows for an accelerated selection process, if in the best interest of the City, where a consultant may be secured for specific projects to provide professional services, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.2504(a) Exceptions to Formal Bidding Requirements, this agreement is for professional services and therefore, exempt from the bid requirement, and

WHEREAS, HDR, Inc. is familiar with the Jennings Plant facilities and assisted with the flood protection analysis section in the current 2016 Wastewater Master Plan effort.

NOW, THEREFORE, BE IT RESOLVED. by the Council of the City of Modesto that it hereby approves an Agreement with HDR Inc., Folsom, CA, for Dam Breach Analysis and Flood Inundation Mapping services for the Jennings Plant Storage Ponds in an amount not to exceed \$91,990, for the identified scope of services, plus \$9,199 for additional services, if needed, for a maximum total amount of \$101,189.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

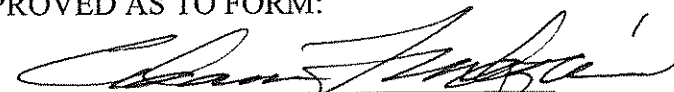
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-292**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR BUDGET TO ESTABLISH A NON-CAPITAL PROJECT (101052) IN THE AMOUNT OF \$114,988 TO BE TRANSFERRED TO THE PROJECT FROM WASTEWATER FUND RESERVES TO FULLY FUND THE CONSULTANT AGREEMENT AND STAFF TIME FOR THE DAM BREACH ANALYSIS AND FLOOD INUNDATION MAPS FOR THE JENNINGS PLANT STORAGE PONDS AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, certain budgetary transactions are necessary in the amount of \$114,988, in order to fund a consultant agreement and City staff time in support of the Jennings Dam Breach Analysis Project, and

WHEREAS, the Fiscal Year 2018-2019 Multi-Year Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Multi-Year Budget as shown in **Exhibit A**, attached hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

A total of \$114,988 is being requested from wastewater reserves to establish the budget of this new multi-year account.

Multi-Year Account 101052

Jennings Dam Breach Analysis

Current Budget

Revised Budget

EDA \$ -

EDA \$ 114,988.00

Consultant Agreement \$ 101,189.00

City Staff Time \$ 13,799.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-293**

**RESOLUTION VACATING AND DISPOSING OF THE CERTAIN UTILITY
EASEMENT LOCATED ON THE REAL PROPERTY KNOWN AS
STANISLAUS COUNTY ASSESSOR'S PARCEL NUMBERS 038-022-011 & 038-
022-013, AND AUTHORIZING THE CITY CLERK TO RECORD A CERTIFIED
COPY OF THIS RESOLUTION IN THE OFFICE OF THE STANISLAUS
COUNTY CLERK RECORDER**

WHEREAS, the City owns an utility easement (the "Existing Easement") located on that certain real property on Zeff Road in the City of Modesto known as Stanislaus County Assessor's Parcel Number(s) 038-022-011 & 038-022-013 (the "Property"); and

WHEREAS, the location of Existing Easement is further described and depicted in Exhibits "A" & "B", attached hereto in incorporated herein; and

WHEREAS, the Owner of the Property has agreed to grant the City a new sanitary sewer easement in a different location on the Property (the "New Easement"), and the location of the New Easement is more beneficial for the City than the location of the Existing Easement; and

WHEREAS, upon recordation of the New Easement, the Existing Easement will no longer be necessary and will be superseded by relocation; and

WHEREAS, the City Council has determined that the Existing Easement is unnecessary for present or prospective public use; and

WHEREAS, there are no public utility facilities in use on the Existing Easement, and the vacation of the Existing Easement is in the best interests of the City of Modesto; and

WHEREAS, pursuant to the provisions of Section 8330 *et seq.*, of the Streets and Highways Code, the City Council seeks to summarily vacate the Existing Easement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Modesto as follows:

Section 1. Findings and Determinations.

The City Council hereby finds and determines that the above recitals are true and correct and have served as the basis, in part, for the findings and actions of the City set forth below.

Section 2. No present or prospective public use.

The Existing Easement described and depicted in **Exhibits “A” & “B”, attached** hereto and incorporated herein, is unnecessary for present or prospective public use and has been superseded by relocation.

Section 3. Vacation of Easement

Pursuant to Chapter 4 of Part 3 of Division 9 of the California Streets and Highways Code, the Easement is hereby summarily vacated and abandoned. From and after the date this resolution is recorded, the Existing Easement shall no longer constitute a public service easement.

Section 4. Notification

All entities having any right, title, or interest in the Existing Easement, if any, have been notified of this action.

Section 5. Certification

The City Clerk shall certify the adoption of this Resolution.

Section 6. Certification and Recordation of Resolution

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to record a certified copy of this Resolution in the office of the Stanislaus County Recorder pursuant to Streets and Highways Code section 8335.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

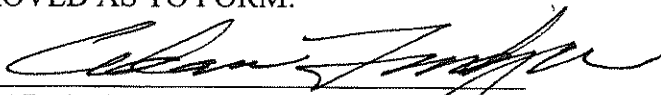
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT "A"

LEGAL DESCRIPTION

FOR ABANDONMENT OF SANITARY SEWER EASEMENTS

The land referred to herein below is situated in the City of Modesto, County of Stanislaus, State of California, lying within the east half of Section 5, Township 4 South, Range 9 East, Mount Diablo Meridian, more particularly described as follows:


The purpose of this description is to abandon that portion of the existing 15 foot wide sewer easement recorded as Instrument Number 30338 in Volume 1252 at Page 42, Stanislaus County Records and that portion of the existing 15 foot wide sewer easement recorded as Document Number 2014-0029775, Stanislaus County Records, lying east of the following described line:

COMMENCING at the southwest corner of Parcel No. 5, also being the northwest corner of Parcel No. 1 as described in the Grant Deed recorded September 4, 2009 as Document No. 2009-0087193, Stanislaus County Records; thence along the northerly line of said Parcel No. 1, South 89°47'25" East, 313.94 feet; thence North 21°24'26" West, 10.22 feet to the south line of that existing 15 foot wide sewer easement to the City of Modesto recorded November 18, 1954 as Instrument Number 30338 in Volume 1252 at Page 42, Stanislaus County Records; thence along said south line, South 89°47'25" East, 8.07 feet to the **POINT OF BEGINNING** of the herein described line; thence leaving said south line, North 00°00'00" East, 25.50 feet to the north line of that existing 15 foot wide sewer easement recorded as Document Number 2014-0029775, Stanislaus County Records, and being the **POINT OF TERMINATION** of the herein described line.

Containing 11,716 sq. ft., more or less.


END DESCRIPTION

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyor's Act.



William M. Koch
Professional Land Surveyor
California No. 8092

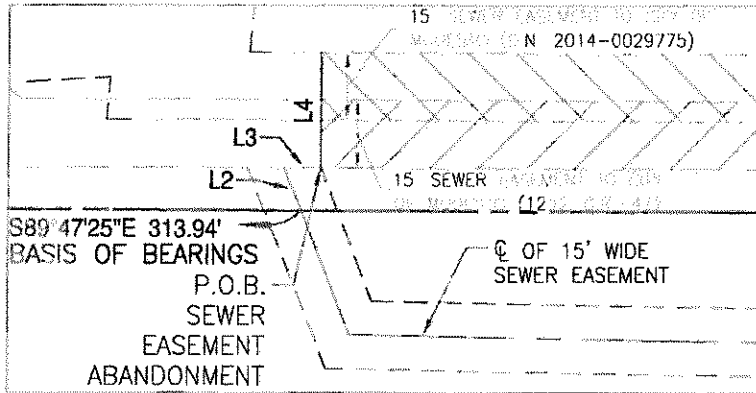
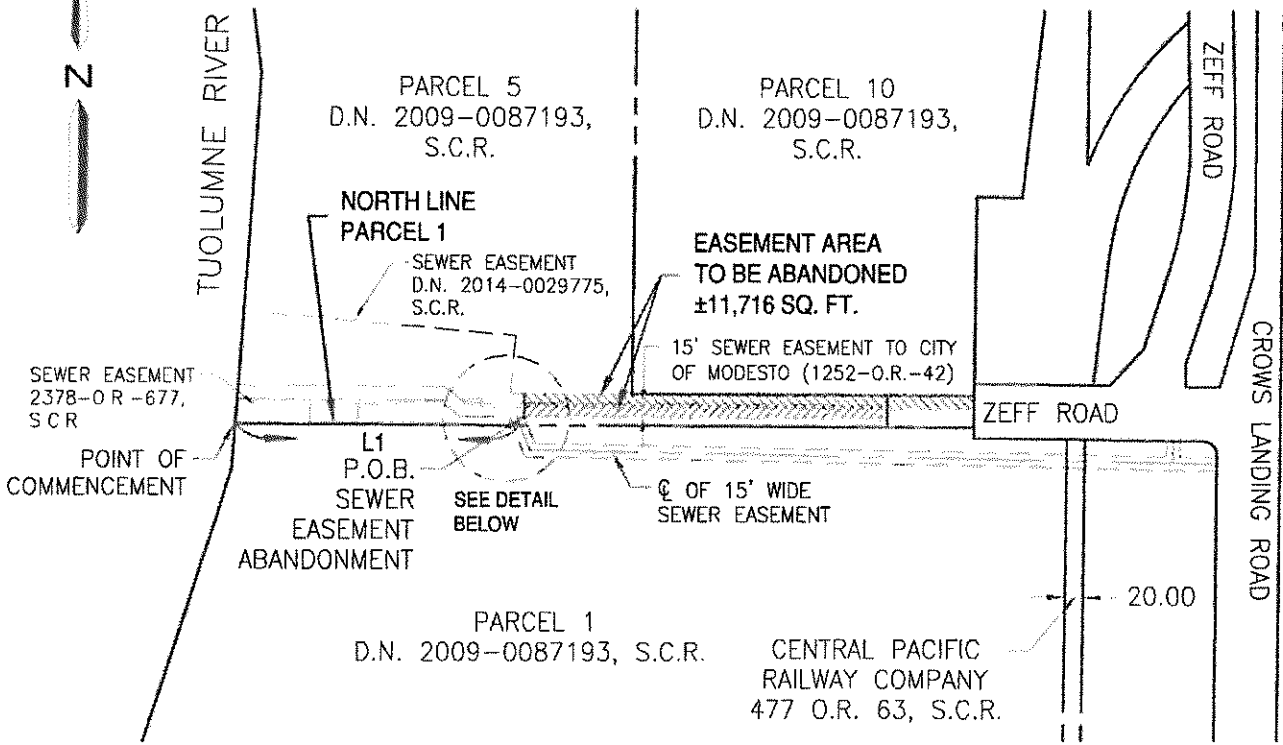




Date

EXHIBIT "B"

SANITARY SEWER EASEMENT ABANDONMENT

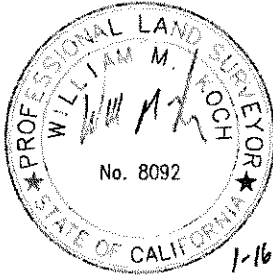


LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°47'25"E	313.94'
L2	N21°24'26"W	10.22'
L3	S89°47'25"E	8.07'
L4	N0°00'00"E	25.50'

DETAIL
1"=40'

LEGEND:

- D.N. DOCUMENT NUMBER
- O.R. OFFICIAL RECORDS
- S.C.R. STANISLAUS COUNTY RECORDS
- P.O.B. POINT OF BEGINNING
- S.E. SEWER EASEMENT
- S.E. 1252-OR-42 TO BE ABANDONED
- S.E. D.N. 2014-0029775 TO BE ABANDONED



BASIS OF BEARINGS:

A BEARING OF NORTH 89°47'25" WEST FOR THE NORTH LINE OF PARCEL 1.

H:\29021-Modesto Ceres Trunk Improvements\Drawings\29021-SEWER EASEMENT ABANDONMENT.dwg 12:24:16 01/16/2018



1165 Scenic Drive, Suite B
Modesto, CA 95350
Ph 209.571.1765/Fax 209.571.2466
odellengineering.com

DESCRIPTION: SEWER EASEMENT ABANDONMENT			
SCALE:	1"=200'	DATE:	JANUARY 9, 2018
JOB NO.:	29021		
FILE:	29021-SEWER EASEMENTS ABANDONMENT.DWG		

EXHIBIT "A"

LEGAL DESCRIPTION FOR SANITARY SEWER EASEMENT


The land referred to herein below is situated in the City of Modesto, County of Stanislaus, State of California, lying within the east half of Section 5, Township 4 South, Range 9 East, Mount Diablo Meridian, more particularly described as follows:

COMMENCING at the southwest corner of Parcel No. 5, also being the northwest corner of Parcel No. 1 as described in the Grant Deed recorded September 4, 2009 as Document No. 2009-0087193, Stanislaus County Records; thence along the northerly line of said Parcel No. 1, South 89°47'25" East, 305.87 feet to the **POINT OF BEGINNING**; thence leaving said northerly line, South 21°24'26" East, 37.65 feet to a line that is parallel with and 35 feet south of said northerly property line; thence along said parallel line, South 89°47'25" East, 721.69 feet; thence South 00°12'35" West, 10.00 feet; thence South 89°47'25" East, 46.20 feet to the west line of that certain parcel as described in Grant Deed to City of Modesto recorded February 5, 1975 in Book 2681 at Page 543, Stanislaus County Records; thence along said west line, North 00°24'35" East, 16.67 feet to the beginning of a tangent curve to the left having a radius of 15.00 feet; thence along said curve through a central angle of 33°40'45" and an arc length of 8.82 feet to the intersection with a line parallel with and 20 feet south of aforesaid northerly property line; thence along said parallel line, North 89°47'25" West, 24.92 feet; thence North 00°12'35" East, 6.80 feet to the south line of Zeff Road, and being the south line of Parcel No. 1 as described in Grant Deed to the State of California recorded May 29, 1962 in Volume 1770 at Page 402, Stanislaus County Records; thence along said south line, North 89°26'43" West, 16.21 feet; thence leaving said south line, South 00°12'35" West, 6.90 feet to a point on said parallel line being 20 feet south of said northerly property line; thence along said parallel line, North 89°47'25" West, 714.13 feet; thence North 21°24'26" West, 31.73 feet to the south line of that existing 15 foot wide sewer easement to the City of Modesto recorded November 18, 1954 in Book 1252 at Page 42, Stanislaus County Records; thence along said south line, North 89°47'25" West, 16.13 feet; thence South 21°24'26" East, 10.22 feet to the **POINT OF BEGINNING**.

Containing 12,606 sq. ft., more or less.

END DESCRIPTION

This real property description has been prepared by me, or under my direction, in conformance with the requirements of the Professional Land Surveyor's Act.

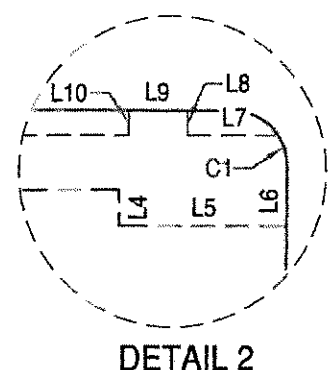
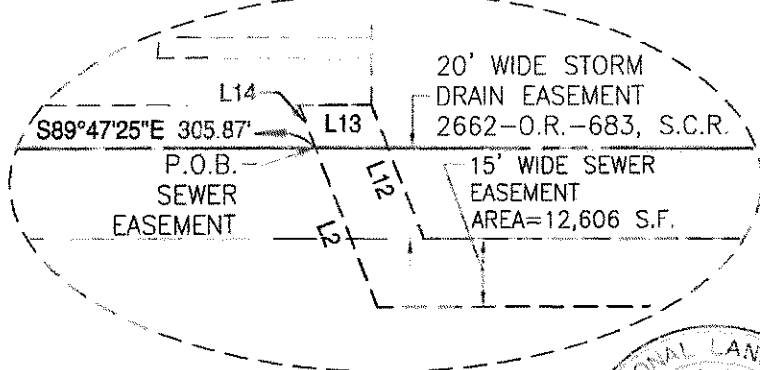
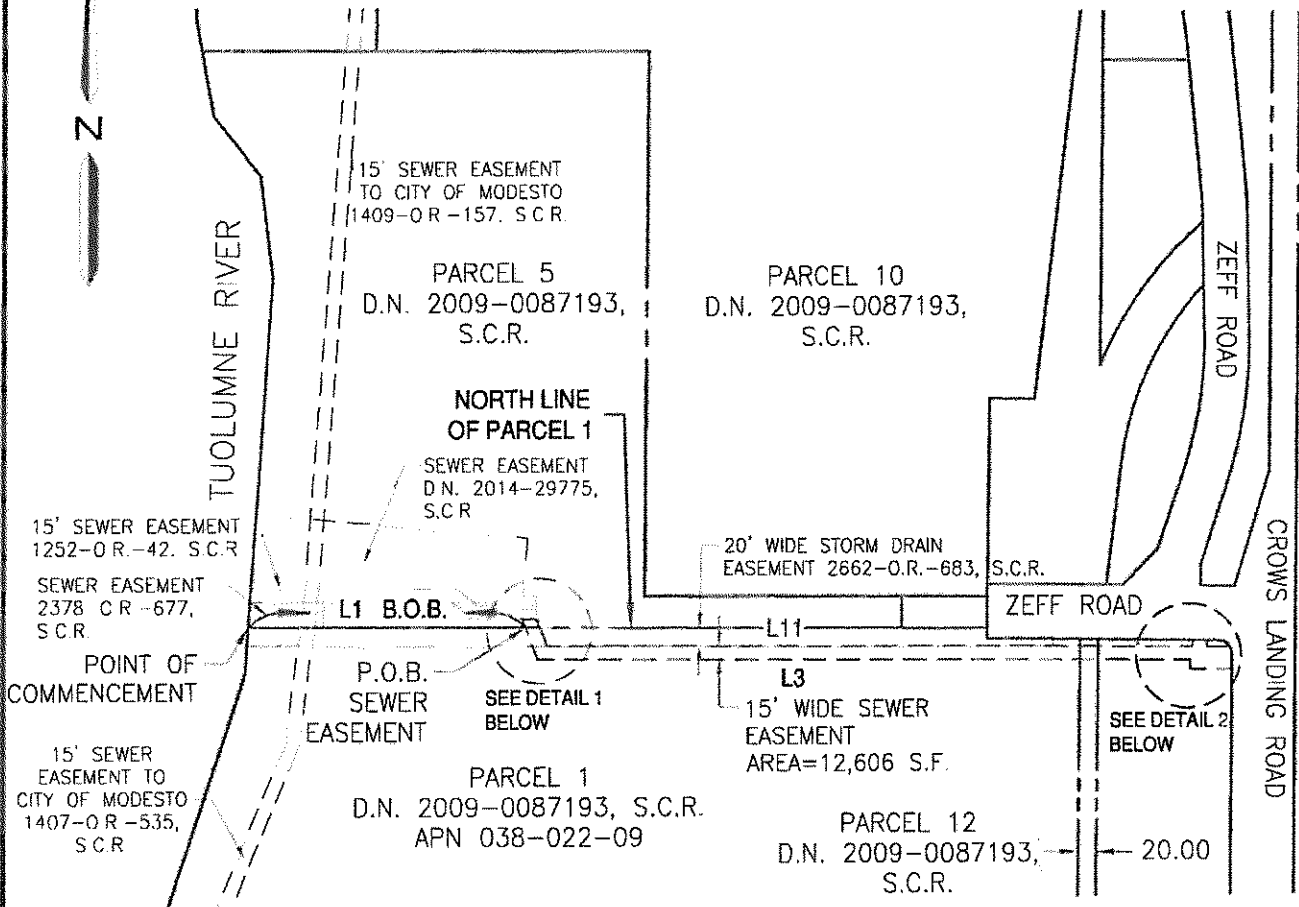

William M. Koch
Professional Land Surveyor
California No. 8092



5/15/18
Date

EXHIBIT "B"

SANITARY SEWER EASEMENT

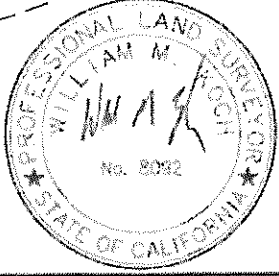


DETAIL 1
1"=40'

DETAIL 2
1"=50'

LEGEND:

- B.O.B. BASIS OF BEARINGS
- D.N. DOCUMENT NUMBER
- O.R. OFFICIAL RECORDS
- P.O.B. POINT OF BEGINNING
- S.C.R. STANISLAUS COUNTY RECORDS



BASIS OF BEARINGS:

A BEARING OF NORTH 89°47'25" WEST FOR THE NORTH LINE OF PARCEL 1.

H:\29021-Modesto Ceres Trunk Improvements\Drawings\29021-EASEMENTS.dwg 13:02:15 05/15/2018



1165 Scenic Drive, Suite A
Modesto, CA 95350
Ph 209.571.1765/Fax 209.571.2466
odellengineering.com

DESCRIPTION: SEWER EASEMENT			
SCALE:	1"=200'	DATE:	MAY 14, 2018
JOB NO.:	29021		
FILE:	29021-EASEMENTS.DWG		

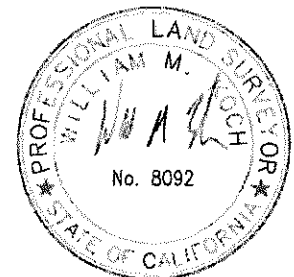
EXHIBIT "B"

SANITARY SEWER EASEMENT

LINE TABLE		
LINE #	DIRECTION	LENGTH
L1	S89°47'25"E	305.87'
L2	S21°24'26"E	37.65'
L3	S89°47'25"E	721.69'
L4	S0°12'35"W	10.00'
L5	S89°47'25"E	46.20'
L6	N0°24'35"E	16.67'
L7	N89°47'25"W	24.92'

LINE TABLE		
LINE #	DIRECTION	LENGTH
L8	N0°12'35"E	6.80'
L9	N89°26'43"W	16.21'
L10	S0°12'35"W	6.90'
L11	N89°47'25"W	714.13'
L12	N21°24'26"W	31.73'
L13	N89°47'25"W	16.13'
L14	S21°24'26"E	10.22'

CURVE TABLE			
CURVE #	RADIUS	DELTA	LENGTH
C1	15.00'	33°40'45"	8.82'



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1165 Scenic Drive, Suite A
Modesto, CA 95350
Ph 209.571.1765/Fax 209.571.2466
odellengineering.com

DESCRIPTION: SEWER EASEMENT

SCALE: 1"=200' DATE: MAY 14, 2018

JOB NO.: 29021

FILE: 29021-EASEMENTS.DWG

2
of
2

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-294**

RESOLUTION APPROVING AN EASEMENT FROM SOUTHWEST HIDE CO. AND MODESTO HOLDING CO. FOR A 15-FOOT WIDE SANITARY SEWER EASEMENT LOCATED AT 925 ZEFF ROAD (APN: 038-022-009), CONTAINING APPROXIMATELY 12,606 SQUARE FEET, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE CERTIFICATE OF ACCEPTANCE FOR THE SANITARY SEWER EASEMENT

WHEREAS, the City is making improvements to the Ceres Trunk Sewer Collection System, and

WHEREAS, the project is known as the Ceres Trunk Rehabilitation Project, and

WHEREAS, a part of the rehabilitation work will require a sanitary sewer easement associated with the project, and

WHEREAS, the property owner has agreed to grant to the City the required easement, and

WHEREAS, the City will install a 30" sanitary sewer trunk line in the easement.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the Sanitary Sewer Easement with Southwest Hide Company and Modesto Holding Company, for property located at 925 and Zeff Road (APN 038-022-009).

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to execute the Certificate of Acceptance.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

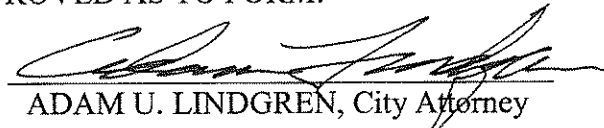
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-295**

RESOLUTION APPROVING A TWO-YEAR PURCHASING AGREEMENT FOR MATERIAL HAULING SERVICES TO DESTINATION ANYWHERE, TRACY, CA, AND CALIFORNIA MATERIALS INC., STOCKTON, CA, FOR AN ANNUAL COST NOT TO EXCEED \$291,600 AND \$72,900, RESPECTIVELY, FOR A TOTAL ANNUAL COST OF \$364,500, WITH THREE ONE-YEAR EXTENSION OPTIONS AND A TOTAL COMBINED COST NOT TO EXCEED \$1,900,846 OVER FIVE YEARS AND AUTHORIZING THE DIRECTOR OF FINANCE TO ADJUST AGREEMENT TOTALS BETWEEN VENDORS BASED ON CONTRACTOR'S AVAILABILITY AND DEPARTMENT'S NEEDS, ENSURING THE OVERALL TOTAL COST DOES NOT CHANGE AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE PURCHASE AGREEMENTS

WHEREAS, the Utilities and Public Works Departments require material hauling services for asphalt, dirt, asphalt grindings, rock, road base material and concrete, and

WHEREAS, sewer, water, and street construction operations generate large amounts of materials that must be transported to and from the jobsite and usually require multiple large tractor-trailer end dumps to haul the material away where it is stockpiled or disposed of, and

WHEREAS, material hauling services are also needed for the delivery of new materials to the jobsite, and

WHEREAS, city departments do not have the trucks or the staffing to haul large amounts of materials when needed, and

WHEREAS, the Storm Water Division, Collections Section uses contract haulers when replacing failing rockwells with horizontal drains, and

WHEREAS, the Interim City Manager authorized the Purchasing Division to issue formal Request for Bids (RFB) for Material Hauling Services, and

WHEREAS, on October 20, 2017, the Purchasing Division issued RFB No. 1718-11 for Material Hauling Services on the City's website, and

WHEREAS, prospective bidders were notified online of the bid opportunity and five companies chose to download the RFB document, and

WHEREAS, on November 21, 2017, bids were formally opened in the City Clerk's Office and four companies chose to respond and all provided responsive and responsible bids with no local responders, and

WHEREAS, to ensure continued services to the City, contracts shall be awarded to more than one contractor to provide for backup if the primary contractor is unable to meet the City's needs, and

WHEREAS, a secondary position contractor may be awarded a specific job if the primary contractor is unable to perform the service, if the primary contractor is unable to complete the specific job within the time frame required by the City, or lastly, if the primary contractor is unable to maintain acceptable quality standards required by the City, and

WHEREAS, based on providing responsive and responsible bids, staff recommends the award of bids for the furnishing of material hauling services for the Utilities and Public Works Departments, to the lowest bidder, Destination Anywhere, Inc., Tracy, CA, as "primary" contractor, and the second lowest bidder, California Materials, Inc., Stockton, CA, as "secondary" contractor, each for a two-year agreement with three one-year extension options at the sole discretion of the City, for a combined annual cost not to exceed \$364,500, and not to exceed \$1,900,846 over five years as shown on the **attached** cost abstract, and

WHEREAS, since the original bid authorization was initiated on August 22, 2017, for \$250,000, costs for material hauling have increased, resulting in all departments that utilize this agreement to increase their anticipated expenses, and

WHEREAS, the Wastewater Division, Collections Section has also developed a new method of replacing rockwells with horizontal drains which requires removing much more soil than previous methods, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, the award of a purchase order for Material Hauling Services to Destination Anywhere, Tracy, CA, and California Materials, Inc., Stockton, CA, conforms to the Modesto Municipal Code, 8-3.203.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a two-year purchasing agreement for material hauling services to Destination Anywhere, Tracy, CA and California Materials Inc., Stockton, CA, for an annual cost not to exceed \$291,600 and \$72,900 for a total annual cost of \$364,500, with three one-year extension options and a total combined cost not to exceed \$1,900,846 over five years.

BE IT FURTHER RESOLVED, that the Director of Finance is hereby authorized to adjust agreement totals between vendors based on contractor's availability and department's needs, ensuring the overall total cost does not change and authorizing the Purchasing Manager, or her designee, to issue purchase agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

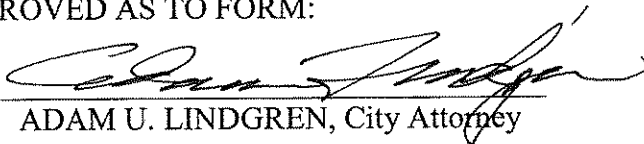
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

CITY OF MODESTO										
RFB NO. 1718-11 MATERIAL HAULING SERVICES										
ITEM/DESCRIPTION	ANNUAL QTY	UNIT OF ISSUE	California Materials, Inc. Stockton, CA		Central Valley Concrete & Trucking Merced, CA		Destination Anywhere Tracy, CA		Jeff Rogers Trucking, Inc. Stockton, CA	
			UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION	UN PRC	EXTENSION
Material Hauling Services (60,000 tons per year)	2700	Hour	\$135.00	\$364,500.00	\$140.00	\$378,000.00	\$98.85	\$266,895.00	\$154.50	\$417,150.00
TOTAL:				\$364,500.00		\$378,000.00		\$266,895.00		\$417,150.00
EQUIPMENT LIST										
			Quantity		Quantity		Quantity		Quantity	
Super Dumps			16		14		10		-	
Transfers			10		25		13		25	
Double Bottoms			19		-		-		-	
End Dumps			4		8		14		-	
Walking Floors			4		-		-		-	
Bottom Dump Trucks			-		75		20		-	
Side Dumps			-		9		-		-	
Bulk Cement Trucks			-		11		-		-	
Low Beds			-		2		-		-	
Water Trucks			-		7		1		-	
Loaders			-		26		-		-	
Rack Trucks			-		2		-		-	
Crane Truck			-		1		-		-	
Ten Wheelers			-		-		3		-	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-296**

RESOLUTION APPROVING AN UPDATE AND AMENDMENT TO THE FIRE PREVENTION USER FEES AND RESCINDING RESOLUTION NOS. 89-1166, 90-521A, 93-236, 2010-461, 2010-462, 2010-463, 2010-464, 2010-465, 2011-104 (EXHIBIT A, ATTACHMENT A - FIRE PREVENTION FEES PGS. A-29 THROUGH A-33 ONLY), AND 2014-286 FOR PLAN CHECKS ON NEW CONSTRUCTION OF LARGE FACILITIES CATEGORIZED AS S-1 AND S-2 OCCUPANCIES, ANNUAL INSPECTIONS, PERMITS, AND MISCELLANEOUS INSPECTIONS/ACTIVITIES

WHEREAS, Council has adopted various ordinances and resolutions authorizing the establishment of development user fees and non-development user fees, and

WHEREAS, Section 3-1.108 of the Modesto Municipal Code authorizes Council to establish Fire Prevention Division Fire Safety Plan Checking and Inspection fees, and

WHEREAS, the current development user fees and non-development user fees are set forth in City Council Resolution Nos. 89-1166, 90-521A, 93-236, 2003-446, 2010-461, 2010-462, 2010-463, 2010-464, 2010-465, 2011-104, and 2014-286, and

WHEREAS, development user fees and non-development user fees recover the cost of service delivery, primarily composed of staff time, and

WHEREAS, Council's direction has been "full cost recovery" in most cases, and

WHEREAS, in order to achieve self-sustaining services, fees must be adjusted periodically to reflect increases in cost for service, and

WHEREAS, Fire Prevention plan check fees are currently broken into five different categories: complete building, shell building, tenant improvement, sprinkler system, and fire alarm system, and are currently assessed based on square footage of the proposed structure, and

WHEREAS, on November 28, 2017, by Resolution No. 2017-459, Council approved to defer fees on S-1 and S-2 occupancies until a new fee analysis was conducted to establish an hourly rate, and

WHEREAS, development user fees have not been increased since 2014, and were largely based on the 2009 fee study conducted by Public Resource Management Group, and

WHEREAS, non-development user fees, with the exception of fireworks booth, have not been revised since their adoption, with many dating back to the late 1980s or early 1990s, and

WHEREAS, staff conducted an internal review of both Fire Prevention development user fees and non-development user fees, with the exception of existing commercial construction plan check fees, and

WHEREAS, Fire Prevention fees reviewed include: Annual State Mandated Inspections, Fireworks Booths, Mobile Food Vendors, Safety Inspections, Private Refueler Vehicles, Spray Booths, Water Flow, On-Site Fire Main, Fireworks Shoots, Underground and Aboveground Tanks, Hood Systems, Medical Gas Systems, Fire Alarm Inspections, Dance Permits, Re-Inspection Fee, and hourly rate for Jails/Detention Facilities and High Rise Occupancies, and

WHEREAS, the formulation used to arrive at the proposed fee rates are based on actual cost for performing the work, and

WHEREAS, the internally computed employee classification composite rates were reviewed and confirmed through the City's Finance and Budget Divisions, and

WHEREAS, average times per activity were based on a 2-year duration, and

WHEREAS, during the internal review of Fire Prevention fees activities for Residential Fire Sprinkler Inspections, Commercial Fire Sprinkler System Inspections (for Tenant Improvement activities), and an hourly rate for inspection of hospital facilities were identified as needing to be established, and

WHEREAS, Residential fire sprinklers became state mandated in one-and-two family dwellings in 2011, and

WHEREAS, an additional fee within the Fire Department identified as needing to be established was an Excessive False Alarm Fee for false alarm emergency calls on the third and subsequent calls within a 12 month period, and

WHEREAS, staff recommends an update to the fees schedule as shown in **“Attachment 1”**, and

WHEREAS, staff recommends including fees that were not reviewed into this Resolution as shown in **“Attachment 2”**, and

WHEREAS, staff recommends that activities with an hourly rate be billed in half-hour increments with a 1-hour minimum, and

WHEREAS, staff recommends that a deposit of \$2,000 be collected for plan check and inspection activities on S-1 and S-2 occupancy plan submittals, and

WHEREAS, staff further recommends that all Fire Prevention Development User Fees, which are included in the Development User Fees annual cost of living adjustments, using 4th quarter figures of the Department of Labor’s Employee Cost Index-Compensation Component for State and Local Government, by the Finance Committee and Council as described in Resolution Nos. 2011-106 and 2014-244 and

previously approved for Fire Prevention inclusion by Council under Resolution Nos. 2003-446 and 2014-286 continue to apply, and

WHEREAS, staff recommends that the new fees proposed for residential fire sprinkler system inspections, commercial fire sprinkler system inspections for tenant improvements, and plan check and inspection activities for S-1 and S-2 occupancies be included as Development User Fees, like their counterpart fees are.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the amendments to Fire Prevention development user fees and non-development user fees, per Section 3-1.108 of the Modesto Municipal Code.

BE IT FURTHER RESOLVED that the City of Modesto Council hereby:

1. Rescinds Resolution Nos. 89-1166, 90-521A, 93-236, 2010-461, 2010-462, 2010-463, 2010-464, 2010-465, 2011-104 (**Exhibit A, Attachment A - Fire Prevention Fees Pgs. A-29 through A-33 only**), and 2014-286.
2. Adopts the proposed amendments to the fees on the phase in schedule as shown in **Attachment 1** with no future Council action or review required to amend the fees over the next three (3) years until they are at 100% of proposed.
3. Approves that activities with an hourly rate be billed in half-hour increments with a 1-hour minimum.
4. Approves a deposit of \$2,000 be collected for plan check and inspection activities on S-1 and S-2 occupancy plan submittals.
5. Approves the new fees proposed for residential fire sprinkler system inspections, commercial fire sprinkler system inspections for tenant

improvements, and plan check and inspection activities for S-1 and S-2 occupancies shall be included as Development User Fees.

6. Approves any fees subject to annual cost of living increases under Resolution Nos. 2003-446 and 2014-286 to continue to apply.
7. Resolves that this resolution will serve as a comprehensive overview and reaffirmation of the pertinent provisions of the resolutions listed above for rescission and that any fees not being amended within the resolutions listed above be carried forward as-is, which are listed in **Attachment 2**.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

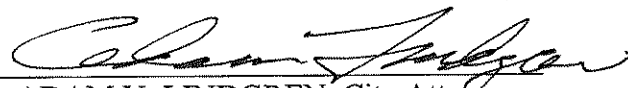
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Existing Fees

Fee Type/Activity	Year Adopted	Last Revised	Current Fee
Annual Apt Insp 3-20 units	2010	-	55
Annual Apt Insp 21-60 units	2010	-	159
Annual Apt Insp 61+ units	2010	-	289
Fireworks Stand	1988	2010	111
Mobile/Portable Vender	1988	1993	20
Fire Safety Insp Request	2010	-	109
Place of Assembly	2010	-	109
Tent Permit, 401-1,500 sqft	1988	1993	31
Tent Permit, 1,501-15,000 sqft	1988	1993	61
Tent Permit, Over 15,000 sqft	1988	1993	101
Care Facility (25/under)	2003	-	49
Care Facility (26/over)	2003	-	98
Private Refueler Vehicle	1989	-	33
Spray Booth	1989	2014	221
Field Fire (Water) Flow Test	1988	2014	52
On-Site Fire Main/Flow Test	1993	2014	122
Explosive Permit	1989	-	37
Underground Tank Abdn/Fill	1989	2014	150
Each Additional Tank	1989	2014	35
Underground Tank Install	1989	2014	188
Each Additional Tank	1989	2014	22
Underground Tank Removal	1989	2014	150
Each Additional Tank	1989	2014	35
Convault Tank Install	1989	2014	203
Each Additional Tank	1989	2014	29
Hood & Duct System Install	1989	2014	221
Medical Gas System Install	1989	-	102
Fire Alarm System Test & Insp	2003	2014	106
Dance Permit	1989	-	37
Re-Inspection after 2X	2003	2010	77
High Rise/Jail Inspection	1990	2010	56

This item was included in a resolution in 1993, with no change at that time to the original rate.

This item was last reviewed in 2014, but the review was based on 2009 data

This item was last reviewed in 2003, when implemented, but included in ECI adjustments

This item was last reviewed in 2003, when implemented, but included in ECI adjustments until 2010

Flat Rate Fee Implementation

Fee Type/Activity	CURRENT	Year 1: 50% Inc to PROPOSED	Year 2: 75% Inc to PROPOSED	Year 3: 100% of PROPOSED
Annual Apt Insp 3-20 units	55	92	111	129
Annual Apt Insp 21-60 units	159	236	274	312
Annual Apt Insp 61+ units	289	376	419	462
Annual Fireworks Stand	111	167	194	222
Annual Mobile/Portable Vender	20	47	60	73
Safety/Fire Code Insp Request	109	174	207	239
Annual Place of Assembly	109	158	182	206
Tent Permit, 401-1,500 sqft	31	68	87	105
Tent Permit, 1,501-15,000 sqft	61	99	117	136
Tent Permit, Over 15,000 sqft	101	179	217	256
Care Facility (25/under)	49	125	163	201
Care Facility (26/over)	98	153	181	208
Private Refueler Vehicle	33	83	108	133
Spray Booth	221	288	321	354
Field Fire (Water) Flow Test [†]	52	126	162	199
On-Site Fire Main/Flow Test [†]	122	304	395	486
Explosive Permit	37	265	378	492
Tank Abdn/Fill [†]	150	248	296	345
Underground Tank Install [†]	188	270	310	351
Tank Removal [†]	150	287	356	424
Convault Tank Install [†]	203	278	315	352
Hood & Duct System Install [†]	221	284	315	346
Medical Gas System Install [†]	102	235	301	367
Fire Alarm System Test & Insp [†]	106	146	166	186
Dance Permit	37	101	133	165
Re-Inspection after 2X [†]	77	89	95	101
Sprinkler Inspection - Residential*	0	171	257	342
Sprinkler Inspection - Commerical TI*	0	252	378	504
False Alarm (3+ in 12 month period)	0	124	186	248

Potential proposal to phase in the increases over 3 years. For fees that are subject to ECI adjustments will be adjusted based on fully proposed rate (at 100%) and prorated accordingly in each yearly increase step/increment.

Hourly Rate Fee Implementation

Fee Type/Activity	CURRENT	Year 1: 100% of PROPOSED	Year 2	Year 3
High Rise/Jail Inspection	56	105	105	105
Hospital Inspections	0	105	105	105
Plan Check, S1 and S2 Occupancies*	0	220	220	220
Inspections, S1 and S2 Occupancies*	0	105	105	105

[†] Fee is classified as a Development User fee

* Fee is proposed to be classified as a Development User Fee in line with similar fees.

Fee Type/Activities shaded blue are existing classifications, unshaded are new fees proposed.

Existing Fees to Carry Forward

Fee Type/Activity	Current	Unit
Site Plan Review [†]	165	Per Plan
Plan Check, Complete Building [†]	145	Per 1,000 Sqft
Plan Check, Shell Building [†]	70	Per 1,000 Sqft
Plan Check, Sprinkler System (FS) [†]	70	Per 1,000 Sqft
Plan Check, Tenant Improvement (TI) [†]	60	Per 1,000 Sqft
Plan Check, Fire Alarm System (FA) [†]	70	Per 1,000 Sqft
Engineered/Pre-Engineered Protection System [†]	225	Per Plan
Alternative Materials/Methods Evaluation [†]	570	Per Plan
Incomplete or Chaned Plan Check [†]	152	Per Plan
Additional Tanks - Underground Tank Abdn/Fill [†]	35	Each
Additional Tanks - Underground Tank Install [†]	22	Each
Additional Tanks - Underground Tank Removal [†]	35	Each
Additional Tanks - Convault Tank Install [†]	29	Each
Fire Sprinkler System, Test & Inspect - Commerical New Construction [†]	523	Per Riser
After Hours Inspections ^{†*}	224	Each

[†] Fee is classified as a Development User fee

* After hours inspections that exceed three (3) hours are billed for each hour over the minimum at a rate of \$74.67 (or one-third of the after hours rate). The minimum is three (3) hours due to labor contract requirements.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-297**

**RESOLUTION APPOINTING JOSEPH P. (“JOE”) LOPEZ AS CITY
MANAGER, APPROVING A CITY MANAGER EMPLOYMENT AGREEMENT
WITH JOSEPH P. (“JOE”) LOPEZ FOR SERVICE AS CITY MANAGER,
SETTING TERMS OF EMPLOYMENT, SALARY AND BENEFITS, AND
AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT**

WHEREAS on July 5, 2017, by Resolution No. 2017-265, Council appointed Mr. Lopez as Interim City Manager following the departure of the former City Manager on March 31, 2017; and

WHEREAS, Mr. Lopez has successfully served the City as Interim City Manager for the past 11 months; and

WHEREAS, Council selected the leading search firm CPS HR Consulting to conduct a national search for a permanent City Manager; and

WHEREAS, Mr. Lopez applied for the position, was screened by CPS HR Consulting and interviewed by the City Council; and

WHEREAS, following the selection process, Council reported out of closed session that it had given instructions to negotiate an employment agreement with Mr. Lopez to serve as permanent City Manager.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby appoints Joseph P. (“Joe”) Lopez as City Manager, approving a City Manager Employment Agreement with Joseph P. (“Joe”) Lopez for service as City Manager, and setting terms of employment, salary and benefits as shown in the **attached** Employment Agreement.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized to execute the Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Grewal, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

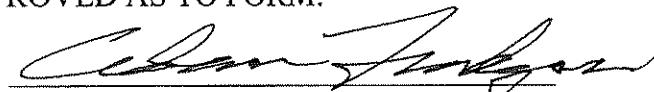
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**CITY OF MODESTO
EMPLOYMENT AGREEMENT
JOSEPH P. LOPEZ**

INTRODUCTION

This Employment Agreement (this "Agreement") is made and entered into this 10th day of July, 2018, by and between the **CITY OF MODESTO**, a municipal corporation, ("Employer" or "City") and **JOSEPH P. LOPEZ**, an individual ("Employee" or "Lopez"), both of whom agree as follows:

SECTION 1: TERM

Consistent with Section 800 of the Modesto Charter, Employee is appointed for an indefinite term.

SECTION 2: DUTIES AND AUTHORITY

Employer agrees to employ Lopez as City Manager to perform the functions and duties specified in the Modesto Charter and the California Government Code, and to perform other legally permissible and proper duties and functions.

SECTION 3: COMPENSATION

- A. Base Salary: Employer agrees to pay Employee an annual base salary of Two Hundred Fourteen Thousand Three Hundred and Seventy Six Dollars (\$214,376), plus an education incentive as compensation for his Master's Degree in the amount of an additional One and One-Half percent (1.5%) for total annual base salary of Two Hundred Seventeen Thousand Five Hundred and Ninety Two Dollars (\$217,592) payable in installments at the same time that the other employees of Employer are paid.
- B. Consideration shall be given on an annual basis to increase compensation following an annual performance evaluation as set forth in Section 12 of this Agreement.
- C. Employee shall be the highest paid employee of the City. The total annual base salary of Employee (base salary plus all educational incentives) shall remain at least One and One-Half percent (1.5%) higher than that of the next highest paid City employee (including, without limitation, the Chief of Police, the Fire Chief, and Charter Officers). In the event that the total annual base salary of the City's next highest paid employee increases, Employee's total annual base salary shall automatically be increased in the next pay period to maintain such separation.

SECTION 4: HEALTH, LONG TERM DISABILITY AND LIFE INSURANCE BENEFITS

- A. Employer agrees to provide health, vision, dental, long term disability and comprehensive medical insurance coverage for Employee and his/her dependents equal to that which is provided to all other unrepresented management employees of the City. Employer's contribution toward the premiums for said coverage shall be equal to that which Employer contributes to other non-sworn unrepresented management employees.
- B. Employer shall pay the amount of premium due for a term life insurance policy of Three Hundred Thousand Dollars (\$300,000). Employee shall name the beneficiary of the life insurance policy.

SECTION 5: VACATION, SICK, AND MANAGEMENT/EXECUTIVE LEAVE

The parties recognize the importance of taking regular time off. Accordingly, Employee is encouraged to take regular vacations and to utilize his management/executive leave on an annual basis.

- A. Employee shall accrue sick leave on an annual basis at the highest rate provided to non-sworn management employees up to a cap of eighty (80) hours. Upon assuming office, Employee shall be allowed to retain all the sick leave that he had previously accrued in his employment with Employer.
- B. Employee shall be provided with one (1) physical exam per year at Employer's expense.
- C. In the event Employee's employment is terminated, either voluntarily or involuntarily, Employee shall be compensated for all accrued vacation, and holiday leave.
- D. Employee shall receive one hundred and sixty hours (160) of vacation leave annually, which actual rate shall automatically be adjusted on his anniversary consistent with the policy for all unrepresented management employees. Upon assuming office, Employee shall be allowed to retain all the vacation leave that he had previously accrued in his employment with Employer. Employee shall accrue vacation up to a cap of one hundred sixty (160) hours.
- E. Employee shall on January 1st of each calendar year be credited with eighty (80) hours of executive/management leave, forty (40) hours of which shall be credited upon assuming office. Employee may cash out up to eighty (80) hours of unused leave in accordance with City policy.

SECTION 6: AUTOMOBILE ALLOWANCE

Employer agrees to pay to Employee, during the term of this Agreement and in addition to other salary and benefits herein provided, the sum of Six Thousand Dollars (\$6,000) per year, payable in equal monthly installments, as a vehicle allowance to be used to purchase, lease, or own and operate and maintain a vehicle. Employee shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expenses attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle. Employer shall reimburse Employee at the IRS standard mileage rate for any business use of the vehicle beyond the greater Modesto area. For purposes of this Section, use of the car within the greater Modesto area is defined as travel to locations within a seventy-five (75)-mile radius of the Modesto City Hall.

SECTION 7: RETIREMENT

- A. Employer agrees to enroll Employee into the California Public Employees Retirement System ("CalPERS") in accordance with applicable CalPERS law.
- B. Employer shall provide a qualified 401(a) defined contribution plan offered through ICMA Retirement Corporation for Employee in the form of a money purchase plan to which Employee can contribute up to five percent (5%) of Employee's base salary. Employer shall match Employee's contribution up to a maximum of five percent (5%) of Employee's base salary.
- C. Employer agrees to pay an annual amount equal to one and one-half percent (1.5%) of Employee's base salary into an ICMA 457 deferred compensation plan. Employer shall match Employer's contribution.
- D. Employer shall continue to receive contributions to a Retiree Health Savings Account in the same amounts as provided to other Charter Officers of the City.
- E. Any or all of Employer and Employee contribution amounts designated in this Section are subject to change in the event that the City Council authorizes such change for Charter Officers of the City.

SECTION 8: GENERAL BUSINESS EXPENSES.

- A. Employer appreciates the importance of Employee's participation and leadership in leading professional organizations. In its discretion, Employer shall budget for and pay travel and subsistence expenses of Employee for professional and official travel, meetings, courses, institutes and seminars to continue his professional development and to adequately pursue necessary official and other functions on behalf of Employer, including but not limited to, the annual conference of the League of California Cities, the International City/County Management Association, California City Management Foundation, the Alliance for Innovation,

What Works Cities and such other regional, state, and local governmental groups and committees.

- B. Employer acknowledges the value of having Employee, at Employer's discretion, participate and be directly involved in local or regional clubs, associations and organizations necessary and desirable for Employee's continued professional participation, growth and advancement, and for the good of Employer. Accordingly, Employer shall pay for the reasonable membership fees and/or dues to enable Employee to become an active member in local civic clubs or organizations.
- C. In lieu of being provided with a cellular smartphone for City related matters, Employee shall receive a cellular smartphone stipend in the amount of \$150 per month.

SECTION 9: TERMINATION

- A. Employee is an at-will employee who shall serve at the pleasure of the City Council. The City Council may terminate Employee's employment at any time, subject to any restrictions in the City Charter, with or without cause. Nothing in this Agreement is intended to, or does, confer upon Employee any right to any property interest in continued employment or any due process rights of any kind.
- B. For the purpose of this Agreement, termination shall occur when the majority of the governing body votes to terminate the Employee at a duly authorized closed or open meeting.
- C. Employer may terminate this Agreement without cause and without payment of severance, by providing Employee written notice of Employer's intent to terminate Employee's employment with the City ("Notice of Termination"). The date of the termination shall not be less than the number of months that Employee is eligible for in severance, pursuant to Section 10 of this Agreement. The City Council's decision to provide Employee with the Notice of Termination at a duly authorized closed or open meeting shall satisfy Section 10(B) above.

SECTION 10: SEVERANCE

- A. In the event City terminates Employee's employment without cause and without Notice of Termination consistent with the provisions of Section 10, Employee shall be entitled to severance pay of a lump sum payment equal to six (6) months base salary during this Agreement. The severance under this Agreement shall be subject to the restrictions set forth in Government Code section 53260. Said payment of severance pay shall be conditioned upon Employee signing a waiver and release agreement forever releasing and waiving any and all claims against the City in a form acceptable to the City. Employee shall receive the severance payment in a lump sum payment minus all applicable deductions fifteen (15) business days after execution of the waiver and release agreement. Employee shall

not receive any severance payments if he resigns, is terminated for cause, or if a waiver and release agreement is not executed by the parties.

B. This provision does not confer any property rights on Employee, as he remains an at-will employee. The phrase "termination for cause" only pertains to Employee's eligibility for severance as described in this Section. A "termination for cause" for purposes of severance may include, but shall not be limited to, the following:

- i. Violation of any policies or procedures;
- ii. Failure to properly perform assigned duties;
- iii. Theft of City property;
- iv. Insubordination;
- v. Conviction of a felony or misdemeanor relating to Employee's fitness to perform assigned duties;
- vi. Unauthorized absence from employment;
- vii. Failure to maintain satisfactory working relationships with other employees or the public;
- viii. Improper use of City funds;
- ix. Unauthorized use of City property;
- x. Willful misconduct or malfeasance;
- xi. Any act of moral turpitude or dishonesty; and
- xii. Other failure of good behavior either during or outside of employment such that the Employee's conduct causes discredit to the City.

C. The parties acknowledge that pursuant to Section 800 of the Modesto City Charter Employee shall not be removed from office during or within a period of ninety (90) days next succeeding the election of a member of the Council.

D. Pursuant to Government Code section 53243.2, any cash settlement related to the termination of this Agreement received by Employee from Employer shall be fully reimbursed to City if Employee is convicted of a crime involving an abuse of his office or position as defined in California Government Code section 53243.4.

SECTION 11: RESIGNATION

In the event that Employee voluntarily resigns his position with Employer, Employee shall provide a minimum of sixty (60) days advance written notice unless the parties agree otherwise.

SECTION 12: PERFORMANCE EVALUATION

Annual performance evaluations are an important way for the City Council and the City Manager to ensure effective communications about expectations and performance. On or before August 31, 2018, and annually thereafter, City Council and Employee shall meet and establish performance standards for the position of City Manager to be used in the review and evaluation of the performance of the Employee in the following year. If either City Council or the City Manager requests it, a professional facilitator may be hired to

assist in the performance evaluation process. The City Council and Employee shall further establish a relative priority among those various standards to be reduced to writing. These standards shall be obtainable generally within the time limits as specified, and within the annual operating budgets and appropriations as provided. The achievement of these performance standards shall be considered part of Employee's performance duties. The 2018-19 performance standards shall be adopted in an open session amendment to this Agreement.

SECTION 13: HOURS OF WORK

It is recognized that Employee must devote a great deal of time outside the normal office hours on business for Employer, and to that end Employee shall be allowed to establish an appropriate work schedule.

SECTION 14: OUTSIDE ACTIVITIES

The employment provided for by this Agreement shall be the Employee's sole employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to Employer and the community, Employee may elect, with the prior written approval of the Mayor, and written notification to the full Council, to accept limited teaching, consulting or other business opportunities with the understanding that such arrangements shall not constitute interference with nor a conflict of interest with his responsibilities under this Agreement.

SECTION 15: RESIDENCY

Employee currently resides in the City.

SECTION 16: INDEMNIFICATION

Employer shall provide for the defense of Employee in any action or proceeding alleging an act or omission within the scope of Employee's employment in accordance with California Government Code sections 825, 995 et seq., and other applicable law. Notwithstanding anything to the contrary in this Agreement, in accordance with California Government Code section 825, subdivision (a), Employer reserves the right to not pay any judgment, compromise or settlement subject to that section until it is established that the injury arose out of an act or omission occurring within the scope of Employee's employment pursuant to this Agreement. Further, notwithstanding anything to the contrary in this Agreement, Employer reserves the right to refuse to provide for the defense of Employee for the reasons set forth in California Government Code section 995.2 or other applicable provisions of law. Any City funds provided for the legal criminal defense of Employee shall be fully reimbursed in accordance with California Government Code section 53243.1 if Employee is convicted of a crime involving an abuse of his office or position as defined in California Government Code section 53243.4.

SECTION 17: ABUSE OF OFFICE

Government Code sections 53243, 53243.1, 53243.2, and 53243.3 are incorporated by this reference as if fully set forth herein.

SECTION 18: OTHER TERMS AND CONDITIONS OF EMPLOYMENT

Employer, only upon agreement with Employee, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the Modesto Charter or any other law.

Except as otherwise provided in this Agreement, Employee shall be entitled to the highest level of benefits that are enjoyed by other non-sworn management employees of Employer as provided in the Charter, Code, Personnel Rules and Regulations or by practice.

SECTION 19: NOTICES

Notice pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

EMPLOYER: City Clerk, City of Modesto, P.O. Box 642, Modesto, CA 95353
EMPLOYEE: Joseph P. Lopez, PO Box 583, Modesto, CA 95353

Alternatively, notice required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

SECTION 20: GENERAL PROVISIONS

- A. Integration. This Agreement sets forth and establishes the entire understanding between Employer and Employee relating to the employment of Employee by Employer. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provisions of this Agreement during the life of this Agreement. Such amendments shall be incorporated and made a part of this Agreement.
- B. Binding Effect. This Agreement shall be binding on Employer and Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.
- C. Effective Date. This Agreement shall become effective on June 27, 2018.
- D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision

of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties.

IN WITNESS WHEREOF the CITY OF MODESTO, a municipal corporation, has authorized the execution of this Agreement in duplicate by its Mayor and attestation by its City Clerk under authority of Resolution _____ adopted by the Council of the City of Modesto on the 10th day of July, 2018, and EMPLOYEE has caused this Agreement to be duly executed.

CITY OF MODESTO,
a municipal corporation

EMPLOYEE

By: Ted Brandvold, Mayor

By: Joseph P. Lopez

ATTEST:

By: Stephanie Lopez, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: Adam U. Lindgren, City Attorney

2967199.15

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-298**

RESOLUTION APPROVING THE SUBMITTAL OF A FEDERAL GRANT APPLICATION TO THE ECONOMIC DEVELOPMENT ADMINISTRATION'S PUBLIC WORKS AND ECONOMIC ADJUSTMENT ASSISTANCE PROGRAM REQUESTING UP TO \$3 MILLION FOR FIBER OPTIC NETWORK INFRASTRUCTURE EXPANSION AND IMPROVEMENT, AND AUTHORIZING THE INTERIM CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL DOCUMENTS RELATING TO SUBMITTING THE APPLICATION

WHEREAS, the City is seeking to expand its fiber infrastructure and has worked with Kimley Horn to complete a Fiber Infrastructure Master Plan, and

WHEREAS, the Fiber Infrastructure Master Plan has Identified an estimated cost of \$6,981,250 for Phase 1, and

WHEREAS, the Economic Development Administration solicits applications from applicants in rural and urban areas to provide investments that support construction, non-construction, technical assistance, and revolving loan fund projects under Economic Development Administration's Public Works and Economic Adjustment Assistance programs, and

WHEREAS, the proposed grant could fund up to \$3 million towards the City's project, and

WHEREAS, the Information Technology Department's Chief Information Officer (CIO) is exploring other funding sources to support the required match amount, and

WHEREAS, if the City is awarded the grant, staff will return to Council with an update as to potential funding sources for the match portion of the grant and any shortfall, and

WHEREAS, this effort for funding identification is to ensure this project has little

to no impact on the General Fund, and

WHEREAS, while appropriate funding sources for the City's match portion of the grant and any shortfall are being secured, staff has identified loans from the Public Educational Governmental (PEG) Fund 1321 of \$500,000 to \$1 million and from the Employee Benefits Fund 5510 of \$2.0 to \$2.5 million, and

WHEREAS, staff will work diligently over the coming months to secure the proper funding for the project with the goal of not using any of the loans above, particularly the Employee Benefit Fund.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that the City Council hereby authorize the Chief Information Officer to submit a grant application for the City's Fiber Infrastructure project to the Economic Development Administration.

BE IT FURTHER RESOLVED, that the Interim City Manager, or his designee, is hereby authorized to execute all steps needed for the grant application submission.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 10th day of July, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember

Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

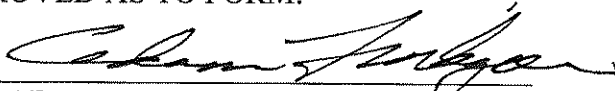
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-299**

**RESOLUTION ACCEPTING THE RESIGNATION OF DAVID LEAMON FROM
THE CITY OF MODESTO CULTURE COMMISSION**

WHEREAS, David Leamon was appointed to serve as a member of the Culture Commission on December 15, 2015, and

WHEREAS, David Leamon has tendered his resignation from the Culture Commission, effective June 19, 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the resignation of David Leamon from the Culture Commission.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-300**

**RESOLUTION APPOINTING KARINA JAUREGUI AND JOHN WILSON AS
MODESTO RESIDENTS AND MIGUEL JIMENEZ AS A STANISLAUS
COUNTY RESIDENT WHO DOES NOT LIVE IN THE CITY OF MODESTO TO
THE CITY OF MODESTO CULTURE COMMISSION, WITH A TERM
EXPIRATION OF JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointments of Karina Jauregui, John Wilson and Miguel Jimenez to the Modesto Culture Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED, by the Council of the City of Modesto hereby appoints Karina Jauregui and John Wilson as City of Modesto residents and Miguel Jimenez as a Stanislaus County Resident who does not reside in the City of Modesto, to the Modesto Culture Commission with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Culture Commission, and the Secretary thereof.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

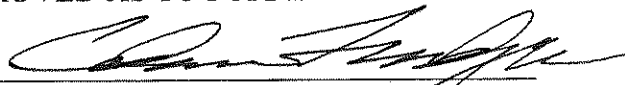
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-301**

**RESOLUTION APPOINTING DAVID LEAMON TO THE CITY OF MODESTO
LANDMARK PRESERVATION COMMISSION WITH A TERM EXPIRATION
OF JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, David Leamon previously served as the Culture Commission representative to the Landmark Preservation Commission and meets the requirements of the position and is willing to serve on the Landmark Preservation Commission, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of David Leamon to the Modesto Landmark Preservation Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto hereby appoints David Leamon to the Modesto Landmark Preservation Commission with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Landmark Preservation Commission, and the Secretary thereof.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-302**

**RESOLUTION APPOINTING NARAMSEN GORIEL TO THE CITY OF
MODESTO LANDMARK PRESERVATION COMMISSION WITH A TERM
EXPIRATION OF JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, Naramsen Goriel meets the requirements of the position and is willing to serve on the Landmark Preservation Commission, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Naramsen Goriel to the Modesto Landmark Preservation Commission.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto hereby appoints Naramsen Goriel to the Modesto Landmark Preservation Commission with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, The City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Landmark Preservation Commission, and the Secretary thereof.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-303**

**RESOLUTION APPROVING AN AGREEMENT WITH THE WEST MODESTO
COMMUNITY COLLABORATIVE TO OPERATE AND MANAGE THE KING-
KENNEDY MEMORIAL CENTER AND AUTHORIZING THE CITY
MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, the CITY owns the community center known as the King-Kennedy Memorial Center which was established to address issues impacting the West Modesto community, and

WHEREAS, on February 5, 2008, by Resolution No. 2008-081, Council approved an agreement with the West Modesto Community Collaborative to manage and operate the King-Kennedy Memorial Center, and

WHEREAS, the agreement with the West Modesto Community Collaborative expired on June 20, 2018 requiring the need for a new agreement with an approved operating partner, and

WHEREAS, the CITY issued a Request for Qualifications (RFQ) for the daily operation of the King-Kennedy Memorial Center with the intent to offer community programming for the citizens of Modesto, and

WHEREAS, the West Modesto Community Collaborative submitted a response to the RFQ and was determined to be a qualified applicant, and

WHEREAS, the CITY desires to enter into a 3-year minimum agreement with the West Modesto Community Collaborative to operate the King-Kennedy Memorial Center.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the agreement with the West Modesto Community Collaborative to operate the King-Kennedy Memorial Center.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-304**

**RESOLUTION APPROVING A TRANSFER AGREEMENT WITH THE
MODESTO POLICE CANINE ASSOCIATION FOR THE DONATION AND
TRANSFER OF CANINE JOKER, TO THE CITY OF MODESTO FOR USE AS
A POLICE CANINE; AND AUTHORIZING THE CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, the Modesto Police Canine Association purchased Joker, a Dutch Shepherd from Vohne Liche Kennels, Banning, CA on April 17, 2018, for approximately \$8,725, with the intent to donate him to the Modesto Police Department once he was certified, and

WHEREAS, Joker was certified on July 10, 2018, and the Modesto Police Canine Association would like to donate Joker to the City, for use as a police canine, and

WHEREAS, the City will assume all liability relating to City's ownership of Joker, and

WHEREAS, there is no fiscal impact to the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the transfer agreement, referenced herein as **Exhibit A**, with the Modesto Police Canine Association for the donation and transfer of canine Joker, to the City of Modesto for use as a police canine.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

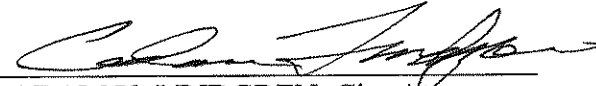
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

MODESTO POLICE DEPARTMENT CANINE TRANSFER CONTRACT

This AGREEMENT made and entered into in the City of Modesto, State of California, this ___ day of ___, 2018, by and between the City of Modesto, a municipal corporation of the State of California, hereinafter referred to as "CITY", and Modesto Police Canine Association, hereinafter referred to as "ASSOCIATION". The CITY and the ASSOCIATION shall collectively be referred to as the "PARTIES".

Facts:

The ASSOCIATION purchased Joker, a Dutch Shepherd dog, from Vohne Liche Kennels, Banning, CA, on April 17, 2018, for approximately \$8,725, with the intent to donate him to the Modesto Police Department. Joker was placed with K-9 Officer Ryan Vander Tuig and was certified on July 10, 2018. ASSOCIATION would like to donate Joker to the CITY, for use as a police canine. Joker tested very well with the proper temperament and abilities for police work. ASSOCIATION is willing to relinquish ownership of the canine to the CITY.

This AGREEMENT is made with regard to the following recitals:

- A. CITY wishes to assume ownership and take possession of that certain canine named "Joker".
- B. ASSOCIATION wishes to donate the subject canine to CITY and to divest ownership of the above-referenced canine, subject to his right of redemption, and the CITY wishes to assume ownership and vicarious or direct liability for the subject canine.
- C. ASSOCIATION does hereby agree to relinquish all of its right, title and ownership interest in said canine whatsoever, effective upon CITY and ASSOCIATION's execution of this document. The ownership of said canine will be offered to the assigned canine handler after the canine has fulfilled a minimum of three years' service, upon retirement of the canine, or when the canine is taken out of service. If the assigned canine handler does not accept

ownership of the canine, the ASSOCIATION shall have the first right of refusal for the canine.

NOW, THEREFORE, in consideration of the matters contained in this AGREEMENT, it is mutually agreed as follows:

1. CITY does agree to assume ownership of the canine named "Joker", and to assume any and all risks, including, but not limited to, risk of injury or death to third persons, and to hold the ASSOCIATION, and its agents, officers, members, employees, and/or volunteers harmless from and save, defend and indemnify them against any and all liabilities, claims, losses, judgments, or damages from every cause, including but not limited to injury to person or property or wrongful death, including reasonable costs and expenses of defense of any judicial or administrative action, arising directly or indirectly out of any negligent or intentional act or omission of CITY relating to any acts of the subject canine named "Joker" after the date ownership of the canine is transferred pursuant to this AGREEMENT. That date of ownership is hereby fixed by agreement by and among the PARTIES hereto as being July 10, 2018.

2. CITY further agrees to assume all liability for risks and dangers relating to ownership of the subject canine named "Joker" on and after the aforementioned date, and to indemnify and hold ASSOCIATION harmless in the event that any legal or administrative action, whether by claim, demand or otherwise, is made by any person or entity as a consequence of or arising out of any event, act or disturbance involving the subject police canine on or after the date ownership is transferred. These hold harmless provisions shall extend to any direct or vicarious liability arising from any and all losses, liabilities, charges (including reasonable attorney fees and court costs), and any other expenses whatsoever which may arise in any manner after the CITY's assumption of ownership on the date of ownership identified herein.

3. CITY acknowledges that the foregoing AGREEMENT has been reviewed and understands that it is contractual in nature and understands each of its provisions.

IN WITNESS WHEREOF, the CITY OF MODESTO, a municipal corporation, has caused this Agreement to be executed in duplicate by its City Manager, or his designee, and attested by its City Clerk under authority of Resolution No. 2018-_____ adopted by the City Council of the City of Modesto on the 8th day of August, 2018.

CITY OF MODESTO, a
Municipal Corporation

ASSOCIATION REPRESENTATIVE:

By: _____
JOSEPH P. LOPEZ
City Manager

By: _____
DAN STARR
President, Modesto Police Canine
Association

ATTEST:

By: _____
STEPHANIE LOPEZ
City Clerk

APPROVED AS TO FORM:

By: _____
ADAM U. LINDGREN
City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-305**

RESOLUTION ACCEPTING DONATIONS OF POLICE CANINES VALUED UP TO \$25,000 FROM THE MODESTO POLICE CANINE ASSOCIATION FOR USE AS POLICE CANINES IN FISCAL YEAR 2018-19

WHEREAS, the Modesto Police Department has utilized working canines to assist officers with searches, apprehension of suspects, and to educate the public with canine demos, and

WHEREAS, over the last few years, the department has had six working canines, and

WHEREAS, since January 2017, the department has retired three of the six canines due to age, health, or ability to perform at an acceptable level and the department is in need of canines to maintain the Canine Unit to full capacity, and

WHEREAS, the Modesto Police Canine Association (MPCA) has graciously offered to donate viable canines purchased from various qualified kennels, in the 2018-19 Fiscal Year, and

WHEREAS, MPCA agrees to relinquish all rights, title and ownership interest in any donated canine, upon execution of the contract, and

WHEREAS, there is no fiscal impact to the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves donations of police canines valued up to \$25,000 from the Modesto Police Canine Association for use as police canines in Fiscal Year 2018-19.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute any agreement of the donation, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

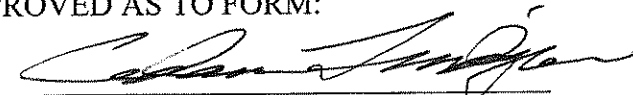
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-306**

**RESOLUTION AWARDING THE BID AND PURCHASE AGREEMENT FOR
JANITORIAL SUPPLIES TO CENTRAL SANITARY SUPPLY, MODESTO, CA,
FOR AN ANNUAL COST NOT TO EXCEED \$180,000 AND A TOTAL NOT TO
EXCEED AMOUNT OF \$900,000 OVER FIVE YEARS AND AUTHORIZING
THE PURCHASING MANAGER TO ISSUE THE PURCHASE AGREEMENT**

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for the purchase of janitorial supplies, and

WHEREAS, the Purchasing Division issued RFB No. 1718-33 Janitorial Supplies to fourteen prospective bidders, and posted the RFB on the City's website, and

WHEREAS, bids were formally opened in the City Clerk's Office. Six companies chose to respond, two of which were local vendors, and

WHEREAS, all six companies provided responsive and responsible bids, and

WHEREAS, based on providing the lowest responsive and responsible bids, City staff recommends the award of bid for the purchase of janitorial supplies for the City of Modesto to Central Sanitary Supply, Modesto, CA, for a two-year agreement with three one-year extension options at the sole discretion of the City, for an estimated annual cost not to exceed \$180,000 and a total not to exceed amount \$900,000 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bid for the purchase of janitorial supplies for the City of Modesto, to Central Sanitary Supply, Modesto, CA, conforms to Modesto Municipal Code 8-3.203, and

WHEREAS, funds are allocated in Fiscal Year 2018-19 for the purchase of janitorial supplies in the following Appropriation Units: 5800-52120-52150; 0100-52010-

52150; 0100-18610-53150; 0100-19490-52150; 4100-45010-53150; 4100-45060-53150;
4210-44314-52150; 4210-44010-52150; 1700-53130-52300; 4700-14940-52150; 4540-
53244-52150; and 4310-55312-52150, and

WHEREAS, any expenses over what the departments have budgeted will be paid out of their Appropriation C discretionary budgets.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of bid for the purchase of janitorial supplies to Central Sanitary Supply, Modesto, CA, for an estimated annual cost not to exceed \$180,000 and a total not to exceed amount of \$900,000 over five years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreement.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

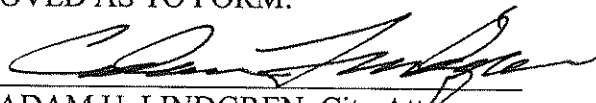
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-307**

**RESOLUTION APPROVING INDUSTRIAL AND WASTE HAULER USER FEES
FOR THE COST OF SERVICES FOR PERMITTING AND OVERSIGHT
DURING THE PERMIT TERM**

WHEREAS, the Wastewater Division, Environmental Services, permits, inspects, and monitors discharges from industrial and waste hauler users to ensure compliance with Federal and State Law, and

WHEREAS, in addition, Environmental Services ensures that discharges of hazardous or toxic material do not compromise employees, the public's health and welfare, or damage the City's collection and treatment systems, and

WHEREAS, Environmental Services provides immediate response for any industrial or commercial incident that a business may experience and currently these operations are funded through sewer rates, and

WHEREAS, increases in industrial pretreatment program regulatory requirements and recent Pretreatment Compliance Inspection audits by the Environmental Protection Agency have mandated the City perform additional monitoring, reporting and oversight of all permitted industries, and

WHEREAS, additional resources will be necessary to conduct the additional monitoring, sampling, analysis, data review, document preparation and retention, and

WHEREAS, to facilitate these additional expenditures, the City is allowed under MMC 5-6.401(e) to charge a permit fee: *"Permit fees and any other associated fees may be collected by the City in an amount adopted from time to time by City Council resolution,"* and

WHEREAS, currently the City does not collect Permit Fees to cover the cost of the Pretreatment Program, and

WHEREAS, staff hired Black Water Consultants to assist in researching and developing the proposed administrative fee, and included the cost of services for the following program elements: New User Identification, Permit Management, Inspection and Reporting, Sampling and Monitoring Billing, and Local Limits Management, and

WHEREAS, based on the recommendations for these costs of services to develop and issue permits, Environmental Services is proposing the following new permit costs:

Table – 1 Permits Subject to an Administrative Fee

Permit Type	Permit Term	Proposed Permit Fee	Permit Fees of other Agencies
Major Significant Industrial User , Permit,	5-Years	\$2,500	\$5,023 High \$1,988 Avg. \$100 Low
Minor Significant Industrial User , Permit	5-Years	\$1,500	
Waste Hauler Tier 1 (Annual Discharge > 1.5 Million Gallons)	2-Years	\$200	\$1,015 High \$405 Avg. \$100 Low
Waste Hauler Tier 2 (Annual Discharge > 0.5 Million Gallons < 1.5 million Gallons)	2-Years	\$150	
Waste Hauler Tier 3 (Annual Discharge < 0.5 Million Gallons)	2-Years	\$100	

WHEREAS, on January 10, 2018, the Economic Development Committee accepted the Environmental Services report proposing to host two stakeholder meetings regarding the proposed permit fees as shown in Table – 1, and

WHEREAS, the purpose of the stakeholder meetings was to inform stakeholders of the proposed fees, the fees of other agencies, permits which would be subject to a fee and the proposed fee duration, and

WHEREAS, invitations were sent to all permitted industries to attend the first meeting, which was held on March 13, 2018 and seven people attended; the following comments received from stakeholders were received: *'We have no objections to the proposed 5-year Permit fees'* and *"In the future, people may ask for justification in terms of numbers rather than statements that expenses were growing."* and

WHEREAS, on April 19, 2018, the second meeting was held to address these comments and 11 people attended; stakeholders were provided with a breakdown of labor hours (included in the Technical Memorandum) necessary to perform the various elements of the Pretreatment Program, and

WHEREAS, stakeholders were informed that permit fees, if approved, would be prorated to reflect the current permit term, and

WHEREAS, stakeholders did not have any further comments regarding the proposed fees and were satisfied with staff's response, and

WHEREAS, the proposed fees will cover the cost associated with permit issuance that are not captured in the current sewer rates.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto hereby approves industrial and waste hauler user fees for the cost of services for permitting and oversight during the permit term.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

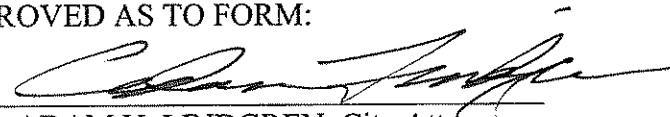
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-308**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE LAKEWOOD NEIGHBORHOOD STREET IMPROVEMENTS PROJECT, ACCEPTING THE BID, AND AWARDING A CONSTRUCTION CONTRACT TO AMERICAN PAVEMENT SYSTEMS, INC. OF MODESTO, CALIFORNIA, IN THE AMOUNT OF \$2,202,576 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, in November of 2016 the voters of Stanislaus County approve the county wide, 25-year, half-cent sales tax increase known as Measure L, and

WHEREAS, on July 5, 2017, by Resolution 2017- 269, Council approved a list of proposed projects including the Lakewood Street Improvements project to be funded with Measure L tax proceeds in Fiscal Year 2017-18, and

WHEREAS, on March 13, 2018, by Resolution No. 2018-124, Council amended the approved list of projects to be funded with Measure L tax proceeds in Fiscal Year 2017-2018 and necessary budget adjustments. The amendment to the list of projects allocated \$649,758 to the Lakewood Neighborhood Street Improvements project, and

WHEREAS, plans and specifications have been prepared for the Lakewood Street Improvements project, and City staff recommends approval by the City Council, and

WHEREAS, the project was advertised for bids on May 1, 2018, bids were publicly opened at 11:00 a.m. on May 22, 2018 pursuant to Modesto Municipal Code 8-3.403 and Charter Section 1307 and two responsive bids were received, and

WHEREAS, the proposed award of bid to American Pavement Systems, Inc., of Modesto, CA conforms to Modesto Municipal Code section 8-3.403 and Modesto Charter Section 1307 and is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$2,202,576.62 received from American Pavement Systems, Inc., of Modesto, be accepted as the lowest responsible and responsive bid and the contract be awarded to American Pavement Systems, Inc.

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the plans and specifications for the Lakewood Neighborhood Street Improvements project, accepts the bid and awards a construction contract to American Pavement Systems, Inc. of Modesto, California, in the amount of \$2,202,576 for the Lakewood Neighborhood Street Improvements project.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,

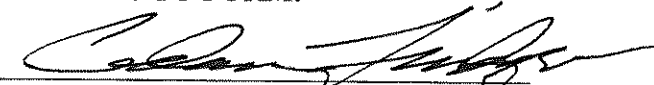
NOES: Councilmembers: None

ABSENT: Councilmembers: Mayor Brandvold

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-309**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 CAPITAL
IMPROVEMENT PROJECT (CIP) BUDGET AND ESTABLISHING THE
MEASURE L MAINTENANCE OF EFFORT TRANSFER FOR PROJECT
#101037 IN THE AMOUNT OF \$375,000 FOR THE LAKEWOOD
NEIGHBORHOOD STREET IMPROVEMENTS PROJECT**

WHEREAS, the Lakewood Neighborhood Street Improvements project will consist of rubberized cape seal, restriping, and ADA ramp upgrades to Sonoma Avenue from Scenic Drive to Laramie Drive, Lakewood Avenue from Scenic Drive to Laramie Drive and neighborhood streets within Sonoma Avenue, Laramie Drive, Lillian Drive and Scenic Drive, and

WHEREAS, in November 2016, the voters of Stanislaus County approved the county wide, 25-year, half-cent sales tax increase known as Measure L, and

WHEREAS, on July 5, 2017, by Resolution No. 2017-269, Council approved a list of projects including the Lakewood Neighborhood Street Improvements project to be funded with Measure L tax proceeds in Fiscal Year 2017-18, and

WHEREAS, on March 13, 2018, by Resolution No. 2018-124, Council approved an amendment to the list of project funded with Measure L proceeds of which allocated an additional \$649,758 to the Lakewood Neighborhood Street Improvements project, and

WHEREAS, the project was advertised for bids on May 1, 2018 and bids were opened May 22, 2018 with the lowest bidder 9.31% above the engineer's estimate, and

WHEREAS, the Maintenance of Effort funds of \$521,505 for Measure L in FY 2017-18 has not been allocated and are available to use, and

WHEREAS, on June 7, 2018 staff recommended to the Citizens Transportation Sales Tax Commission the allocation of \$375,000 of the \$521,505 Maintenance of Effort

funds available for FY 2017-18 to fund the additional costs for the Lakewood Neighborhood project, and

WHEREAS, the Fiscal Year 2017-18 Capital Improvement Program Budget for Project #101037 – Lakewood Neighborhood Street Improvements must be amended by \$375,000 with a transfer from Measure L Maintenance of Effort fund to the project and allocation of funds to the projects expense budget.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby amends the Fiscal Year 2017-2018 Capital Improvement Project (CIP) revenue and expense budget for project #101037 in the amount of \$375,000 to continue the project.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,

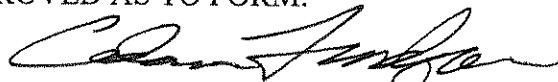
NOES: Councilmembers: None

ABSENT: Councilmembers: Mayor Brandvold

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-310**

RESOLUTION APPROVING AN AGREEMENT WITH VALI COOPER AND ASSOCIATES OF EMERYVILLE, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE LAKEWOOD NEIGHBORHOOD STREET IMPROVEMENTS PROJECT FOR \$159,033, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 15 PERCENT

WHEREAS, On March 13, 2018, by Resolution No. 2018-124, Council amended an approved list of projects including the Lakewood Neighborhood Street Improvements Project to be funded with Measure L tax proceeds in Fiscal Year 2017-2018, and

WHEREAS, Lakewood Neighborhood Street Improvements Project consists of rubberized cape seal, restriping, and ADA ramp upgrades to Sonoma Avenue from Scenic Drive to Laramie Drive, Lakewood Avenue from Scenic Drive to Laramie Drive and neighborhood streets within the boundary of Sonoma Avenue, Laramie Drive, Lillian Drive and Scenic Drive, and

WHEREAS, due to the limited availability of the City's Construction Administration staff, staff recommends utilizing a consultant to provide construction management and inspection services for the construction phase, and

WHEREAS, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, and

WHEREAS, for the construction management and inspection services, a Request for Proposals (RFP) was issued to the 3 on-call firms for construction management and inspection services for this project, and

WHEREAS, after careful review and evaluation by the selection committee, Consolidated CM was selected as the most qualified firm for the Project, and

WHEREAS, Vali Cooper and Associates demonstrated experience with multiple projects similar in scope and size, and

WHEREAS, Vali Cooper and Associates will be the main point of contact for all construction activities and reporting during this project.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Vali Cooper and Associates, for Construction Management and Inspection Services for the Lakewood Neighborhood Street Improvements Project for \$159,033.00 for the identified scope of services.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney, and is authorized to execute one or more amendments to this agreement in a cumulative amount up to 15 percent of the original agreement amount.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki,

NOES: Councilmembers: None

ABSENT: Councilmembers: Mayor Brandvold

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-311**

**RESOLUTION APPROVING A CONDITIONAL USE PERMIT FOR A
DIGITAL FREEWAY BILLBOARD LOCATED AT 4000 SALIDA
BOULEVARD**

WHEREAS, Modesto Municipal Code Section 10-6.108 (f)(3) allows a digital freeway billboard along State Highway 99 subject to a conditional use permit approval which requires a recommendation by the Planning Commission to the City Council and final approval by the City Council, and

WHEREAS, Outdoor Media LLC (Outdoor Media) applied for conditional use permit to install one digital freeway billboard on property located at 4000 Salida Boulevard, and

WHEREAS, after a public hearing, the Planning Commission on July 2, 2018, by PC Resolution No. 2018-06, recommended to the City Council approval of the conditional use permit for a digital freeway billboard on property located at 4000 Salida Boulevard, and

WHEREAS, said matter was set for a public hearing of the City Council to be held on August 8, 2018, in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, at which date and time said duly noticed public hearing was held, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it finds and determines as follows:

1. The proposed conditional use permit is consistent with the objectives and requirements of Title 10 (Zoning Regulations) because the code allows digital freeway billboards along the state highway.

2. The proposed conditional use and the conditions under which it will operate are consistent with the General Plan because digital freeway billboards contribute to economic development through advertising.
3. The proposed conditional use will not be detrimental to the public health, safety, or welfare or materially injurious to uses, properties or improvements in the vicinity because the digital freeway billboard will be required to meet all applicable Zoning and Building Codes. The Zoning Code includes standards that will address the visual impacts of billboards by limiting the location and level of brightness.
4. The proposed conditions of approval will ensure compatibility with the surrounding uses because the digital freeway billboard will be required to operate in accordance to the City's Zoning Code which limits message movement, duration, and brightness.
5. The proposed digital freeway billboard will not create a hazard to vehicular or pedestrian traffic since the sign structure will not disrupt vehicular or pedestrian traffic flow on the site. Additionally, the sign is required to display only static messages and will have to meet brightness level and duration requirements that will minimize distraction to drivers on the highway or nearby streets.
6. The advertising on the digital freeway billboard will conform with the Outdoor Advertising Act in the California Business and Professions Code and other applicable state and federal rules and regulations. California Department of Transportation requires the applicant to obtain a permit from Office of Outdoor Advertising.
7. The digital freeway billboard will result in a public benefit to the City in the form of increasing aesthetics, safety and/or economic revitalization efforts for the City's commercial centers through signage. The public benefit outweighs any adverse impacts, such as light pollution or visual impact that might be caused by the advertising display. There is a community benefit from the removal of four non-digital billboards within the City's Sphere of Influence in exchange for the new digital freeway billboard, and through the provision of community advertising on the proposed digital billboard.

BE IT FURTHER RESOLVED by the Council that the digital freeway billboard at 4000 Salida Boulevard be approved subject to the following conditions:

1. All development shall conform to the plans from Outfront Media Labeled "Sign A" stamped and approved by the City Council.

2. The digital freeway billboard shall be located and operated in conformance to all requirements and limitations outlined in Section 10-6.108(f)(3)(iii) of the Modesto Municipal Code.
3. The Operating Agreement between the City of Modesto and Outfront Media for the digital freeway billboard at 4000 Salida Boulevard shall be executed prior to issuance of a building permit. The removal of the four billboards identified in the Operating Agreement shall be completed prior to the building permit being finalized.
4. Outfront Media shall obtain a permit from the California Department of Transportation Office of Outdoor Advertising prior to issuance of a building permit.
5. All existing underground and above ground utilities, irrigation, and electrical lines shall be protected, relocated, or removed as required by the City Engineer or designee.

Failure to comply with any of the above conditions is unlawful and will constitute grounds for revocation of the conditional use permit.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-312**

**RESOLUTION APPROVING AN OPERATING AGREEMENT WITH
OUTFRONT MEDIA LLC, FOR THE INSTALLATION OF A DIGITAL
FREEWAY BILLBOARD ON PROPERTY LOCATED AT 4000 SALIDA
BOULEVARD AND AUTHORIZING THE CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, Modesto Municipal Code Section 10-6.108 (f)(3) allows a digital freeway billboard along State Highway 99 subject to a conditional use permit approval which requires a recommendation by the Planning Commission to the City Council and with final approval authority by the City Council, and

WHEREAS, Modesto Municipal Code Section 10-6.108 (f)(3)(iii)(c) allows for the applicant and City to enter into an operating agreement in conjunction with a conditional use permit for a digital freeway billboard with approval authority by the City Council, and

WHEREAS, Outdoor Media LLC (Outdoor Media) applied for conditional use permit to install one digital freeway billboard on property located at 4000 Salida Boulevard, and

WHEREAS, Outfront Media submitted an Operating Agreement in conjunction with a conditional use permit for a digital freeway billboard regarding the removal of four existing billboards and provisions regarding community messaging, and

WHEREAS, after a public hearing, the Planning Commission on July 2, 2018, by PC Resolution No. 2018-06, recommended to the City Council approval of the conditional use permit for a digital freeway billboard on property located at 4000 Salida Boulevard, and

WHEREAS, said matter was set for a public hearing of the City Council to be

held on August 8, 2018, in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, at which date and time said duly noticed public hearing was held for the propose of considering the operating agreement for a digital freeway billboard on property located at 4000 Salida Boulevard, and

WHEREAS, the proposed operating agreement achieves community benefits by the reduction of four old and outmoded billboards and by providing the City community messaging on the new digital freeway billboard.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the operating agreement with Outfront Media for a digital freeway billboard on property located at 4000 Salida Boulevard, **attached** hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the City Manager or designee is hereby authorized to execute said Operating Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

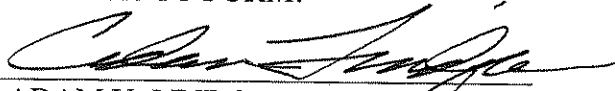
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-313**

RESOLUTION FINDING THAT THE FOLLOWING SUBSEQUENT PROJECT IS WITHIN THE SCOPE OF THE PROJECT COVERED BY THE MODESTO URBAN AREA GENERAL PLAN MASTER ENVIRONMENTAL IMPACT REPORT (SCH NO. 2007072023): DIGITAL FREEWAY BILLBOARD LOCATED AT 4000 SALIDA BOULEVARD

WHEREAS, on October 14, 2008, by Resolution No. 2008-582, Council of the City of Modesto certified the Final Master Environmental Impact Report (“Master EIR”) (SCH No. 2007072023) for the Modesto Urban Area General Plan, and

WHEREAS, Outfront Media LLC (Outfront Media) has proposed freeway digital billboard located at 4000 Salida Boulevard, and

WHEREAS, pursuant to Section 21157.1 of the Public Resources Code, the City of Modesto’s Community & Economic Development Department prepared an Environmental Assessment Initial Study EA/C&ED 2018-09 (“Initial Study”) which analyzed whether the subsequent project may cause any significant effect on the environment that was not examined in the Master EIR and whether the subsequent project was described in the Master EIR as being within the scope of the report, and

WHEREAS, in accordance with CEQA guidelines beginning on July 19, 2018, the City caused to be published a 20-day notice of the City’s intent to make a finding that the subsequent project conforms with the Master EIR, and

WHEREAS, said matter was considered by the City Council at a duly noticed public hearing which was held on August 8, 2018, at 5:30 p.m., in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Council has reviewed and considered the Initial Study prepared for the proposed

freeway digital billboard located at 4000 Salida Boulevard, a copy of which is **attached** hereto and incorporated herein by reference, and based on substantial evidence in the Initial Study makes the following findings:

1. An Initial Study was prepared by the City of Modesto that analyzed whether the subsequent project may cause any significant effect on the environment that was not examined in the Master EIR and whether the subsequent project was described in the Master EIR as being within the scope of the report.
2. The subsequent project will have no additional significant effect on the environment, as defined in subdivision (d) of Section 21158 of the Public Resources Code, that was not identified in the Master EIR.
3. No new or additional mitigation measures or alternatives are required.
4. The subsequent project is within the scope of the project covered by the Master EIR.
5. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
6. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that the Community & Economic Development Director is hereby authorized and directed to file a notice of approval or determination within five (5) business days with the Stanislaus County Clerk pursuant to Section 21152 of the Public Resources Code.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

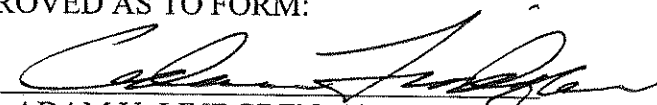
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-314**

**RESOLUTION DENYING THE APPEAL OF UNIFIRST CORPORATION ON
BEHALF OF RANDY HOOVER TO A REQUEST FOR BID (RFP 1718-42)
DECISION AWARDED A UNIFORM AND LAUNDRY SERVICES CONTRACT
TO ARAMARK UNIFORM SERVICES**

WHEREAS, On June 4, 2018, the City staff sent the intent to award notices to all companies who submitted a proposal to inform them the bid would be awarded to Aramark Uniform Services pending City Council's approval, and

WHEREAS, UniFirst Corporation appealed this bid through the City's Purchasing Policies and Procedures by first appealing to the Purchasing Manager with their points of protest, and

WHEREAS, the Purchasing Manager responded to UniFirst Corporation's initial appeal via letter on June 18th, 2018, and

WHEREAS, UniFirst Corporation then provided a second letter of appeal to the Interim Deputy City Manager, as allowed by the City's Purchasing Policies and Procedures, on July 3rd, 2018 which was beyond the seven (7) working day requirement to respond to the Purchasing Manager's decision as laid out in Section 1, Procedure No. 5, C-2 of the City's Purchasing Policies and Procedures, and

WHEREAS, the Interim Deputy City Manager provided a response to the second letter of appeal from UniFirst Corporation on July 17th, 2018 which addressed all points of protest in the second letter of appeal, and

WHEREAS, UniFirst Corporation has now exhausted their final route of appeal by bringing forward a letter of appeal to the City Council against the award of RFP 1718-42 to Aramark, and

WHEREAS, this letter has been presented to City Council along with the staff recommendations to deny the appeal from UniFirst Corporation in accordance with the decisions provided by the Purchasing Manager and the Interim Deputy City Manager.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby denies the appeal of UniFirst Corporation on behalf of Randy Hoover to a Request for Bid (RFP 1718-42) decision that awards a uniform and laundry services contract to Aramark.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Ridenour,
Zoslocki,


NOES: Councilmembers: Ah You, Madrigal, Mayor Brandvold

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-315**

**RESOLUTION APPROVING A COOPERATIVE AGREEMENT
BETWEEN THE CITY OF MODESTO AND THE CALIFORNIA
DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE
STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1
PROJECT AND AUTHORIZING THE CITY MANAGER OR HIS
DESIGNEE TO EXECUTE THE AGREEMENT**

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (StanCOG Cooperative Agreement) for the Plans, Specifications and Estimates stage of the Project, through which StanCOG has agreed to reimburse the City up to \$10 million for costs relating to the PS&E Phase of the Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (County) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of acquisition services in support of the construction of the Project; and

WHEREAS, on February 27, 2018, Council authorized early acquisition of real property prior to Environmental Document approval, and delegated to Staff authority to acquire property up to certain specified amounts; and

WHEREAS, on June 12, 2018, Council approved increases in the amounts of delegated authority to acquire property for the Project; and

WHEREAS, Council has authorized a total of \$11,935,081 for right of way acquisitions, utilizing City of Modesto Capital Facilities Fees (CFF) funds, Federal Demonstration Program (DEMO) grant funds, and Stanislaus County Public Facility Fees (PFF) funds; and

WHEREAS, on March 2, 2018, the California Department of Transportation (Caltrans) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, Caltrans requires that the City of Modesto enter into the Cooperative Agreement prior to submitting a request for funding authorization to Caltrans; and

WHEREAS, the Cooperative Agreement sets forth the roles and responsibilities of the City and Caltrans with respect to the Project; and

WHEREAS, Caltrans requires execution of the Cooperative Agreement or they will be unable to continue to provide oversight for the project; and

WHEREAS, to avoid delays and potential loss of \$50 Million to \$60 Million in funding, Staff recommends that the City Council approve the Cooperative Agreement as presented by Caltrans,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Cooperative Agreement between the City of Modesto and the California Department of Transportation (Caltrans) for the State Route 132 West Freeway/Expressway – Phase 1 Project.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute that agreement.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-316**

RESOLUTION APPROVING A BASELINE AGREEMENT BETWEEN THE CITY OF MODESTO, THE CALIFORNIA TRANSPORTATION COMMISSION (CTC), THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) AND THE STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG), FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (StanCOG Cooperative Agreement) for the Plans, Specifications and Estimates stage of the Project, through which StanCOG has agreed to reimburse the City up to \$10 million for costs relating to the PS&E Phase of the Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (County) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of acquisition services in support of the construction of the Project; and

WHEREAS, on February 27, 2018, Council authorized early acquisition of real property prior to Environmental Document approval, and delegated to Staff authority to acquire property up to certain specified amounts; and

WHEREAS, on June 12, 2018, Council approved increases in the amounts of delegated authority to acquire property for the Project; and

WHEREAS, Council has authorized a total of \$11,935,081 for right of way acquisitions, utilizing City of Modesto Capital Facilities Fees (CFF) funds, Federal Demonstration Program (DEMO) grant funds, and Stanislaus County Public Facility Fees (PFF) funds; and

WHEREAS, on March 2, 2018, the California Department of Transportation (Caltrans) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, Caltrans requires that the City of Modesto enter into the Cooperative Agreement prior to submitting a request for funding authorization to Caltrans; and

WHEREAS, the Trade Corridor Enhancement (TCE) Program, created by Senate Bill 1 (SB1), provides approximately \$300 Million annually for infrastructure improvements on federally designated Trade Corridors of National and Regional Significance, on the Primary Freight Network, and along other corridors that have high volume of freight movement; and

WHEREAS, in January 2018, StanCOG applied for \$30 Million of TCE for the Project, and

WHEREAS, at the California Transportation Commission (CTC) meeting on May 16-17, the CTC approved a list of projects recommended to receive TCE funds; and

WHEREAS, the SR-132 Project was amongst the list of winning projects and was recommended to receive \$21 Million in TCE funding, and

WHEREAS, under the CTC's Accountability and Transparency Guidelines, projects adopted into the TCE Program are required to execute a Baseline Agreement, and

WHEREAS, per those guidelines, the Baseline Agreement sets forth the agreed upon expected benefits, project scope, schedule, and cost, and provides a benchmark for comparison to the current status of the project for reporting purposes, and

WHEREAS, the Baseline Agreement also identifies the agencies responsible for meeting reporting requirements and, for locally implemented projects, identifies the responsibilities relative to the type and location of the project, and

WHEREAS, after execution by both StanCOG and the City of Modesto, the Baseline Agreement will go to the CTC for approval at their October 2018 meeting,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Baseline Agreement between the City of Modesto, the California Transportation Commission (CTC), the California Department of Transportation (Caltrans), and the Stanislaus Council of Governments (StanCOG) for the State Route 132 West Freeway/Expressway – Phase 1 Project.

BE IT FURTHER RESOLVED, that the City Manager or his designee to is here by authorized to execute the Baseline Agreement.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

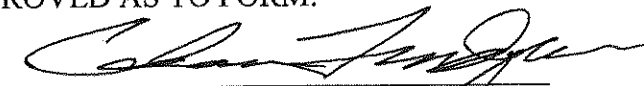
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-317**

RESOLUTION APPROVING PURCHASE AGREEMENTS WITH VARIOUS VENDORS AS DEFINED UNDER ATTACHMENT A; APPROVING TERMINATION DATES FOR THE SERVICES STATED HEREIN; AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE IDENTIFIED ANNUAL PURCHASE AGREEMENTS TERMINATION DATES APPROVED BY COUNCIL

WHEREAS, On January 23, 2018 by Resolution No. 2018-49, 2018-50, 2018-51, 2018-52, 2018-53, and 2018-54, Council approved the modification and extension request of various purchasing agreements which exceeded City Council's authority, and

WHEREAS, City staff has continued to work diligently in monitoring all purchasing agreements and towards implementing recommendations to establish improvements with the City's purchasing controls, and

WHEREAS, the Finance Department has implemented bi-monthly purchasing training to educate City Staff about the standards which govern the City's purchases, including the City's Charter, Municipal Code, and the City Purchasing Manual, and

WHEREAS, the Finance Department has worked with the departments to address an extensive backlog of competitive bids that need to be completed and have been strategizing the best solution to ensure new agreements can be approved by the time existing agreements expire, and

WHEREAS, the Finance Department, via the Purchasing Division, has identified a number of agreements that require further time extensions (as shown in **Attachment A – Purchasing Agreement Extension Dates**), and

WHEREAS, the extension of these termination dates for existing agreements will not alter the dollar amount of said agreements nor the terms and conditions of the agreements.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the purchasing agreements with various vendors as **attached**; approving the extension of termination dates for the services stated herein.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue the identified Annual Purchase Agreements terms.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

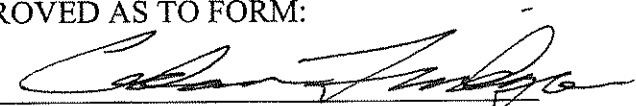
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A - Purchasing Agreement Extension Dates

Number	Description	Vendor/Contractor Name	Oracle Agreement or Purchase Order No.	Oracle Agreement Amount	Vendor Invoices Paid or Pending Payment	Amount Remaining on Agreement	Original Agreement Term Start-Date	Original Agreement Term End-Date	Requested New Agreement Term End-Date
1	Annual Agreement - Armed Uniformed Guard Services Reso 2017-476	RANK INVESTIGATIONS	91027	\$ 111,000.00	\$ 72,740.46	\$ 38,259.54	7-Jan-16	30-Jun-18	31-Dec-18
2	Armored Transport Services	LOOMIS	73029	\$ 659,887.00	\$ 574,275.00	\$ 85,612.00	3-Feb-15	30-Sep-18	31-Dec-18
3	Annual Agreement For The Purchase Of Variable Requesncy Drive Units Reso 2013-197	Wille Electric Supply	42473	\$ 518,070.00	\$ 260,652.99	\$ 257,417.01	28-May-13	27-May-18	31-Dec-18
4	Annual Agreement For Legal And Job Advertisements	THE MODESTO BEE- ADVERTISING	123943	\$ 50,000.00	\$ 28,806.36	\$ 21,193.64	11-Aug-17	11-Aug-18	31-Dec-18
5	Annual Agreement For Water Well & Tank Site Painting Services, Reso 2013-335, RFB 1314-04	DC VIENT INCORPORATED	48975	\$ 190,000.00	\$ 148,803.00	\$ 41,197.00	24-Sep-13	23-Sep-18	31-Dec-18
6	Annual Agreement For Radio & Communication Equipment Service/Repair (A09510)	DELTA WIRELESS INC	1432	\$ 236,596.00	\$ 210,154.05	\$ 26,441.95	1-Apr-11	30-Sep-18	31-Dec-18
7	Annual Agreement For Asphalt Materials Secondary Vendor. RFB No. 1314-01, Reso 2013-356	CALAVERAS MATERIALS INC	50347	\$ 310,000.00	\$ 238,433.98	\$ 71,566.02	31-Oct-13	30-Oct-18	31-Dec-18
8	Annual Agreement For Asphalt And Emulsion RFB No. 1314-01 Reso 2013-356	MUNN AND PERKINS	50346	\$ 2,190,000.00	\$ 1,850,384.13	\$ 339,615.87	31-Oct-13	30-Oct-18	31-Dec-18
9	Annual Agreement For Retail Advertising. Reso 2017-530	THE MODESTO BEE- ADVERTISING	133460	\$ 100,000.00	\$ 49,605.20	\$ 50,394.80	12-Dec-17	30-Nov-18	31-Jan-19
10	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 RFP 2013-13	NELSON FAMILY OF COMPANIES	52793	\$ 3,475,395.00	\$ 1,085,637.72	\$ 2,389,757.28	3-Dec-13	2-Dec-18	31-Jan-19
11	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 - RFP 1213-13	PRIDESTAFF	52791	\$ 1,015,000.00	\$ 349,573.57	\$ 665,426.43	3-Dec-13	2-Dec-18	31-Jan-19
12	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 - RFP 1213-13	EXACT STAFF	52790	\$ 143,465.00	\$ 26,574.62	\$ 116,890.38	3-Dec-13	2-Dec-18	31-Jan-19
13	Annual Agreement For City Wide Document Storage/Records	PACIFIC STORAGE COMPANY	2342	\$ 365,000.00	\$ 242,263.79	\$ 122,736.21	14-Apr-11	31-Dec-18	31-Mar-19

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-318**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-19 OPERATING
BUDGET IN THE AMOUNT OF \$100,000 TO BE TRANSFERRED FROM
WATER FUND RESERVES TO FUND THE RESPONSE TO THE STATE
WATER RESOURCES CONTROL BOARD 2016 BAY-DELTA PLAN
AMENDMENT & SUBSTITUTE ENVIRONMENTAL DOCUMENT**

WHEREAS, on September 15, 2016, the State Water Resources Control Board (SWRCB) released a revised Draft Substitute Environmental Document (SED) in support of Phase 1 of its Bay-Delta Water Quality Control Plan, which is over 1,850 pages, not including appendices, and

WHEREAS, the state proposes to take 40 percent of unimpaired flow from the Tuolumne River for fish and wildlife beneficial uses and salinity control, and

WHEREAS, this proposal will have a major impact to the existing water supplies and operations of the Don Pedro Reservoir, which is jointly operated by both MID and Turlock Irrigation District (TID) and the City's domestic water supplies, as the Tuolumne River is the source of Modesto's surface water, and

WHEREAS, water demands will not be sustainable under the Sustainable Groundwater Management Act, which was effective January 1, 2016, and

WHEREAS, on July 6, 2018, the SWRCB released a Final Draft Bay-Delta Plan Update for the Lower San Joaquin River and Southern Delta, and accepted public comments until July 27, 2018, and

WHEREAS, the City submitted comments, addressing the inadequacy of the Final Draft SED and serious continuing concerns about the proposed plan and environmental analysis, and

WHEREAS, once the SWRCB acts, parties wishing to challenge the decision will have only 30 days to file suit and it appears likely that the City will want to join the litigation against the SWRCB, and

WHEREAS, to prepare for a timely action, staff, including legal counsel, will need to review existing information, and further studies will need to be completed to fully estimate potential short term and long term economic, legal and environmental impacts of the proposed action to the City, and

WHEREAS, the requested action will provide funding for staff and legal counsel to review and prepare for timely action, and

WHEREAS, certain budgetary transactions are necessary in the amount of **\$100,000**, in order to fund all activities relating to our response to the State Water Resources Control Board 2016 Bay-Delta Plan Amendment & Substitute Environmental Document and City staff time in support of effort, and

WHEREAS, the Fiscal Year 2018-2019 Operating Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Operating Budget as shown in **Exhibit A**, attached hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 8th day of August, 2018 by Councilmember Grewal, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

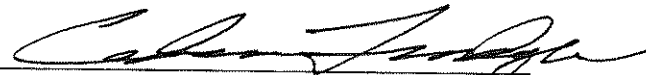
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

A total of \$100,000 is being requested from Water Fund Reserves to increase the budget of Cost Center 41010 – UPP Administration to provide funding for the City’s response to the State Water Resources Control Board 2016 Bay-Delta Plan Amendment & Substitute Environmental Document; which is expected to include legal expenses, studies, staff time, and administrative support.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-319**

**RESOLUTION REAPPOINTING MARY RAMIREZ, FOR A SECOND TERM,
TO THE HOUSING REHABILITATION LOAN COMMITTEE WITH A TERM
EXPIRATION OF DECEMBER 31, 2021**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, On June 24, 2014 by Resolution No. 2014-240, Mary Ramirez was appointed to the Housing Rehabilitation Loan Committee with an initial term of June 10, 2014 through June 10, 2018; and

WHEREAS, on October 25, 2016, through the adoption of the new by-laws, Resolution No. 2016-424 to January 1, 2018; and

WHEREAS, the Appointments Committee met on June 28, 2018 recommended the reappointment of Mary Ramirez to the Modesto Housing Rehabilitation Loan Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto that Mary Ramirez is hereby reappointed, for a second term, to the Housing Rehabilitation Loan Committee with a term expiration of December 31, 2021.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Housing Rehabilitation Loan Committee,

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

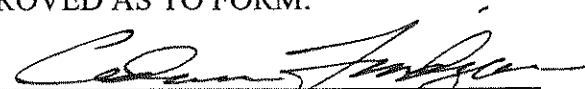
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-320**

**RESOLUTION APPOINTING CHRISTINA KENNEY TO THE HOUSING
REHABILITATION LOAN COMMITTEE WITH A TERM EXPIRATION OF
JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the committee recommended the appointment of Christina Kenney to serve as our Provider of Service Representative, and

WHEREAS, she will be joining this committee with an extensive background in providing services to homeless and low-income individuals with this perspective allows for a more diverse discussion for the proposed projects, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Christina Kenney to the Modesto Housing Rehabilitation Loan Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto that it hereby appoints Christina Kenney to the Housing Rehabilitation Loan Committee with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Housing Rehabilitation Loan Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

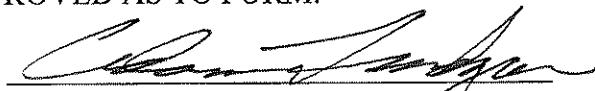
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-321**

**RESOLUTION APPOINTING GABRIELLA FIERRO TO THE HOUSING
REHABILITATION LOAN COMMITTEE WITH A TERM EXPIRATION OF
JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the committee recommended the appointment of Gabriella Fierro to represent the General Contractor, or construction industry professional, Representative, and

WHEREAS, she is currently working as a Real Estate Asset Manager and currently holds a LEED (Leadership in Energy and Environmental Design) certification and has served on various boards that discusses Urban development and property management, and

WHEREAS, Ms. Fierro will bring knowledge of industry standard to each project proposed, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Gabriella Fierro to the Modesto Housing Rehabilitation Loan Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto Gabriella Fierro is hereby appointed to the Housing Rehabilitation Loan Committee with a term expiration of January 1, 2023.

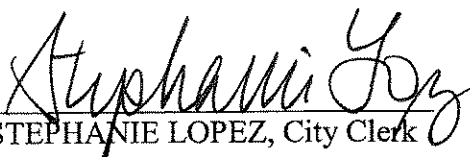
BE IT FURTHER RESOLVED, the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Housing Rehabilitation Loan Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

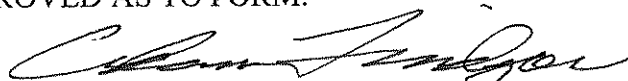
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-322**

**RESOLUTION APPOINTING SANDRA WILSON TO HOUSING
REHABILITATION LOAN COMMITTEE WITH A TERM EXPIRATION OF
JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, Sandra Wilson bringing a general working knowledge and willingness to serve meets the requirements of the position of Citizen-at-Large on the Housing Rehabilitation Loan Committee, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Sandra Wilson to the Modesto Housing Rehabilitation Loan Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto Sandra Wilson is hereby appointed to the Housing Rehabilitation Loan Committee with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Housing Rehabilitation Loan Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-323**

**RESOLUTION APPOINTING RHODA YARE TO THE HOUSING
REHABILITATION LOAN COMMITTEE WITH A TERM EXPIRATION OF
JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the committee recommended the appointment of Rhoda Yare as the Financial Institution Representative, and

WHEREAS, Ms. Yare is a Realtor by trade making her qualified for the position and, furthermore; she has served that last two years as the representative for the Citizens Housing and Community Development Committee representative on this committee, and

WHEREAS, she has extensive knowledge in the industry and the policy that dictates the programmatic projects that are presented to this committee, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Rhoda Yare to the Modesto Housing Rehabilitation Loan Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto Rhoda Yare is hereby appointed to the Housing Rehabilitation Loan Committee with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Housing Rehabilitation Loan Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

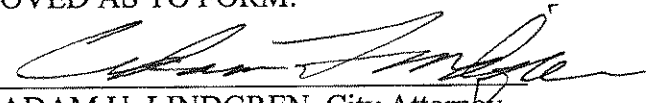
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-324**

**RESOLUTION APPOINTING J. DAVID WRIGHT JR. TO THE CITIZEN'S
HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE WITH A
TERM EXPIRATION OF JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the committee recommended J. David Wright for the first Citizen-at-Large vacancy based on his unique experience within various non-profit and City boards and commissions, and

WHEREAS, this committee's focus on homelessness and low-income housing will benefit from Mr. Wright's vast network of knowledge within our community, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of J. David Wright Jr. to the Citizens Housing and Community Development Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto that it hereby appoints J. David Wright Jr. to the Modesto Citizens Housing and Community Development Committee with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Citizens Housing and Community Development Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

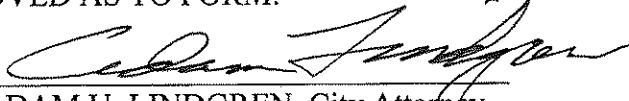
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-325**

**RESOLUTION APPOINTING LISA BATTISTA TO THE CITIZEN'S HOUSING
AND COMMUNITY DEVELOPMENT COMMITTEE WITH A TERM
EXPIRATION OF JANUARY 1, 2023**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the committee recommended Lisa Battista to represent the second Citizen-at-large vacancy, and

WHEREAS, she will be a great asset to the committee discussion with her extensive experience in contract law and her willingness to serve on the non-profit boards within our local community, and

WHEREAS, the Appointments Committee met on June 28, 2018, and recommended appointment of Lisa Battista to the Citizens Housing and Community Development Committee.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Council of the City of Modesto that it hereby appoints Lisa Battista is hereby appointed to the Modesto Citizens Housing and Community Development Committee with a term expiration of January 1, 2023.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Modesto Citizens Housing and Community Development Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

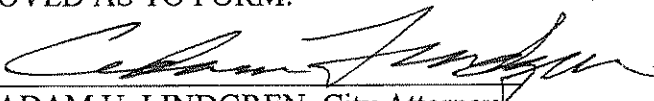
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-326**

RESOLUTION APPOINTING BASIL HERNANDEZ AND LISA BATTISTA TO THE EQUAL OPPORTUNITY/DISABILITY COMMISSION AND HUMAN RELATIONS COMMISSION AND REAPPOINTING ROSIE ARCE, SANDRA GRAHAM AND PHILIP ANSELMO TO THE EQUAL OPPORTUNITY/DISABILITY COMMISSION AND HUMAN RELATIONS COMMISSION WITH A TERM EXPIRATION OF JANUARY 1, 2022

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Appointments Committee met on June 28, 2018 and recommended appointment of Basil Hernandez and Lisa Battista to serve on the Equal Opportunity/ Disability Commission and Human Relations Commission, and

WHEREAS, the Appointments Committee met on June 28, 2018 and recommended reappointments of Rosie Arce, Sandra Graham And Philip Anselmo to serve on the Equal Opportunity/ Disability Commission and Human Relations Commission.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that Basil Hernandez and Lisa Battista are hereby appointed to serve on the Equal Opportunity/Disability Commission and Human Relations Commission and Rosie Arce, Sandra Graham and Philip Anselmo are hereby reappointed to serve on the Equal Opportunity/Disability Commission and Human Relations Commission with a term expiration of January 1, 2022.

BE IT FURTHER RESOLVED, that the City Clerk is hereby directed to transmit a copy of this resolution to the reappointed members of the Commissions and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

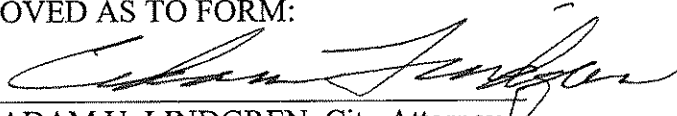
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-327**

RESOLUTION APPOINTING VINNIE HANSON AS THE CREEKSIDE GOLF CLUB REPRESENTATIVE, LINDA KENYON AS THE MUNI-NINERS GOLF CLUB REPRESENTATIVE, AND BYRON GREGERSON AND PAM GIUSTO AS MEMBERS-AT-LARGE REPRESENTATIVES TO THE CITY OF MODESTO GOLF COURSES ADVISORY COMMITTEE WITH A TERM EXPIRATION OF DECEMBER 31, 2021

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards and Commissions, and

WHEREAS, the Golf Courses Advisory Committee is comprised of five members representing local golf organizations: SIRS Golf Club, Muni-Niners Golf Club, Modesto Golf Club, Creekside Golf Club, and Dryden Park Golf Club, and six members-at-large, and

WHEREAS, the Golf Courses Advisory Committee has vacancies for one representative from Creekside Golf Club, one representative from Muni-Niners Golf Club, and several member-at-large representatives, and

WHEREAS, the Appointments Committee met on June 26, 2018, and recommended the Golf Courses Advisory Committee appointment of Vinnie Hanson as the Creekside Golf Club representative, Linda Kenyon as the Muni-Niners Golf Club representative, and Byron Gregerson and Pam Giusto as members chosen at large.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the appointments of Vinnie Hanson as a member of the Golf Courses Advisory Committee representing the Creekside Golf Club; Linda Kenyon as a member of the Golf Courses Advisory Committee representing the Muni-Niners Golf Club; and Byron Gregerson and Pam Giusto as members of the Golf Courses Advisory

Committee representing the golfing community at large, each with a term expiration of December 31, 2021.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed members of the Golf Courses Advisory Committee, and the Secretary, thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

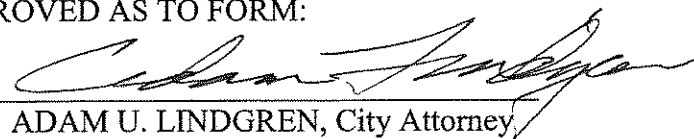
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-328**

**RESOLUTION APPROVING A FIRST AMENDMENT TO THE RESTATED
LEGAL SERVICES AGREEMENT WITH ARATA, SWINGLE, VAN EGMOND
& GOODWIN IN THE AMOUNT OF \$125,000, FOR A TOTAL NOT TO
EXCEED AMOUNT OF \$255,000 TO CONTINUE REPRESENTING THE CITY
OF MODESTO IN TORT CASES, AND AUTHORIZING THE CITY MANAGER
OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, the City Council by Resolution No. 2014-241 had previously approved an agreement with Arata, Swingle, Van Egmond & Goodwin, in the amount of \$200,000 to represent the City in the following types of cases: tort, trip and fall, sidewalk, road and other similar cases; and

WHEREAS, on December 12, 2017, by Resolution No. 2017-500, Council approved a Restated Legal Services Agreement in the amount of \$130,000; and

WHEREAS, the City Attorney's Office is still in need of outside counsel services; and

WHEREAS, the City Attorney's office has drafted a First Amendment to the Restated Legal Services agreement with Arata, Swingle, Van Egmond and Goodwin.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a First Amendment to the Restated Legal Services Agreement with Arata, Swingle, Van Egmond & Goodwin, in the amount of \$125,000, for a total amount not to exceed \$255,000 to continue representing the City of Modesto in tort matters, as provided in **Exhibit A attached** hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager or his designee, are hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

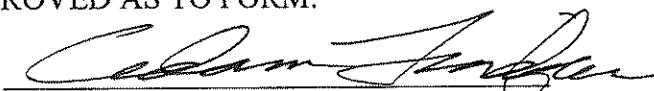
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

FIRST AMENDMENT TO RESTATED LEGAL SERVICES AGREEMENT

This First Amendment to the Restated Legal Services (this "**First Amendment**"), is made and entered into on _____ day of _____ 2018 ("**Effective Date**"), by and between the **CITY OF MODESTO**, a California Municipal Corporation ("**City**"), and **ARATA, SWINGLE, VAN EGMOND AND GOODWIN**, a Professional Corporation ("**Attorney**"), located at 1207 I Street, Modesto, California 95354. City and Attorney are hereinafter collectively referred to as the "**Parties**," and singularly as "**Party**".

RECITALS

WHEREAS, City and Attorney entered into a Restated Legal Services Agreement ("**Agreement**") to provide legal advice, representation and assistance to City in defense of tort claims, as assigned; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Restated Agreement for further service by increasing the previously approved amount of fees from \$130,000 to \$255,000.

NOW, THEREFORE, it is hereby agreed that the Restated Legal Services Agreement between the City of Modesto and Arata, Swingle, Van Egmond and Goodwin dated December 12, 2017 authorized by Resolution No.2017-500, is amended as follows:

1. Section 2(a) of Paragraph 2, "Fees and Costs," Hourly Rates is amended to state as follows:

"The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the "**Service**"), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of two hundred and fifty-five thousand dollars (\$255,000)."

2. **Entire Agreement.** The parties to this First Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated December 12, 2017, remain in full force and effect to the extent they are not in conflict with this First Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. No alteration to the terms of this First Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. **Authority.** The person signing this First Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this First Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

ATTORNEY:
ARATA, SWINGLE, VAN EGMOND & GOODWIN,
a Professional Corporation

Federal I.D. No.

State I.D. No.

City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

Signature of Authorized Person

Title

Additional Signature (*if required*)

Title

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-329**

RESOLUTION APPROVING A FOURTH AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED AUGUST 8, 2016 WITH LIEBERT CASSIDY WHITMORE IN THE AMOUNT OF \$110,000, FOR A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$387,500 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN LABOR AND EMPLOYMENT MATTERS, AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City Attorney's Office is in need of outside counsel services that relate to labor and employment; and

WHEREAS, Liebert Cassidy Whitmore currently represents the City in one lawsuit; and

WHEREAS, the City Attorney's Office desires to amend the agreement with Liebert Cassidy Whitmore; and

WHEREAS, the City Attorney's office has drafted a Fourth Amendment to the Legal Services agreement with Liebert Cassidy Whitmore to continue services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Fourth Amendment to the Legal Services Agreement with Liebert Cassidy Whitmore in the amount of \$110,000, for a total amount not to exceed \$387,500 to continue representing the City of Modesto in labor and employment matters, as provided in **Exhibit A attached** hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager or his designee, are hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

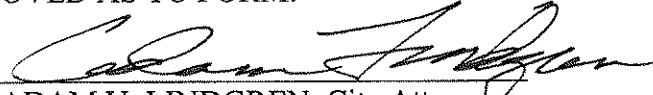
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

FOURTH AMENDMENT TO LEGAL SERVICES AGREEMENT

This Fourth Amendment for Legal Services (this “**Fourth Amendment**”), is made and entered into on _____ day of _____ 2018 (“**Effective Date**”), by and between the **CITY OF MODESTO**, a California Municipal Corporation (“**City**”), and **LIEBERT CASSIDY WHITMORE**, (“**Attorney**”), located at 5250 N. Palm Avenue, Suite 310, Fresno, California 93704. City and Attorney are hereinafter collectively referred to as the “**Parties**,” and singularly as “**Party**”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement (“**Agreement**”) for services for legal advice, representation and assistance on matters involving labor and employment law; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees from \$277,500 to \$387,500.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Liebert Cassidy Whitmore, dated August 8th, 2016, amended by Resolution Nos. 2016-510, 2017-273 and 2017-501 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

a. “**Hourly Rates:**

Partners	\$350.00	per hour
Senior Counsel	\$305.00	per hour
Associates	\$200.00- \$285.00	per hour
Labor Relations/Human Resources Consultant	\$195.00 - \$230.00	per hour
Paraprofessionals & Litigation Support	\$125.00-\$170.00	per hour

The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “**Service**”), and for all authorized Reimbursable Expenses (as defined hereafter),

shall not exceed a total sum of three hundred eighty-seven thousand and five hundred dollars (\$387,500).”

3. **Entire Agreement.** The parties to this Fourth Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated August 8th, 2016, remain in full force and effect to the extent they are not in conflict with this Fourth Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Fourth Amendment. No alteration to the terms of this Fourth Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. **Authority.** The person signing this Fourth Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this Fourth Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Fourth Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

**ATTORNEY:
LIEBERT CASSIDY WHITMORE**

Federal I.D. No.

State I.D. No.

City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

Signature of Authorized Person

Title

Additional Signature (*if required*)

Title

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-330**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED JANUARY 24, 2017 WITH SHAW LAW GROUP, PC IN THE AMOUNT OF \$70,000, FOR A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$115,000, TO CONTINUE CONDUCTING PERSONNEL INVESTIGATION SERVICES AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, On January 24, 2017, the City entered into a standard legal services agreement with Shaw Law Group, PC for confidential personnel investigation services, in the amount of \$45,000; and

WHEREAS, the City has a need to continue attorney services for additional confidential investigations involving employees; and

WHEREAS, costs for the Shaw Law Group, PC will be paid by the department of the subject employee or subject department being investigated; and

WHEREAS, the City Attorney's office has drafted a First Amendment to the Legal Services agreement with Shaw Law Group, PC.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a First Amendment to the Legal Services Agreement with Shaw Law Group, PC, in the amount of \$70,000, for a total amount not to exceed \$115,000 to continue conducting personnel investigation services, as provided in **Exhibit A attached** hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager or his designee, are hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

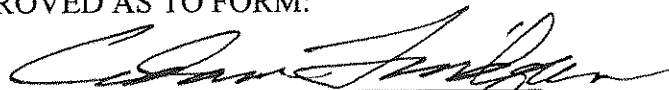
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

FIRST AMENDMENT TO LEGAL SERVICES AGREEMENT

This First Amendment to the Legal Services (this "**First Amendment**"), is made and entered into on ____ day of _____ 2018 ("**Effective Date**"), by and between the **CITY OF MODESTO**, a California Municipal Corporation ("**City**"), and **SHAW LAW GROUP, PC** a Professional Corporation ("**Attorney**"), located at 425 University Avenue, Suite 200 Sacramento, California 95825. City and Attorney are hereinafter collectively referred to as the "**Parties**," and singularly as "**Party**".

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement ("**Agreement**") to provide confidential personnel investigation services; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees from \$45,000 to \$115,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Shaw Law Group, PC dated January 24th, 2017, is amended as follows:

1. Section 2(a) of Paragraph 2, "Fees and Costs," Hourly Rates is amended to state as follows:

"The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the "**Service**"), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of one hundred and fifteen thousand dollars (\$115,000)."

2. **Entire Agreement.** The parties to this First Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated January 24, 2017, remain in full force and effect to the extent they are not in conflict with this First Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. No alteration to the terms of this First Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. **Authority.** The person signing this First Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this First Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

ATTORNEY:
SHAW LAW GROUP, PC,
a Professional Corporation

Federal I.D. No.

State I.D. No.

City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

Signature of Authorized Person

Title

Additional Signature (*if required*)

Title

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-331**

RESOLUTION AWARDING A HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) CHDO SET-ASIDE FUNDS LOAN IN THE AMOUNT OF \$98,200 AND A CHDO OPERATING FUNDS GRANT IN THE AMOUNT OF \$50,000 TO STANISLAUS COUNTY AFFORDABLE HOUSING CORPORATION (STANCO) FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENTS

WHEREAS, City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, a minimum of 15% of the City's annual HOME entitlement allocation, plus estimated program income, must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO), and

WHEREAS, a CHDO is a private nonprofit, community-based service organization with certain capacity and experience and whose primary purpose is to provide and develop decent, affordable housing for the community it serves, and

WHEREAS, the City has approximately \$51,944 in HOME CHDO Operating funds and approximately \$670,172 in HOME CHDO Set-Aside funds available to be awarded to eligible CHDOs, and

WHEREAS, on June 2, 2018, the Community and Economic Development Department (CEDD) released a Request for Proposals (RFP) for eligible CHDO organizations to submit housing project proposals, and

WHEREAS, two CHDO proposals were received that totaled less than the total amount available, and

WHEREAS, staff conducted a technical review of each application and found both applicants to meet the CHDO certification requirements, and

WHEREAS, the City of Modesto receives Home Investment Partnership Program (HOME) entitlement funds from the Department of Housing and Urban Development (HUD) annually, and

WHEREAS, HOME funds must be committed within 24 months of allocation; unallocated funds could be de-obligated by HUD, and

WHEREAS, the City must award HOME CHDO funding by August 31, 2018, or they are at risk of returning the funds to HUD, and

WHEREAS, on July 12, 2018 the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the project proposals and funding requests to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby award a HOME Investment Partnerships Program (HOME) CHDO Set-Aside Funds loan in the amount of \$98,200 and a CHDO Operating Funds grant in the amount of \$50,000 to Stanislaus County Affordable Housing Corporation (STANCO) for the development of affordable housing, and authorizing the City Manager or his designee to execute the agreements.

BE IT FURTHER RESOLVED; that the City Manager or his designee, is hereby authorized to execute all agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

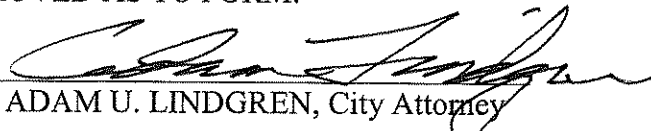
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-332**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR PROJECT BUDGET TO ESTABLISH A NON-CAPITAL PROJECT TO BE FUNDED IN THE AMOUNT OF \$98,200 WITH COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) SET-ASIDE FUNDS TO STANISLAUS COUNTY AFFORDABLE HOUSING AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$9,820 FOR NEW CONSTRUCTION/HOMEOWNERSHIP OF VINE STREET PERMANENT SUPPORTIVE HOUSING AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, a maximum of 5% of the City's annual HOME entitlement allocation can fund specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO), and

WHEREAS, a CHDO is a private nonprofit, community-based service organization with certain capacity and experience and whose primary purpose is to provide and develop decent, affordable housing for the community it serves, and.

WHEREAS, certain budgetary transactions are necessary in the amount of \$98,200, in order to fund Stanislaus County Affordable Housing with CHDO Operating funds, and

WHEREAS, the Fiscal year 2018-19 Multi-Year Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Multi-Year

Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

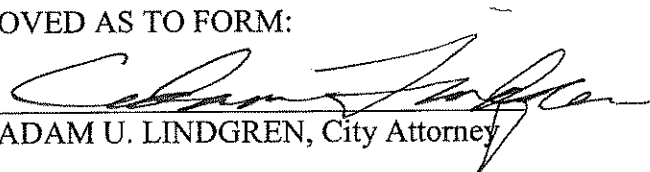
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

CHDO Applicant	Project Name	Project Type	Proposed Number of Units	CHDO Set Aside Funds Amount Requested	CHDO Operating Funds Amount Requested	Total Requested	Activity Delivery up to 10% (EN Funds)	Total Budget
Great Valley Housing Development Corporation	Edwards Estates Homeownership	New Construction Homeownership	2	\$488,657	\$0.00	\$488,657.00	\$48,865.70	\$537,522.70
Stanislaus County Affordable Housing	Nine Street Permanent Supportive Housing	New Construction Rental Housing	1	\$98,200	\$50,000	\$148,200	\$14,820	\$163,020
Total			3	\$586,857	\$50,000	\$636,857	\$63,686	\$700,543

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-333**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR PROJECT BUDGET TO ESTABLISH A NON-CAPITAL PROJECT TO BE FUNDED IN THE AMOUNT OF \$50,000 WITH COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) OPERATING FUNDS TO STANISLAUS COUNTY AFFORDABLE HOUSING AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$5,000 FOR THE VINE STREET PERMANENT SUPPORTIVE HOUSING AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, a minimum of 15% of the City's annual HOME entitlement allocation must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO), and

WHEREAS, a CHDO is a private nonprofit, community-based service organization with certain capacity and experience and whose primary purpose is to provide and develop decent, affordable housing for the community it serves, and

WHEREAS, certain budgetary transactions are necessary in the amount of \$50,000, in order to fund Stanislaus County Affordable Housing with CHDO Set-Aside funds, and

WHEREAS, the Fiscal year 2018-19 Multi-Year Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Multi-Year

Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

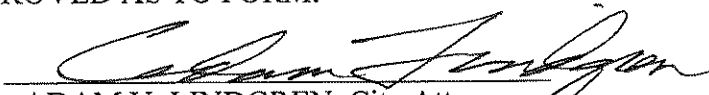
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

CHDO Applicant	Project Name	Project Type	Proposed Number of Units	CHDO Set Aside Funds Amount Requested	CHDO Operating Funds Amount Requested	Total Requested	Activity Delivery up to 10% (EN Funds)	Total Budget
Great Valley Housing Development Corporation	Edwards Estates Homeownership	New Construction Homeownership	2	\$488,857	\$0.00	\$488,857.00	\$48,885.70	\$537,522.70
Stanislaus County Affordable Housing	Nine Street Permanent Supportive Housing	New Construction Rental Housing	1	\$98,200	\$50,000	\$148,200	\$14,820	\$163,020
		Total	3	\$586,857	\$50,000	\$636,857	\$63,686	\$700,543

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-334**

**RESOLUTION AWARDING A HOME INVESTMENT PARTNERSHIPS
PROGRAM (HOME) CHDO SET-ASIDE FUNDS LOAN TO GREAT VALLEY
HOUSING DEVELOPMENT CORPORATION IN THE AMOUNT OF \$488,657
FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, AND
AUTHORIZING THE CITY MANAGER OF HIS DESIGNEE TO EXECUTE
THE AGREEMENTS**

WHEREAS, City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, a minimum of 15% of the City's annual HOME entitlement allocation, plus estimated program income, must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO), and

WHEREAS, a CHDO is a private nonprofit, community-based service organization with certain capacity and experience and whose primary purpose is to provide and develop decent, affordable housing for the community it serves, and

WHEREAS, the City has approximately \$51,944 in HOME CHDO Operating funds and approximately \$670,172 in HOME CHDO Set-Aside funds available to be awarded to eligible CHDOs, and

WHEREAS, on June 2, 2018, the Community and Economic Development Department (CEDD) released a Request for Proposals (RFP) for eligible CHDO organizations to submit housing project proposals, and

WHEREAS, two CHDO proposals were received that totaled less than the total amount available, and

WHEREAS, staff conducted a technical review of each application and found both applicants to meet the CHDO certification requirements, and

WHEREAS, the City of Modesto receives Home Investment Partnership Program (HOME) entitlement funds from the Department of Housing and Urban Development (HUD) annually, and

WHEREAS, HOME funds must be committed within 24 months of allocation; unallocated funds could be de-obligated by HUD, and

WHEREAS, the City must award HOME CHDO funding by August 31, 2018, or we are at risk of returning the funds to HUD, and

WHEREAS, on July 12, 2018 the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the project proposals and funding requests to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby award a HOME Investment Partnerships Program (HOME) CHDO Set-Aside funds loan to Great Valley Housing Development Corporation in the amount of \$488,657 for the development of affordable housing.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute all agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

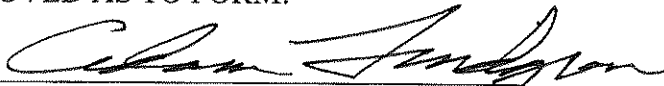
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-335**

RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 MULTI-YEAR PROJECT BUDGET TO ESTABLISH A NON-CAPITAL PROJECT TO BE FUNDED IN THE AMOUNT OF \$488,657 WITH COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) SET-ASIDE FUNDS TO GREAT VALLEY HOUSING DEVELOPMENT CORPORATION AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$48,865 FOR NEW CONSTRUCTION/HOMEOWNERSHIP OF EDWARDS ESTATES AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, a minimum of 15% of the City's annual HOME entitlement allocation must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO), and

WHEREAS, a CHDO is a private nonprofit, community-based service organization with certain capacity and experience and whose primary purpose is to provide and develop decent, affordable housing for the community it serves, and

WHEREAS, certain budgetary transactions are necessary in the amount of \$488,657, in order to fund Great Valley Housing Development Corporation with CHDO Set-Aside funds, and

WHEREAS, the Fiscal year 2018-19 Multi-Year Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Multi-Year

Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

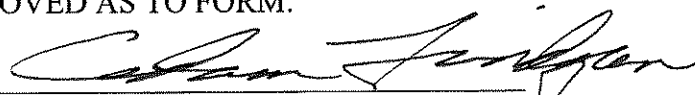
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Budget Resolution
EXHIBIT A

CHDO Applicant	Project Name	Project Type	Proposed Number of Units	CHDO Set Aside Funds Amount Requested	CHDO Operating Funds Amount Requested	Total Requested	Activity Delivery up to 10% (EN Funds)	Total Budget
Great Valley Housing Development Corporation	Edwards Estates Homeownership	New Construction Homeownership	2	\$488,657	\$0.00	\$488,657.00	\$48,865.70	\$537,522.70
Stanislaus County Affordable Housing	Vine Street Permanent Supportive Housing	New Construction Rental Housing	1	\$98,200	\$50,000	\$148,200	\$14,820	\$163,020
Total			3	\$586,857	\$50,000	\$636,857	\$63,686	\$700,543

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-336**

**RESOLUTION ACCEPTING THE CONTINUUM OF CARE, PLANNING
GRANT IN THE AMOUNT OF \$96,288, AND AUTHORIZING THE CITY
MANAGER OR HIS DESIGNEE, TO EXECUTE ALL NECESSARY FUNDING
AND GRANT DOCUMENTS**

WHEREAS, in 1988, the Stanislaus County Housing and Support Services Collaborative/Continuum of Care was formed (Continuum of Care), and

WHEREAS, a Continuum of Care is an integrated system of care that guides and tracks homeless individuals & families through a comprehensive array of housing & services designed to prevent and end homelessness, and

WHEREAS, since inception, this volunteer body has secured millions in grants from the U.S. Department of Housing & Urban Development to combat the impact of homelessness in our community, and

WHEREAS, the City took over the Collaborative Applicant role on July 2017, Resolution 2017-289, and

WHEREAS, as the Collaborative Applicant, the City is responsible to collect and submit the required Continuum of Care application information for all projects the StanCSOC selects for funding, and

WHEREAS, the City is also responsible for monitoring activities and providing technical assistance to the non-profit organizations receiving Continuum of Care funds, and

WHEREAS, additionally the City is responsible for administration and oversight of the HMIS for StanCSOC, and

WHEREAS, the first year a new entity is the Collaborative Applicant for a Continuum of Care, they have the opportunity to apply for a Planning Grant to help offset costs, and

WHEREAS, the City was awarded \$96,288 from the U.S. Department of Housing and Urban Development to support the Planning Grant, and

WHEREAS, the award includes funding for salary and benefits, in order to assist with coordination, project evaluation, monitoring and compliance of the COC program fund participants, and

WHEREAS, this item was presented to the Finance Committee on June 25, 2018 and was recommended to be forwarded to Council for approval.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the Continuum of Care Planning Grant in the amount of \$96,288.

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby authorized to execute all necessary funding and grant documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

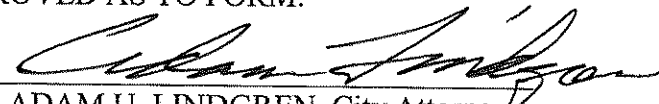
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-337**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE AGREEMENT WITH RALPH ANDERSEN AND ASSOCIATES IN THE AMOUNT OF \$38,600, FOR A TOTAL NOT TO EXCEED AGREEMENT AMOUNT OF \$110,100 TO INCLUDE CONDUCTING THE RECRUITMENT FOR TWO DEPUTY CITY MANAGER POSITIONS AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AN AGREEMENT

WHEREAS, on April 3, 2018, by Resolution No. 2018-133, Council approved an agreement with Ralph Andersen and Associates in an amount not to exceed \$71,500 to conduct the recruitment for Director of Community and Economic Development, Chief Building Official and Traffic Engineer, and

WHEREAS, the Deputy City Manager positions are currently vacant and are identified as critical positions and difficult to fill, and

WHEREAS, the Deputy City Managers are critical staff needed to meet the City's strategic commitments, and

WHEREAS, the City has received four proposals from executive recruitment firms, and

WHEREAS, staff recommends the City retain the services of Ralph Andersen and Associates to conduct the recruitments because of their previous successful recruitments, and

WHEREAS, consultant's professional fee is a total of \$38,600 to conduct the recruitment for these positions, and

WHEREAS, in addition to these professional fees, the City is responsible for all candidate expenses related to on-site interviews in an amount not to exceed \$5,000 per recruitment.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Modesto hereby approves a First amendment to the agreement with Ralph Andersen and Associates in the amount of \$38,600, for a total not to exceed agreement amount of \$110,100 to include conducting the recruitment for two Deputy City Manager positions.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the First Amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

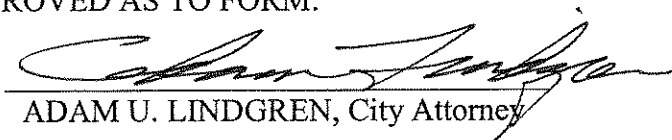
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-338**

**RESOLUTION ACCEPTING A 2017 PROPOSITION 1 SUSTAINABLE
GROUNDWATER PLANNING GRANT AWARD FOR \$1,000,000 AND ENTERING
INTO A GRANT AGREEMENT WITH DWR, ON BEHALF OF THE STANISLAUS
AND TUOLUMNE RIVERS GROUNDWATER BASIN ASSOCIATION
GROUNDWATER SUSTAINABILITY AGENCY AND AUTHORIZING THE CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL GRANT-RELATED
DOCUMENTS, AND ANY AMENDMENTS OR CHANGES THERETO**

WHEREAS, in September of 2014, Governor Edmund G. Brown signed into law the Sustainable Groundwater Management Act of 2014 which requires, among other items, the formation of Groundwater Sustainability Agencies (GSA) and the preparation of a Groundwater Sustainability Plan (GSP) with a focus on long-term sustainability, and

WHEREAS, the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA) has provided a forum for local agencies to work cooperatively to provide for coordinated planning in the pursuit of effective and sustainable management of the Sub-basin, and

WHEREAS, on January 24, 2017, by Resolution No. 2017-30, Council elected to enter into a Memorandum of Understanding with the member agencies to form a GSA for the Sub-basin, providing a mechanism for the agencies to fund the work of the STRGBA GSA, and

WHEREAS, on September 26, 2017, by Resolution No 2017-370, Council authorized the submittal of an application to DWR for the Sustainable Groundwater Planning Grant Program, and

WHEREAS, on April 4, 2018, the City, on behalf of the STRGBA GSA, received a notice of award for a 2017 Proposition 1 Sustainable Groundwater Planning Grant Award for \$1,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepting the award and entering into a funding agreement with the DWR for Proposition 1 Sustainable Groundwater Planning Grant funding for the development of a GSP.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to represent the City of Modesto in carrying out the City of Modesto's responsibilities under the funding agreement, and directed to execute all grant-related documents, and any amendments or changes thereto, and enter into an agreement to receive the grant funds; and signatory of grant invoice forms during requests for reimbursements and to certify disbursement requests.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

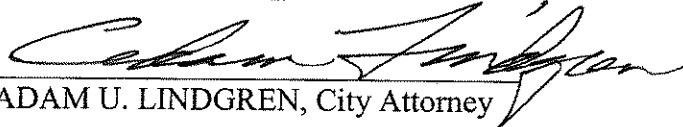
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-339**

RESOLUTION APPROVING THE STANISLAUS AND TUOLUMNE RIVERS GROUNDWATER BASIN ASSOCIATION GROUNDWATER SUSTAINABILITY AGENCY COST SHARING AGREEMENT FOR THE DEVELOPMENT OF A GROUNDWATER SUSTAINABILITY PLAN, IN AN AMOUNT NOT TO EXCEED \$469,296 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$146,930 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A TOTAL AMOUNT OF \$616,226, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on May 7, 2014, the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA) Issued Request for Quotes to update their Groundwater Management Plan, and

WHEREAS, through the STRGBA selection process, Todd Groundwater was selected, and

WHEREAS, the process to update the Groundwater Management Plan was put on hold to incorporate the new requirements from the Sustainable Groundwater Management Act (SGMA), and

WHEREAS, in September of 2014, Governor Edmund G. Brown signed into law the Sustainable Groundwater Management Act of 2014 which requires, among other items, the formation of Groundwater Sustainability Agencies (GSA) and the preparation of a Groundwater Sustainability Plan (GSP) with a focus on long-term sustainability, and

WHEREAS, development and adoption of a GSP must occur no later than January 31, 2022 for high and medium priority basins not currently in critical overdraft, such as the Modesto Sub-basin (Sub-basin), and

WHEREAS, the STRGBA member agencies are all local agencies, pursuant to SGMA's definition, and

WHEREAS, the STRGBA member agencies include the cities of Oakdale, Riverbank, Modesto, and Waterford; Stanislaus County; Oakdale Irrigation District; and Modesto Irrigation District, and

WHEREAS, since its inception in 1994, STRGBA has provided a forum for local agencies to work cooperatively to provide for coordinated planning in the pursuit of effective and sustainable management of the Sub-basin, and

WHEREAS, on January 24, 2017, by Resolution No. 2017-30, Council elected to enter into a Memorandum of Understanding (MOU) with the member agencies to form a GSA for the Sub-basin, and

WHEREAS, the MOU provides a mechanism for the agencies to fund the work of the STRGBA GSA, and

WHEREAS, on August 24, 2017, STRGBA GSA authorized Todd Groundwater to develop and submit a grant application package to Department of Water Resources (DWR) 2017 Sustainable Groundwater Planning Grant Program to help fund the preparation of the GSP, and

WHEREAS, Todd Groundwater's cost estimate to prepare and submit the GSP is \$1,469,296, and

WHEREAS, STRGBA GSA also authorized the City to be the grant applicant and act as the contracting agency with Todd Groundwater, and

WHEREAS, on September 26, 2017, by Resolution No 2017-370, Council authorized the submittal of an application to DWR for the Sustainable Groundwater Planning Grant Program, and authorized the City Manager or his designee to execute all grant-related documents, if awarded, and

WHEREAS, on April 4, 2018, the City, on behalf of the STRGBA GSA, received a 2017 Proposition 1 Sustainable Groundwater Planning Grant Award for \$1,000,000, which will cover 68% of the GSP preparation cost, and

WHEREAS, the balance of the GSP cost (\$1,469,296) minus the grant amount, (\$1,000,000) or \$469,296, will be divided equally among the agencies that make up the STRGBA GSA, and

WHEREAS, the STRGBA GSA members have agreed to enter into a cost sharing agreement to provide funding for costs in excess of the grant amount, and

WHEREAS, the governing board for each local agency will authorize the execution of the cost sharing agreement, and

WHEREAS, following Council approval, the City will enter into a grant agreement with DWR, on behalf of the STRGBA GSA, and initiate the preparation of a GSP, as required by SGMA.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Stanislaus and Tuolumne Rivers Groundwater Basin Association Groundwater Sustainability Agency Cost Sharing Agreement for the development of a Groundwater Sustainability Plan.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

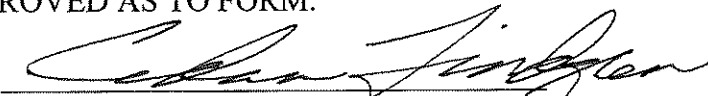
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-340**

RESOLUTION APPROVING AN AGREEMENT WITH TODD GROUNDWATER FOR THE DEVELOPMENT OF A GROUNDWATER SUSTAINABILITY PLAN FOR THE MODESTO SUB-BASIN, IN AN AMOUNT NOT TO EXCEED \$1,469,296 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$146,929 FOR ADDITIONAL SERVICES (IF NEEDED) FOR A TOTAL AMOUNT OF \$1,616,225 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on May 7, 2014, the Stanislaus and Tuolumne Rivers Groundwater Basin Association (STRGBA) Issued Request for Quotes to update their Groundwater Management Plan, and

WHEREAS, through the STRGBA selection process, Todd Groundwater was selected, and

WHEREAS, the process to update the Groundwater Management Plan was put on hold to incorporate the new requirements from the Sustainable Groundwater Management Act (SGMA), and

WHEREAS, in September of 2014, Governor Edmund G. Brown signed into law the Sustainable Groundwater Management Act of 2014 which requires, among other items, the formation of Groundwater Sustainability Agencies (GSA) and the preparation of a Groundwater Sustainability Plan (GSP) with a focus on long-term sustainability, and

WHEREAS, development and adoption of a GSP must occur no later than January 31, 2022 for high and medium priority basins not currently in critical overdraft, such as the Modesto Sub-basin (Sub-basin), and

WHEREAS, since its inception in 1994, STRGBA has provided a forum for local agencies to work cooperatively to provide for coordinated planning in the pursuit of effective and sustainable management of the Sub-basin, and

WHEREAS, on January 24, 2017, by Resolution No. 2017-30, Council elected to enter into a Memorandum of Understanding (MOU) with the member agencies to form a GSA for the Sub-basin authorizing the City to be the grant applicant and act as the contracting agency with Todd Groundwater.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Todd Groundwater, Alameda, CA for the Development of a Groundwater Sustainability Plan for the Modesto Sub-basin in an amount not to exceed \$1,469,296, for the identified scope of services, plus \$146,929 for additional services, if needed, for a maximum total amount of \$1,616,225.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

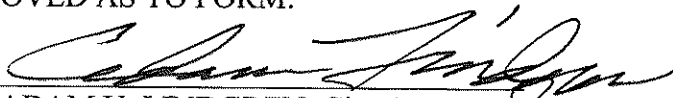
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-341**

**RESOLUTION AMENDING THE FY 2019 MULTI-YEAR BUDGET IN THE
AMOUNT OF \$1,776,225 THROUGH THE CREATION OF NON-CAPITAL CIP
PROJECT 101131 - GSP MODESTO SUB-BASIN**

WHEREAS, certain budgetary transactions are necessary in the amount of \$1,776,225, in order to fund a consultant agreement and City staff time in support of the Development of a Groundwater Sustainability Plan for the Modesto Sub-basin, and

WHEREAS, the Fiscal Year 2019 Multi-Year Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2019 Multi-Year Budget as shown in **Exhibit A**, attached hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

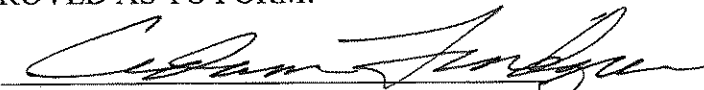
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

A total of \$1,776,225 is being requested from Water reserves to establish the budget of this new multi-year account:

**Multi-Year Account 101XXX
Groundwater Sustainability Plan - Modesto Sub-Basin**

Expenses

Consultant Agreement	\$ 1,616,225.00
City Staff Time	\$ 160,000.00
	<hr/>
	\$ 1,776,225.00

Revenue

Prop 1 Sustainable Groundwater Planning Grant	\$ 1,000,000.00
Cost Share Agreement with STRGBA GSA	\$ 539,197.40
Less the City's 1/8 Contribution	
	<hr/>
	\$ 1,539,197.40

Estimated Net Cost to City **\$ 237,027.60**

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-342**

**RESOLUTION ACCEPTING THE J.M. PIKE PARK AND GARRISON PARK
IMPROVEMENTS PROJECT AS COMPLETE, AUTHORIZING ALL
NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER,
RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING
\$683,444 TO BARHAM, INC. DBA BZ CONSTRUCTION OF CERES, CA**

WHEREAS, on March 13, 2018, by Resolution No. 2018-111, Council awarded a contract to Barham, Inc. dba BZ Construction for the construction of the J.M. Pike Park and Garrison Park Improvements project, and

WHEREAS, there were 10 change orders resulting in an overall increase of \$33,329 for change order work, and

WHEREAS, the J.M. Pike Park and Garrison Park Improvements project has been completed by Barham, Inc. dba BZ Construction, of Ceres, Ca in accordance with the contract agreement dated March 13, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the J.M. Pike Park and Garrison Park Improvements project is hereby accepted as complete from said contractor, Barham, Inc. dba BZ Construction, of Ceres, Ca, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$683,444 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

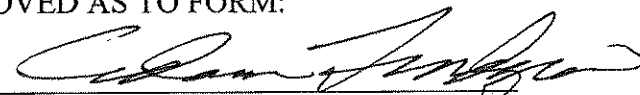
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-343**

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE AREA 2 STORM WATER TO SANITARY SEWER CROSS CONNECTION REMOVAL PROJECT- PHASE 2 ROOSEVELT PARK, ACCEPTING THE BID, AND APPROVING A CONSTRUCTION CONTRACT WITH D.A. WOODS CONSTRUCTION, INC., MODESTO, CA, IN THE AMOUNT OF \$6,124,356 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, specifications have been prepared for the Area 2 Storm Water to Sanitary Sewer Cross Connection Removal Project – Phase 2 Roosevelt Park, and

WHEREAS, the bids received for the Area 2 Storm Water to Sanitary Sewer Cross Connection Removal Project – Phase 2 Roosevelt Park were opened at 11:00 a.m. on June 5, 2018 pursuant to Modesto Municipal Code section 8-3.403 and Charter section 1307, and

WHEREAS, the Director of Utilities and the City Manager has recommended that the bid of \$6,124,355.50 received from D.A. Woods Construction Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to D.A. Woods Construction, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications for Area 2 Storm Water to Sanitary Sewer Cross Connection Removal Project – Phase 2 Roosevelt Park and accepts the bid of \$6,124,356 and awards D.A. Woods Construction, Inc., of Modesto, CA the construction contract.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

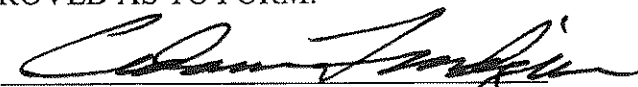
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-344**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$1,683,893 TO BE TRANSFERRED INTO THE PROJECT FROM WASTEWATER RESERVES TO FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE AREA 2 STORM WATER TO SANITARY SEWER CROSS CONNECTION REMOVAL – PHASE 2 ROOSEVELT PARK PROJECT, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, certain budgetary transactions are necessary in the amount of \$1,683,893, in order to fund a construction contract and City staff time in support of the Roosevelt Park Cross Connection Project, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Capital Improvement Program Budget as shown in **Exhibit A, attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

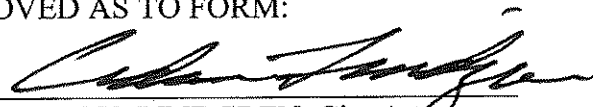
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

A total of \$1,683,893 is being requested from wastewater reserves to revise the budget of CIP project 100793 – Roosevelt Park Cross Connection

100793 - Roosevelt Park Cross Connection

	PJTD Budget	PJTD Actual	PJTD Commitment	PJTD Available
CA	\$ 462,114.00	\$ 501.43	\$ -	\$ 461,612.57
CON	\$ 4,621,135.00	\$ -	\$ -	\$ 4,621,135.00
CTGY	\$ 462,114.00	\$ -	\$ -	\$ 462,114.00
EDA	\$ 761,791.00	\$ 515,954.91	\$ 167,229.36	\$ 78,606.73
CCF	\$ -	\$ -	\$ -	\$ -
	\$ 6,307,154.00	\$ 516,456.34	\$ 167,229.36	\$ 5,623,468.30

	Agenda Report Request	Amount Required	Budget Adjustment
CA	\$ 489,949.00	\$ 28,336.43	\$ 28,336
CON	\$ 6,124,356.00	\$ 1,503,221.00	\$ 1,503,221
CTGY	\$ 489,949.00	\$ 27,835.00	\$ 27,834
EDA	\$ 153,109.00	\$ 74,502.27	\$ 74,502
CCF	\$ 50,000.00	\$ 50,000.00	\$ 50,000
	\$ 7,307,363.00	\$ 1,683,894.70	\$ 1,683,893

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-345**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE
CARPENTER ROAD LANDFILL MITIGATION PROJECT, ACCEPTING THE
BID, AND APPROVING A CONSTRUCTION CONTRACT WITH PACIFIC
STATES ENVIRONMENTAL CONTRACTORS, INC. OF DUBLIN, CA, IN THE
AMOUNT OF \$3,776,598 AND AUTHORIZING THE CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE THE CONTRACT**

WHEREAS, specifications have been prepared for the Carpenter Road Landfill Mitigation Project, and

WHEREAS, the bids received for the Carpenter Road Landfill Mitigation Project were opened at 11:00 a.m. on July 17, 2018 and

WHEREAS, the Director of Utilities has recommended that the bid of \$3,776,598 received from Pacific States Environmental Contractors, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to Pacific States Environmental Contractors, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the specifications for the Carpenter Road Landfill Mitigation Project, accepts the bid of \$3,776,598 and awards Pacific States Environmental Contractors, Inc., of Dublin, CA, the contract for the Carpenter Road Landfill Mitigation Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

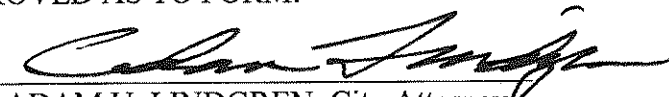
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-346**

**RESOLUTION AUTHORIZING AN INCREASE IN THE DIRECTOR'S
AUTHORITY TO ISSUE CHANGE ORDERS FOR THE CARPENTER ROAD
LANDFILL MITIGATION PROJECT FROM 8 PERCENT (\$302,128) TO 10
PERCENT (\$377,660) OF THE CONSTRUCTION CONTRACT AMOUNT**

WHEREAS, on August 14, 2018, the City Council is concurrently awarding a \$3,776,598 contract Pacific States Environmental Contractors, Inc. of Dublin, CA, for the construction of the Carpenter Road Landfill Mitigation Project, and

WHEREAS, the City owns and maintains the Carpenter Road Landfill, and

WHEREAS, given the nature of the project, additional work may be needed to address unexpected conditions that require changes in project scope that may exceed the Director's change order authority of 10%, as established by the Council's Change Order Approval Policy adopted by Resolution No. 94-443, and

WHEREAS, the Director of Utilities currently has authority to approve change orders up to a cumulative amount of \$302,128, and

WHEREAS, staff recommends that the Director's change order authority be increased to 10%.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the Director of Utilities to issue change orders for the Carpenter Road Landfill Mitigation Project from 8 percent (\$302,128) to 10 percent (\$377,660) of the construction contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

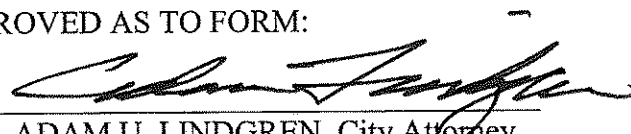
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-347**

RESOLUTION APPROVING AN AGREEMENT WITH CONSOLIDATED CM, INC., OF OAKLAND, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE CARPENTER ROAD LANDFILL MITIGATION PROJECT IN THE AMOUNT OF \$179,797, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 35 PERCENT

WHEREAS, the Carpenter Road Landfill is owned and maintained by the City of Modesto, located in Stanislaus County, and

WHEREAS, gas monitoring began in 1993 of the landfill, with the installation of six gas probes along the northern boundary where residences are located, approximately 120-200 feet from the landfill, and

WHEREAS, in 2005, methane was reported in a gas probe at concentrations above the regulatory limit, and

WHEREAS, due to this, in January 2007, CalRecycle required the City to conduct an assessment of the groundwater and landfill gas. A Site Assessment work plan was submitted in July 2007, and

WHEREAS, in February 2014, the Central Valley Regional Water Quality Control Board (RWQCB) met with City staff to discuss the extent of the VOC groundwater impacts, and

WHEREAS, determined that a final closure cap would need to be installed and a Corrective Action Plan and Post Closure Maintenance and Monitoring Plan would need to be submitted, and

WHEREAS, on March 4, 2015, the RWQCB issued a Cleanup and Abatement Order (CAO R5-2015-0700), which specified that the waste on the east landfill area

needed to be excavated and moved to the west landfill area, and that a final cover had to be installed on the west landfill area to address the detection of VOCs in the groundwater, and

WHEREAS, due to the limited availability of the City's Construction Administration staff and the complexity of this project, staff recommends utilizing a consultant to provide construction management, inspection and materials testing services throughout the construction phase, and

WHEREAS, on January 16, 2018, by Resolution No. 2018-10, Council approved the Pre-qualified Consultant List for Construction Management and Inspection Services for Various Capital Improvement Projects. A Request for Proposals was issued to the top three firms, NV5, Inc., Consolidated CM, Inc., and Vali Cooper and Associates, and after review, Consolidated CM, was selected as the most qualified firm for the project. Consolidated CM demonstrated experience with multiple projects similar in scope and size, and

WHEREAS, therefore, staff is seeking Council approval for a professional services agreement and is recommending that the Council authorize the City Manager to approve amendments to this agreement up to 35 percent, if needed during construction.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with Consolidated CM, Inc. for Construction Management and Inspection services for the new Carpenter Road Landfill Mitigation project, for \$179,797 and authorizing the City Manager, or his designee, to execute the agreement and any amendments up to a cumulative amount of 35 percent.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

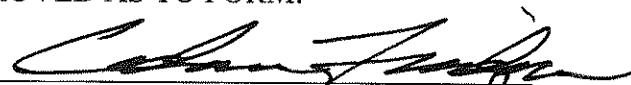
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-348**

RESOLUTION APPROVING A FIFTH AMENDMENT TO THE AGREEMENT WITH SCS ENGINEERS, INC. OF MODESTO, CA, FOR ENVIRONMENTAL QUALITY ASSURANCE, MONITORING, AND LANDFILL CLOSURE SUPPORT WORK IN AN AMOUNT NOT TO EXCEED \$520,000, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 10 PERCENT

WHEREAS, the City of Modesto owned and operated the Carpenter Road Landfill from 1956 to 1968, and the landfill includes fill sites on both the east and west sides of Carpenter Road, along the Tuolumne River, and

WHEREAS, the City is required by State law to perform post closure landfill maintenance, monitoring, and reporting for the landfill site, and

WHEREAS, in December 2005, it appeared that methane gas levels at the landfill's Northern boundary exceeded the maximum limits, and the California Integrated Waste Management Board (CIWMB) required the City to determine the cause and develop a Mitigation and Monitoring Plan, and

WHEREAS, the Central Valley Regional Water Quality Control Board (CVRWQCB) subsequently required the City to assess the potential for groundwater impacts, and

WHEREAS, on June 12, 2007 by Resolution No. 2007-341, Council authorized a Professional Services Agreement with SCS Engineers, Inc. in an amount not to exceed \$299,500 to assess the landfill and recommend corrective action, and

WHEREAS, after the initial site assessment, Resolution No. 2007-728 authorized a no-cost Letter Amendment to shift the focus of the work to installation of gas probes,

design and installation of groundwater monitoring wells, and ongoing monitoring and reporting of methane gas and groundwater, and

WHEREAS, the assessment determined that migration of methane gas past the boundaries of the landfill was not a problem, but that a groundwater monitoring event determined that the landfill had experienced a “release” that could potentially have affected groundwater, and

WHEREAS, an engineering feasibility study had to be completed and the CVRWQCB required the City to submit a Corrective Action Plan (CAP), and

WHEREAS, in May 2009 by Resolution 2009-199, Council approved a Second Amendment to the Agreement with SCS Engineers, Inc. to further evaluate the site, develop the CAP, and provide ongoing monitoring and reporting services in an amount not to exceed \$242,000, and

WHEREAS, in November 2010, after conducting 12 hydro punch borings to sample groundwater and analyzing them for Volatile Organic Compounds (VOC’s), SCS submitted the CAP to the CVRWQCB proposing to use an injection of a hydrogen releasing compound to remediate any groundwater impacts, and

WHEREAS, subsequently , the VOC concentrations began to consistently decline, and City staff and SCS Engineers, Inc. determined that the proposed CAP needed to be re-evaluated, and

WHEREAS, in August 2013, by Resolution No. 2013-277, Council approved a Third Amendment to the Agreement with SCS Engineers, Inc. for ongoing monitoring, lab analysis, compliance reports, corrective action monitoring and maintenance, and re-evaluating and implementing the CAP in a cost not to exceed \$290,500, and

WHEREAS, in October 2014, a revised CAP and post closure maintenance plan was submitted to the CVRWQCB and in March 2015, the CVRWQCB issued the City a Cleanup and Abatement Order (CAO R5-2015-0700) requiring the City to clean close the Eastern Fill, move all the waste to the Western Fill, install a final cover atop the Western Fill, and construct a storm water retention basin, and

WHEREAS, in April 2015, SCS Engineers, Inc. submitted the plans and drawings to address the CAO and it was conditionally approved by the CVRWQCB in July 2016, with mitigation to be completed by October 2017, and

WHEREAS, the Central Valley experienced a significant wet winter at the end of 2016 and into the beginning of 2017, with the Tuolumne River above flood stage and not expected to completely recede until September or mid-October 2017, and

WHEREAS, the City petitioned the CVRWQCB in June 2017 for an extension to the CAO due to the groundwater elevation being higher than that of the waste to be excavated, and

WHEREAS, in mid-July the CVRWQCB approved the City's request to postpone the execution of the Clean Closure Work Plan with the condition that the approved background soil assessment would be completed and submitted to the water board by October 20, 2017 and the Final Construction and Completion Report for the CAO would be submitted no later than October 31, 2018, and

WHEREAS, in September 2017, by Resolution No. 2017-341, the Council approved a Fourth Amendment to the Agreement with SCS Engineers, Inc. to complete these tasks and carry the project through December 31, 2018 in a cost not to exceed \$92,349, and

WHEREAS, in order to provide design and environmental compliance support during construction, given the unique and specialized expertise required for clean closing a landfill, and given the SCS has been the Engineer-of-Record for the Project, and to stay in compliance with the CAO and the CVRWQCB, it is necessary to execute a Fifth Amendment, and

WHEREAS, funds are collected in the garbage rate for the mitigation project, estimated to cost \$5,039,054, and to date the Carpenter Road Landfill Fund (Fund 4893-56016) has approximately \$2.3 million, and

WHEREAS, a loan for \$2,300,000 will be taken from the Water Fund Reserves to the Carpenter Road Landfill Clean Closure Mitigation Fund, to be paid back with interest from future revenue collected on the garbage rates.

NOW THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Fifth Amendment to the Agreement with SCS Engineers, Inc. for environmental quality assurance, monitoring, and landfill closure support work for the Carpenter Road Landfill in an amount not to exceed \$520,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Fifth Amendment to the Agreement and any amendments up to a cumulative amount of 10 percent, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-349**

**RESOLUTION APPROVING A SIX YEAR INTERFUND LOAN IN THE
AMOUNT OF \$2,300,000 FROM THE WATER FUND RESERVES TO THE
CARPENTER ROAD LANDFILL CLEAN CLOSURE MITIGATION PROJECT,
TO BE PAID BACK WITH INTEREST FROM FUTURE REVENUE
COLLECTED ON THE GARBAGE RATES**

WHEREAS, the City of Modesto owned and operated the Carpenter Road Landfill from 1956 to 1968, and the landfill includes fill sites on both the east and west sides of Carpenter Road, along the Tuolumne River, and

WHEREAS, the City is required by State law to perform post closure landfill maintenance, monitoring, and reporting for the landfill site, and

WHEREAS, gas monitoring began in 1993, and in 2005, it appeared that methane gas levels at the landfill's Northern boundary exceeded the maximum limits, and the California Integrated Waste Management Board (CIWMB) required the City to determine the cause and develop a Mitigation and Monitoring Plan, and

WHEREAS, in January 2007, the Central Valley Regional Water Quality Control Board (CVRWQCB) required the City to conduct an assessment of the potential for landfill gas and groundwater impacts, and

WHEREAS, in June 2007 by Resolution No. 2007-341, the Council authorized a Professional Services Agreement with SCS Engineers, Inc. to assess the landfill and recommend corrective action, and

WHEREAS, gas probes and groundwater monitoring wells were installed and confirmed the presence of volatile organic compounds (VOCs), and

WHEREAS, in December 2007 by Resolution No. 2007-730, the Carpenter Road Landfill Fund was established and mitigation fees were assessed on the garbage rates of

\$0.50 per household per month for residential, \$0.90 per cubic yard for commercial, and \$5.00 per pull for industrial waste, and

WHEREAS, in February 2014, the Central Valley Regional Water Quality Control Board (RWQCB) met with City staff to discuss the extent of the VOCs groundwater impacts, and based on those discussions it was determined a final closure cap would be needed and a Correction Action Plan and Post Closure Maintenance and Monitoring Plan would be required, and

WHEREAS, in July 2014 by Resolution No. 2017-207, the residential and commercial fees were suspended due to the Carpenter Road Landfill Fund having reached \$1.8 million and it was deemed that those funds would sufficiently cover the mitigation costs, and

WHEREAS, in March 2015, the RWQCB issued a Cleanup and Abatement Order (CAO R5-2015-0700) and in July 2016, the City submitted a revised Clean Closure Work Plan, and

WHEREAS, in July 2016 the City received an Engineer's Estimate from SCS Engineers of \$2.6 million for the final landfill closure and in order to fund the project, in July 2016 by Resolution No. 2016-307, a residential fee of \$0.50 per household per month and a commercial fee of \$0.91 per cubic yard were reinstated as part of the garbage rates, and

WHEREAS, the project was to start in the spring of 2017, however due to the significant storm event that occurred in the winter of 2017, the project was delayed, and

WHEREAS, at the end of Fiscal Year 17/18, the Carpenter Road Landfill Fund had approximately \$2.3 million, and

WHEREAS, this project went out to bid and the project construction, the construction administration of the project, and the environmental compliance, quality assurance and design support required for a landfill clean closure project are estimated at \$5,039,054, and will be starting in September 2018, and

WHEREAS, approximately \$629,500 is received annually in revenue from the garbage rates, and

WHEREAS, staff is proposing an interfund loan in the amount of \$2,300,000 from the Water Fund Reserves to the Carpenter Road Landfill Fund to assist with the funding of this project so that the project remains within the parameters of the set schedule approved by the Regional Water Quality Control Board, and

WHEREAS, City policy allows for interfund loans to be made at the interest rate of the City's investment portfolio, which is currently 1.49%, and

WHEREAS, if a loan of \$2,300,000 was established to be repaid over a six year term at 1.49%, the first payment of interest only of \$34,270 would be due on 9/4/2020, and the remaining five payments of principal and interest of \$480,764 will be due thereafter on 9/4/2021, 9/4/2022, 9/4/2023, 9/4/2024, and 9/4/2025 (see Attachment A – Amortization Schedule), and

WHEREAS, with the current established Carpenter Road Mitigation fees, this loan would be paid off by the end of Fiscal Year 2024 and the project would be completed and fully funded.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a six year loan in the amount of \$2,300,000 from the Water Fund Reserves to the Carpenter Road Landfill Fund for the Carpenter Road Landfill Clean

Closure Mitigation Project, to be paid back with interest from future revenue collected on the garbage rate.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

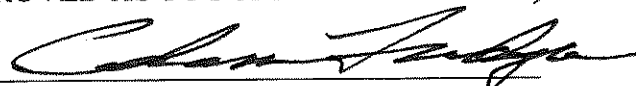
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-350**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 CAPITAL
IMPROVEMENT PROJECT BUDGET BY \$5,032,466 FOR THE CARPENTER
ROAD LANDFILL CLEAN CLOSURE MITIGATION PROJECT (101046),
INCLUDING A \$2,300,000 LOAN THAT WILL BE TRANSFERED FROM THE
WATER FUND (4100) TO THE CARPENTER ROAD LANDFILL FUND (4893)**

WHEREAS, the Carpenter Road Landfill is owned and maintained by the City of Modesto and includes two separate waste management units located on the east and west sides of Carpenter Road, and

WHEREAS, no liners are in place beneath the waste on either landfill area, and

WHEREAS, gas monitoring began in 1993 of the landfill, and

WHEREAS, in 2005, methane was reported in a gas probe at concentrations above the regulatory limit, and

WHEREAS, due to this in January 2007, CalRecycle required the City to conduct an assessment of the groundwater and landfill gas, and

WHEREAS, these actions confirmed the presence of volatile organic compounds (VOC's) in the groundwater, and

WHEREAS, based on these discussions, it was determined by the Central Valley Regional Water Quality Control Board (RWQCB) that a final closure cap would need to be installed and a Corrective Action Plan and Post Closure Maintenance and Monitoring Plan would need to be submitted, and

WHEREAS, based on that submittal the RWQCB issued a Cleanup and Abatement Order (CAO R5-2015-0700), which was to be completed by October 2017, and

WHEREAS, due to the significant storm event that occurred in the winter of 2017, RWQCB extended to project one year, to be completed December 2018, and

WHEREAS, project costs are substantially higher than initially budgeted for project, and

WHEREAS, certain budgetary transactions are necessary in the amount of **\$5,032,466**, are required, including a \$2,300,000 loan to be transferred from the Water Fund (4100) to the Carpenter Road Landfill Fund (4893), in order to fund the Carpenter Road Landfill Clean Closure Mitigation Project, and

WHEREAS, an Amortization Schedule has been prepared for the repayment of the loan, and

WHEREAS, the Fiscal Year 2018-2019 Carpenter Road Landfill Clean Closure Mitigation Project Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Carpenter Road Landfill Clean Closure Mitigation Project as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Due to additional unforeseen construction costs as well as the staff time required to administer the project a budget adjustment in the amount of \$5,032,466 is necessary to fully fund the Carpenter Road Landfill Clean Closure Mitigation Project 101046, which will include a \$2,300,000 loan to be transferred from the Water Fund Reserves Budget for Fiscal Year 2018-2019 into the Carpenter Road Landfill Clean Closure Mitigation Project 101046. The planned repayment of the loan is anticipated to take 6 years. Project 101046 currently has a budget of \$15,000.

Carpenter Road Landfill Mitigation 101046

	<u>PJTD Budget</u>	<u>PJTD Actual</u>	<u>PJTD Commt.</u>	<u>Anticipated Expense</u>	<u>Remaining Bdgt.</u>	<u>Adjust. Needed</u>
CON	\$ -	\$ -	\$ -	\$4,154,257.00		\$4,457,257.00
CA	\$ -	\$ 3,592.22	\$ -	\$292,797.00	-\$3,592.00	\$296,389.00
EDA	\$ 15,000.00	\$ 4,819.66	\$ -	\$5,920,000.00	\$10,180.00	\$581,820.00
	\$ 15,000.00	\$ 8,411.88	\$ -	\$ 5,039,054.00	\$6,588.00	5,032,466.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-351**

RESOLUTION APPROVING THE AWARD OF PROPOSAL AND CONTRACT FOR THE FURNISHING OF UNIFORM AND LAUNDRY SERVICES TO ARAMARK UNIFORM SERVICES, MODESTO, CA, FOR TWO (2) YEAR AGREEMENT WITH THREE (3) ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY, FOR AN ANNUAL COST NOT TO EXCEED \$160,323 AND A TOTAL AMOUNT NOT TO EXCEED \$801,615 OVER FIVE YEARS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Proposals (RFP) for the furnishing of uniform and laundry services, and

WHEREAS, the Purchasing Division issued RFB 1718-42 for uniform and laundry services for Citywide departments on the City's website under commodity codes for clothing athletic, casual, dress, uniforms blended fabric, uniforms cotton, uniforms synthetic fabric, work clothes, laundry and dry cleaning services, laundry and linen services, and rental or lease services of clothing services, and

WHEREAS, the proposals were formally opened in the City Clerk's office. Three (3) companies choose to respond, one of which was a local vendor. All companies provided responsive and responsible proposals, and

WHEREAS, an evaluation committee comprised of seven (7) City staff members evaluated and graded the proposals which included a representative from almost every City department, and

WHEREAS, based on being ranked highest in total evaluation criteria the evaluation committee recommends the award of proposal and contract for the furnishing of uniform and laundry services for Citywide use to Aramark Uniform Services, Modesto, CA, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of proposal and contract for the furnishing of uniform and laundry services for Citywide use to Aramark Uniform Services, Modesto, CA, conforms to the Modesto Municipal Code.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the award of proposal for the furnishing of uniform and laundry services for Citywide use to Aramark Uniform Services, Modesto, CA for an annual cost not to exceed \$160,323 and a total amount not to exceed \$801,615 over five years.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Ridenour, Zoslocki

NOES: Councilmembers: Ah You, Madrigal, Mayor Brandvold

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-352**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 1601 ELM AVE., MODESTO, CA (APN 007-039-012), OWNER: RONALD J. JOHNS AND KRISTIN D. STACKHOUSE-JOHNS, TRUSTEES OF THE RONALD & KRISTIN JOHNS FAMILY TRUST

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2;

and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee, easement, and a 24-month temporary construction easement, from property located at 1601 Elm Avenue, Modesto, California, APN 007-039-012, as more particularly described and depicted in **Exhibit A attached** hereto and made a part

hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements,

including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The easement described and depicted in **Exhibit A** as the M.I.D. Easement is being acquired in whole or in part pursuant to the provisions of Code of Civil Procedure Sections 1240.320, 1240.330 and 1240.350, as substitute property necessary for the relocation of public utility facilities, and as substitute property that is reasonably necessary and appropriate to provide utility service to property that is not acquired for such public use but will be cut off from utility service as a result of the acquisition by the fee interest;

9. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or

necessary in connection therewith; to deposit the probable amount of just compensation, based on an approved appraisal.

10. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
M.I.D. EASEMENT

SR132 Phase 1 Construction Project
The Ronald & Kristin Johns Family Trust to City of Modesto
APN: 007-039-012

Legal description

ALL that certain real property, being a portion of the lands described in Grant Deed to Ronald J. Johns and Kristin D. Stackhouse-Johns, Trustees of the Ronald & Kristin Johns Family Trust, filed for record July 14, 2008 as Document No. 2008-0075777, Stanislaus County Records, and situate in the southwest quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, and more particular described as follows:

A 20-foot wide strip of land, the northerly line of which is coincident with course (6) of the following described line:

COMMENCING at a 3/4" iron pipe, tagged LS 4876 in a monument well at the center 1/4 corner of Section 25, Township 3 South, Range 8 East, Mount Diablo Meridian, from which a 2" iron pipe with brass cap, stamped LS 5443, at the East 1/4 corner of said Section 25 bears North 89°31'37" East 2651.65 feet; thence South 59°35'43" East 271.57 feet to a point lying within the right-of-way of the future State Highway Route 132, as said right-of-way is shown on sheet 23 of State Highway map STA-132P PM 13.00, last said point being the **TRUE POINT OF BEGINNING**;

thence (1), South 00°04'34" West 89.01 feet;

thence (2), South 84°32'34" East 408.37 feet;

thence (3), South 82°10'44" East 383.20 feet;

thence (4), South 80°32'15" East 715.48 feet;

thence (5), South 76°39'16" East 735.94 feet;

thence (6), North 90°00'00" East 303.94 feet to a point on the future southerly right-of-way line of State Highway Route 132, as said right-of-way line is labeled "S 49°56'29" E 88.78'" on sheet 24 of State Highway map STA-132P PM 13.36;

thence (7), along said southerly right-of-way line and its southeasterly extension thereof, South 49°47'53" East 86.18 feet to a point lying within the right-of-way of Carpenter Road, and the terminal point of this description, said terminal point bears South 13°12'56" East 701.02 feet from aforementioned East 1/4 corner of Section 25. The southerly line of said strip to be lengthened or shortened to terminate at course (7), being also the West line of said Johns Family Trust land.

Containing (1,082 square feet Grid) 1,082 square feet [0.02 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



3/23/18

Parcel name: KANSAS-ROSEMORE SOUTH

North:	2058083.05	East :	6405306.91
Line Course:	S 59-35-43 E	Length:	271.57
	North: 2057945.61	East :	6405541.13
Line Course:	S 00-04-34 W	Length:	99.01
	North: 2057856.60	East :	6405541.01
Line Course:	S 84-32-34 E	Length:	408.37
	North: 2057817.76	East :	6405947.53
Line Course:	S 82-10-44 E	Length:	383.20
	North: 2057765.61	East :	6406327.17
Line Course:	S 80-32-15 E	Length:	715.48
	North: 2057647.99	East :	6407032.91
Line Course:	S 76-39-16 E	Length:	735.94
	North: 2057478.12	East :	6407748.98
Line Course:	S 90-00-00 E	Length:	303.94
	North: 2057478.12	East :	6408052.92
Line Course:	S 49-47-53 E	Length:	86.18
	North: 2057422.49	East :	6408118.74
Line Course:	N 13-12-56 W	Length:	701.02
	North: 2058104.94	East :	6407958.48
Line Course:	S 89-31-37 W	Length:	2651.65
	North: 2058083.05	East :	6405306.92

Perimeter: 6346.35 Area: 1,067,879 sq.ft. 24.52 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: S 87-59-22 E
Error North: -0.000 East : 0.008
Precision 1: 634,636.00

Parcel name: APN 007-032-012 MID

North: 2057478.11	East : 6408010.54
Line Course: S 90-00-00 E	Length: 42.37
North: 2057478.11	East : 6408052.91
Line Course: S 49-47-53 E	Length: 30.98
North: 2057458.12	East : 6408076.57
Line Course: N 90-00-00 W	Length: 65.87
North: 2057458.12	East : 6408010.70
Line Course: W 00-27-59 W	Length: 20.00
North: 2057478.12	East : 6408010.54

Perimeter: 159.22 Area: 1,082 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: N 25-30-46 W
Error North: 0.002 East : -0.001
Precision 1: 159,220,000.00

Ave.

3/4" IRON PIPE, TAGGED LS 4876 IN MON. WELL AT C.1/4 COR. SEC. 25, T3S R8E PER 31-M-79; POINT OF COMMENCEMENT

EXHIBIT 'B'
MID EASEMENT

CENTERLINE
1/4 SECTION LINE

N89°31'37"E 2651.65'(TIE)

KANSAS AVENUE

ROSEMORE

S59°35'43"E
271.57'(TIE)

TRUE POINT OF BEGINNING

S00°04'34"W
89.01'

EXISTING STATE RIGHT-OF-WAY LINE

S84°32'34"E 408.37'

S82°10'44"E 383.20'

S80°32'15"E
715.48'

SEE BELOW LEFT

N89°31'37"E 2651.65'(TIE)

20' **KANSAS AVENUE**

CENTERLINE

1/4 SECTION LINE

2" IRON PIPE w/BRASS CAP, STAMPED LS 5443 AT E. 1/4 COR. SEC. 25, T3S R8E PER CORNER RECORD #1866

EXISTING STATE RIGHT-OF-WAY LINE

S80°32'15"E
715.48'

S76°39'16"E

735.94'

SEE SHEET 2

SECTION 25
T.3 S., R.8 E.

SECTION 30
T.3 S., R.9 E.

CARPENTER Rd.
S131°2'56"E
701.02'(TIE)

SEE UPPER RIGHT



ELM AVENUE

N90°00'00"E
303.94'
S49°47'53"E 86.18'

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Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30, T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY

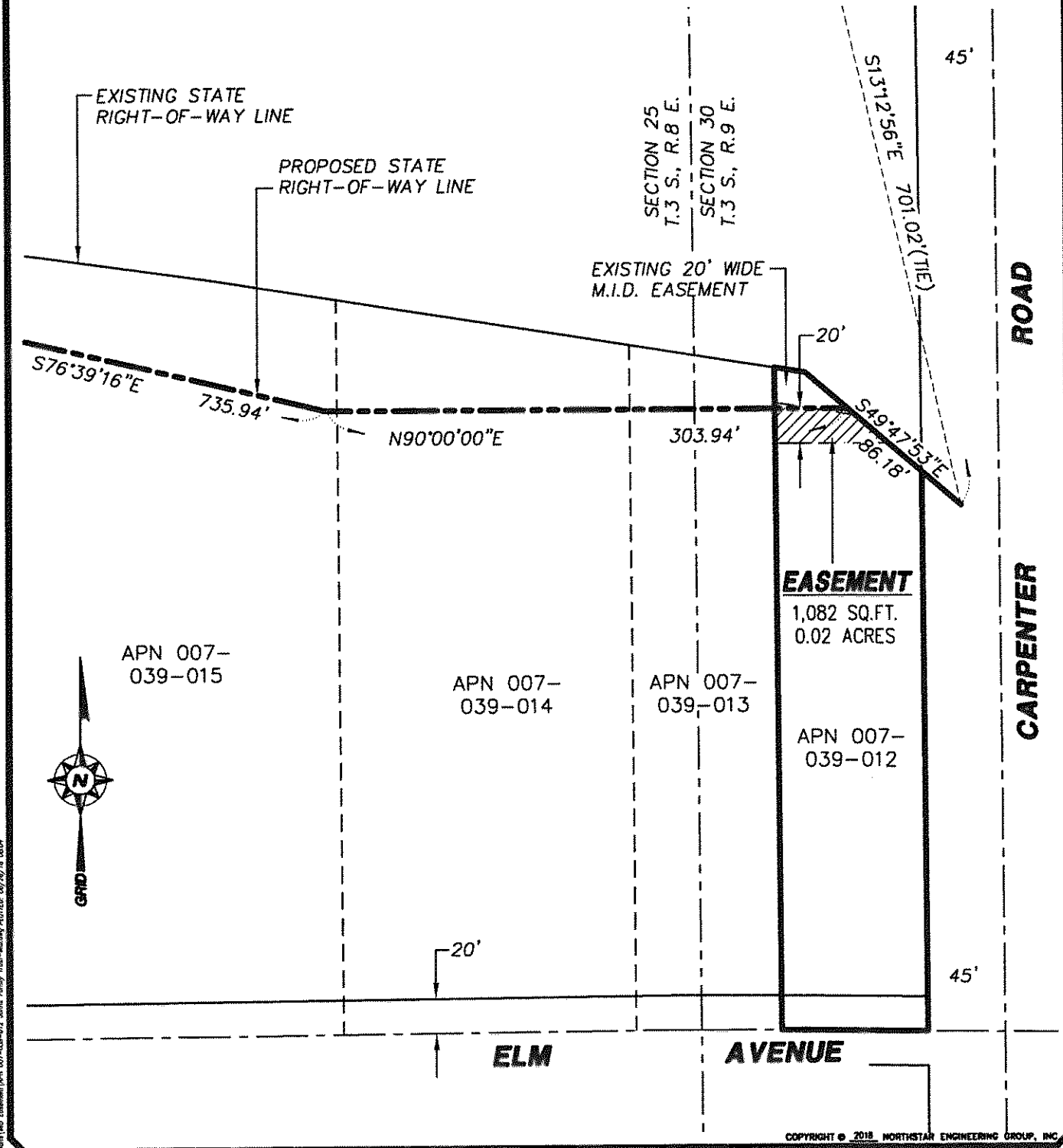
CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

01
OF **02**

DWG. NAME: PL17-1907_01-12; DATE: 06/26/18; DRAWN BY: RG; CHECKED BY: RG; DESIGNED BY: RG; PROJECT: 17-1907; SHEET: 01 OF 02; SCALE: 1"=200';

EXHIBIT 'B'
MID EASEMENT



APN 007-039-015

APN 007-039-014

APN 007-039-013

APN 007-039-012

EASEMENT
1,082 SQ.FT.
0.02 ACRES

ELM

AVENUE

ROAD
CARPENTER

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Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH
SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30,
T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	

02
OF **02**

D:\M\17-1907-002-012-EXP\Survey\Plat\North Star\Maping\Exhibit\APN_007-039-012_14x11.dwg PLOTTER: 06/26/18 08:04

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
The Ronald & Kristin Johns Family Trust to City of Modesto
APN: 007-039-012

Legal description

ALL that certain real property, being a portion of the lands described in Grant Deed to Ronald J. Johns and Kristin D. Stackhouse-Johns, Trustees of the Ronald & Kristin Johns Family Trust, filed for record July 14, 2008 as Document No. 2008-0075777, Stanislaus County Records, and situate in the southwest quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northerly of course (6) of the following described line:

COMMENCING at a 3/4" iron pipe, tagged LS 4876 in a monument well at the center 1/4 corner of Section 25, Township 3 South, Range 8 East, Mount Diablo Meridian from which a 2" iron pipe with brass cap, stamped LS 5443, at the East 1/4 corner of said Section 25 bears North 89°31'37" East 2651.65 feet; thence South 59°35'43" East 271.57 feet to a point lying within the right-of-way of the future State Highway Route 132, as said right-of-way is shown on sheet 23 of State Highway map STA-132P PM 13.00, last said point being the **TRUE POINT OF BEGINNING**;

thence (1), South 00°04'34" West 89.01 feet;

thence (2), South 84°32'34" East 408.37 feet;

thence (3), South 82°10'44" East 383.20 feet;

thence (4), South 80°32'15" East 715.48 feet;

thence (5), South 76°39'16" East 735.94 feet;

thence (6), North 90°00'00" East 303.94 feet to a point on the future southerly right-of-way line of State Highway Route 132, as said right-of-way line is labeled "S 49°56'29" E 88.78" on sheet 24 of State Highway map STA-132P PM 13.36;


thence (7), along said southerly right-of-way line and its southeasterly extension thereof, South 49°47'53" East 86.18 feet to a point lying within the right-of-way of Carpenter Road, and the terminal point of this description, said terminal point bears South 13°12'56" East 701.02 feet from aforementioned East 1/4 corner of Section 25.

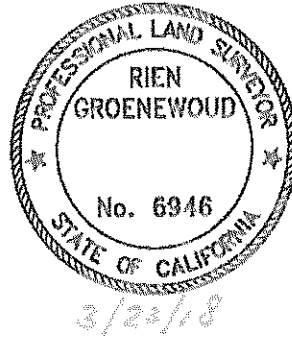
This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

Containing (655 square feet Grid) 655 square feet [0.02 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



Parcel name: APN 007-039-012 Area

North: 2057501.89 East : 6408010.34
Line Course: S 00-58-47 E Length: 17.99
North: 2057499.07 East : 6408028.11
Line Course: S 49-47-53 E Length: 32.47
North: 2057478.11 East : 6408052.91
Line Course: N 90-00-00 W Length: 42.37
North: 2057478.11 East : 6408010.54
Line Course: N 00-27-59 W Length: 23.78
North: 2057501.89 East : 6408010.35

Perimeter: 116.60 Area: 655 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 87-08-02 E
Error North: -0.000 East : 0.004
Precision 1: 116,610,000.00

Parcel name: KANSAS-ROSEMORE SOUTH

North: 2058083.05	East : 6405306.91
Line Course: S 59-35-43 E	Length: 271.57
North: 2057945.61	East : 6405541.13
Line Course: S 00-04-34 W	Length: 89.01
North: 2057856.60	East : 6405541.01
Line Course: S 84-32-34 E	Length: 408.37
North: 2057817.76	East : 6405947.53
Line Course: S 82-10-44 E	Length: 383.20
North: 2057765.61	East : 6406327.17
Line Course: S 80-32-15 E	Length: 715.48
North: 2057647.99	East : 6407032.91
Line Course: S 76-39-16 E	Length: 735.94
North: 2057478.12	East : 6407748.98
Line Course: S 90-00-00 E	Length: 303.94
North: 2057478.12	East : 6408052.92
Line Course: S 49-47-53 E	Length: 86.18
North: 2057422.49	East : 6408118.74
Line Course: N 13-12-56 W	Length: 701.02
North: 2058104.94	East : 6407958.48
Line Course: S 89-31-37 W	Length: 2651.65
North: 2058083.05	East : 6405306.92

Perimeter: 6346.35 Area: 1,067,879 sq.ft. 24.52 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: S 87-59-22 E
Error North: -0.000 East : 0.008
Precision 1: 634,636.00

Ave.
ROSEMORE

3/4" IRON PIPE, TAGGED LS 4876 IN
MON. WELL AT C.1/4 COR. SEC. 25,
T3S R8E PER 31-M-79;
POINT OF COMMENCEMENT

EXHIBIT 'B'
RIGHT-OF-WAY

CENTERLINE
1/4 SECTION LINE

N89°31'37"E 2651.65'(TIE)

KANSAS AVENUE

S59°35'43"E
271.57'(TIE)

T.P.O.B.

S00°04'34"W
89.01'

EXISTING STATE
RIGHT-OF-WAY
LINE

S84°32'34"E 408.37'

S82°10'44"E 383.20'

S80°32'15"E
715.48'

SEE BELOW LEFT

N89°31'37"E 2651.65'(TIE)

20' **KANSAS AVENUE**

CENTERLINE

2" IRON PIPE w/BRASS CAP,
STAMPED LS 5443 AT E. 1/4
COR. SEC. 25, T3S R8E PER
CORNER RECORD #1866

1/4 SECTION
LINE

EXISTING STATE
RIGHT-OF-WAY
LINE

S80°32'15"E
715.48'

S76°39'16"E

735.94'

SEE SHEET 2

SECTION 25
T.3 S., R.8 E.

SECTION 30
T.3 S., R.9 E.

S13°12'56"E
701.02'(TIE)

CARPENTER Rd.

SEE UPPER RIGHT

ELM AVENUE

N90°00'00"E
303.94'

S49°47'53"E 86.18'

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH
SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30,
T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY

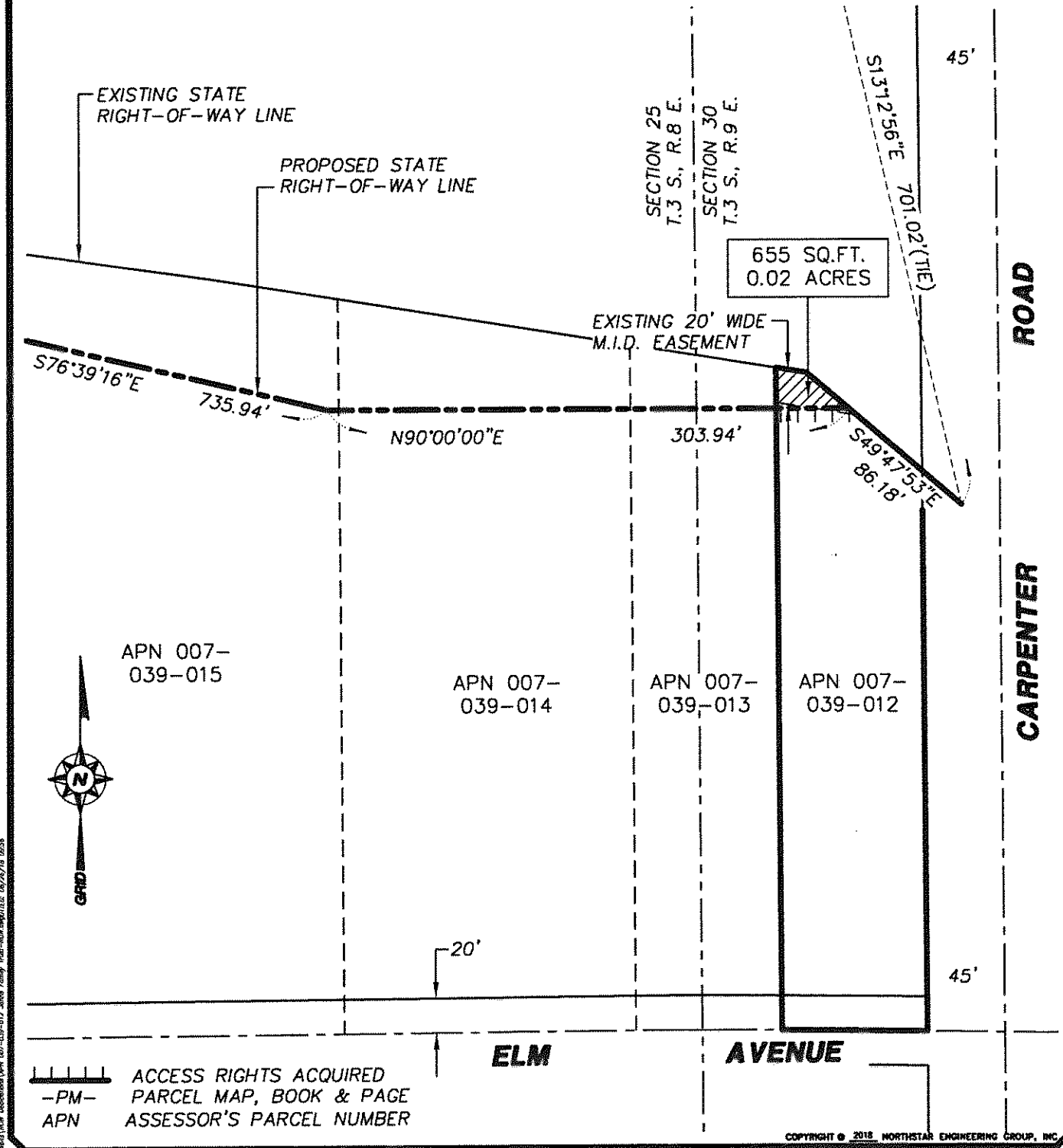
CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG

SHEET
01
OF
02

DWG NAME: J17-1907_01-12 Expressway Pl. (Lump) (Highway) (Public) (DOW) Dedication (Law 897-038-012 above Family Trust (MTR) (MPTED: 06/26/18 05:57

EXHIBIT 'B'
RIGHT-OF-WAY



APN 007-039-015

APN 007-039-014

APN 007-039-013

APN 007-039-012

—PM— ACCESS RIGHTS ACQUIRED
APN PARCEL MAP, BOOK & PAGE
ASSESSOR'S PARCEL NUMBER

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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH
SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30,
T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

02
OF **02**

DWF NAME: K:\UT-1907-25-122-Drawings\Plat\1707-1907-Subdivision\PM-007-039-012.dwg User: rgw Date: 06/26/18 09:58

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project

The Ronald & Kristin Johns Family Trust to City of Modesto

APN: 007-039-012

Legal description

ALL that certain real property, being a portion of the lands described in Grant Deed to Ronald J. Johns and Kristin D. Stackhouse-Johns, Trustees of the Ronald & Kristin Johns Family Trust, filed for record July 14, 2008 as Document No. 2008-0075777, Stanislaus County Records, and situate in the southwest quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying easterly of the following described line:

COMMENCING at a 2" iron pipe with brass cap, stamped LS 5443, at the West 1/4 corner of said Section 30, from which a 3/4" iron pipe, tagged LS 4876 in a monument well at the center 1/4 corner of Section 25, Township 3 South, Range 8 East, Mount Diablo Meridian, bears South 89°31'37" West 2651.65 feet; thence South 04°30'07" East 597.21 feet to a point lying within the right-of-way of the future State Highway Route 132, as said right-of-way is shown on sheet 24 of State Highway map STA-132P PM 13.36, last said point being the **TRUE POINT OF BEGINNING**;

thence (1), South 25°59'45" East 138.68 feet;

thence (2), southeasterly 40.66 feet along the arc of a curve concave to the southwest having a radius of 335.61 feet through a central angle of 06°56'32";

thence (3), along a non-tangent line South 03°20'28" East 193.09 feet;

thence (4), North 89°32'01" East 25.20 feet to a point lying within the right-of-way of Carpenter Road, and the terminal point of this description, said terminal point bears South 09°32'27" East 963.44 feet from aforementioned West 1/4 corner of Section 30.

Containing (7,432 square feet Grid) 7,433 square feet [0.17 acres] Ground, more or less.

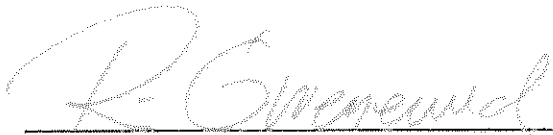
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of

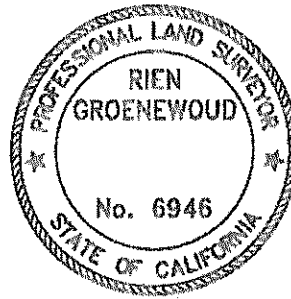
0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.


Rien Groenewoud, P.L.S. 6946



3/23/18

Parcel name: CARPENTER WEST TCE

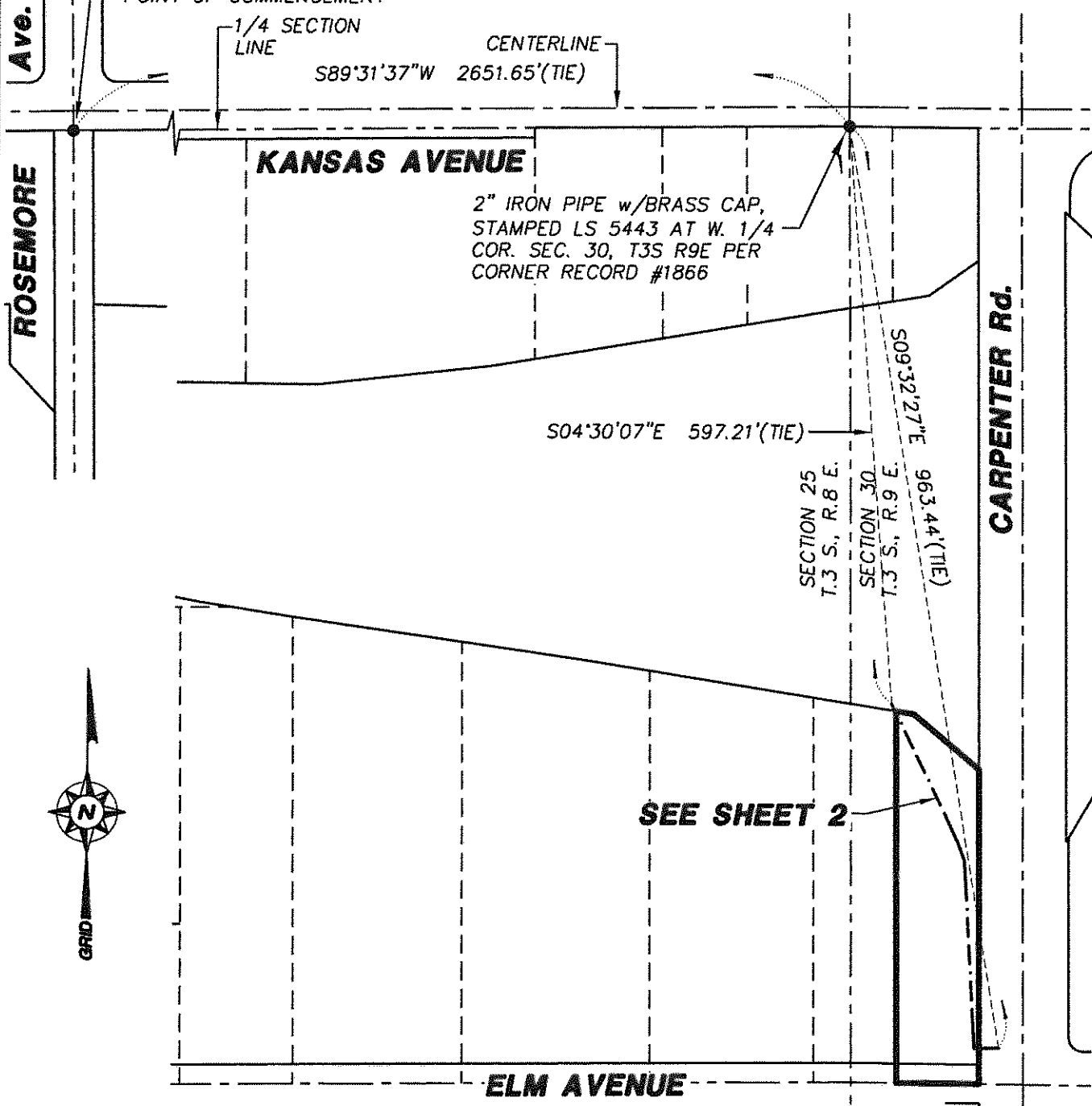
North: 2058104.94 East : 6407958.47
Line Course: S 04-30-07 E Length: 597.21
 North: 2057509.57 East : 6408005.34
Line Course: S 25-59-45 E Length: 138.68
 North: 2057384.92 East : 6408066.13
Curve Length: 40.66 Radius: 335.61
 Delta: 6-56-32 Tangent: 20.36
 Chord: 40.64 Course: S 22-31-29 E
 Course In: S 64-06-15 W Course Out: N 70-56-47 E
 RP North: 2057237.82 East : 6407764.47
 End North: 2057347.38 East : 6408081.70
Line Course: S 03-20-28 E Length: 193.09
 North: 2057154.62 East : 6408092.95
Line Course: N 89-32-01 E Length: 25.20
 North: 2057154.82 East : 6408118.15
Line Course: N 09-32-27 W Length: 263.44
 North: 2058104.94 East : 6407958.46

Perimeter: 1958.28 Area: 23,115 sq.ft. 0.53 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 82-34-01 W
 Error North: 0.001 East : -0.009
Precision 1: 195,828.00

3/4" IRON PIPE, TAGGED LS 4876 IN
 MON. WELL AT C.1/4 COR. SEC. 25,
 T3S R8E PER 31-M-79;
 POINT OF COMMENCEMENT

EXHIBIT 'B'
 TEMPORARY CONSTRUCTION EASEMENT



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**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

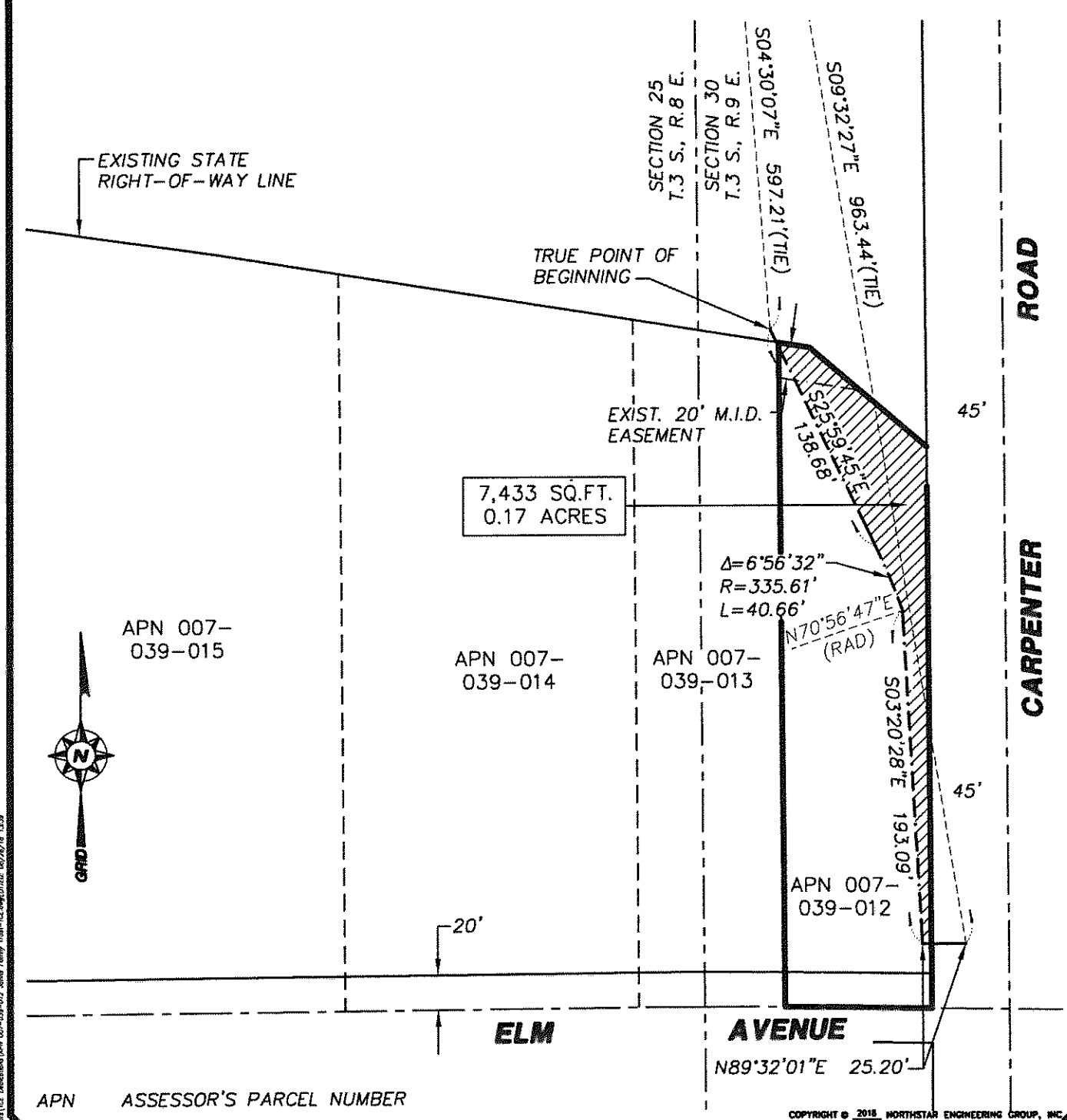
BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH
 SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30,
 T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=150'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01
	OF 02

ERIC MAZE K1717-1907 06-112 Expressway Pl. (16pp) Modesto, CA 95354 Modesto, CA 95354 Modesto, CA 95354 Modesto, CA 95354 06/26/18 13:38

EXHIBIT 'B'
 TEMPORARY CONSTRUCTION EASEMENT



APN 007-039-015

APN 007-039-014

APN 007-039-013

APN 007-039-012

7,433 SQ.FT.
0.17 ACRES

$\Delta = 6^{\circ}56'32''$
 $R = 335.61'$
 $L = 40.66'$

$N70^{\circ}56'47''E$
(RAD)

APN ASSESSOR'S PARCEL NUMBER

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**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF THE S. 1/2 OF LOT 10, "MAZE RANCH
 SUBDIVISION", 4-M-18, S.C.R., SW 1/4 OF SEC. 30,
 T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG

SHEET
02
 OF 02

DATE: 6/17/18 08:12:52 E:\Surveying\Projects\18\1807\18-012\18-012\18-012.dwg User: jrg Date: 06/26/18 11:39

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-353**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE 522 NORTH FRANKLIN ST., MODESTO, CA 95351 (APN 101-002-022), OWNER: RONALD A. GRESHAM AND JO ANNE R. GRESHAM, TRUSTEES OF THE RONALD A. GRESHAM AND JOANNE R. GRESHAM 2006 FAMILY TRUST

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement Between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire the fee interest in the real property located at 522 North Franklin St., Modesto, CA 95351 (APN 101-002-

022), as more particularly described in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

LOTS 19 THROUGH 28, INCLUSIVE, OF BLOCK 438 OF LOTS 4 THROUGH 6, INCLUSIVE, OF BLOCK 433 OF THE CITY OF MODESTO, AS PER OFFICIAL MAP RECORDED DECEMBER 21, 1942 IN VOLUME OF MAPS, IN THE OFFICE OF THE RECORDER, STANISLAUS COUNTY, CALIFORNIA.

TOGETHER WITH THAT PORTION OF CHESTNUT STREET ABANDONED BY RESOLUTION NO. 988 S.P., RECORDED APRIL 27, 1961 AS INSTRUMENT NO. 13079 IN VOLUME 1679, AT PAGE 305, LYING ADJACENT TO THE ABOVE DESCRIBED PARCEL.

EXCEPTING THEREFROM THAT PORTION OF LAND DEEDED TO THE STATE OF CALIFORNIA BY GRANT DEED DATED MARCH 06, 1961 AND RECORDED APRIL 26, 1961, AS INSTRUMENT NO. 13063 IN VOLUME 1679, AT PAGE 268, IN THE OFFICE OF THE RECORDER STANISLAUS COUNTY, CALIFORNIA.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-354**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 310 LAUREL AVE., MODESTO, CA 95355 (APN 101-003-019), OWNER: JOSEPHINE THOMPSON BURRELL, AS TRUSTEE AND THE SUCCESSOR TRUSTEES OF THE JOSEPHINE THOMPSON BURRELL TRUST (CREATED BY DECLARATION OF THE TRUST DATED MARCH 18, 1999)

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement, from property

located at 310 Laurel Ave., Modesto, CA 95355 (APN 101-003-019), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has

been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation

Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
The Josephine Thompson Burrell Trust to City of Modesto
APN: 101-003-019

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Josephine Thompson Burrell, trustee and the Successor Trustees of the Josephine Thompson Burrell Trust (created by Declaration of the Trust dated March 18, 1999), filed for record April 27, 2000 as Document No. 2000-0032543, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northeasterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;

thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;

thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

Containing (506 square feet Grid), 506 square feet [0.01 acres] Ground, more or less.

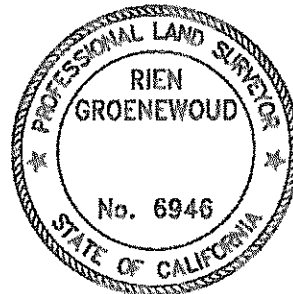
This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

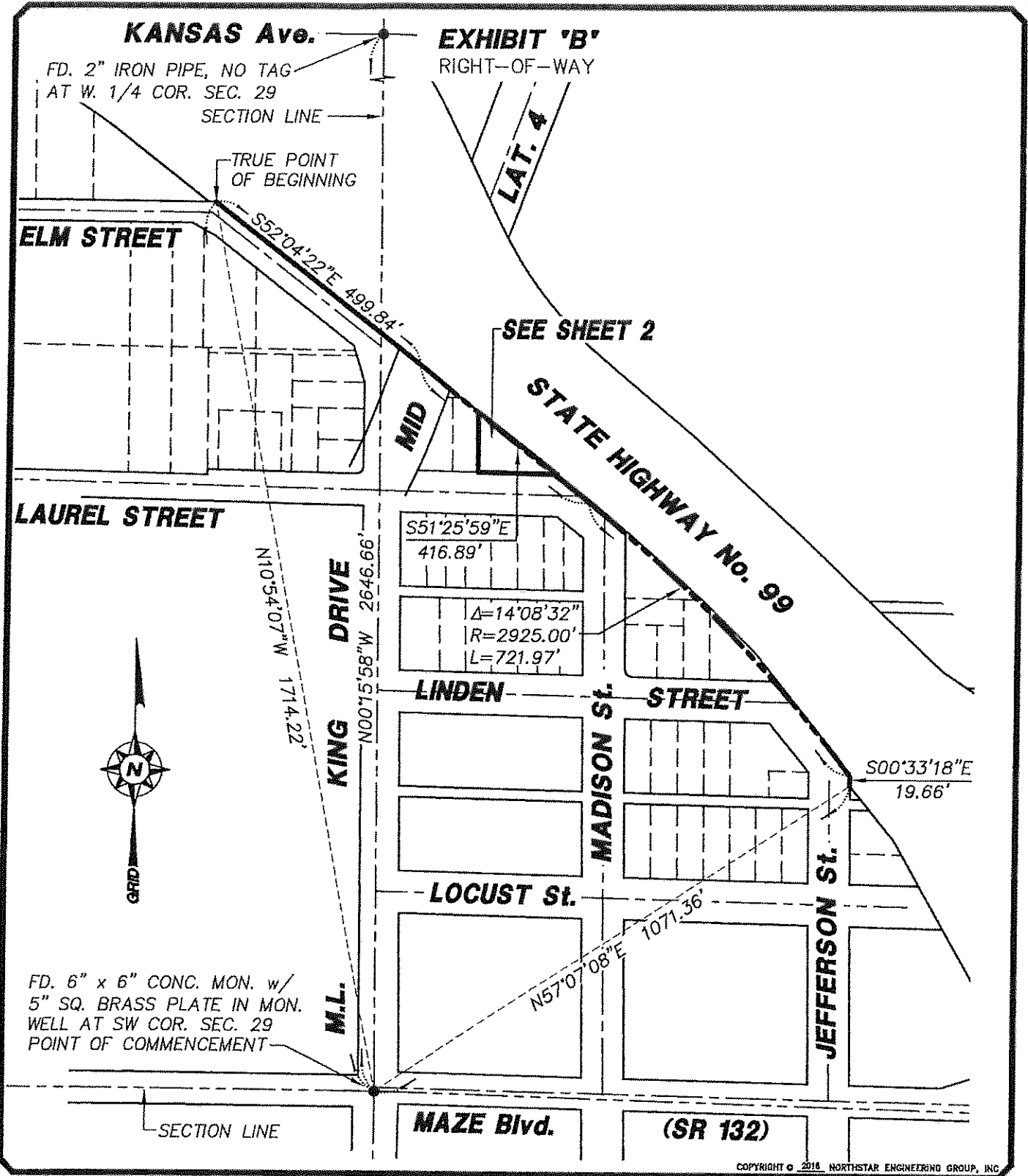
All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



Rien Groenewoud, P.L.S. 6946



2/7/18



DATE: 02/07/18, 11:17 AM, 107 SR-132, Modesto, CA, 95301-018, NorthStar Engineering Group, Inc.

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 Engineering Group, Inc.

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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF LOTS 16 THRU 22 OF BLOCK 432, CITY OF MODESTO,
 BOOK 15 OF MAPS, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	01 OF 02

EXHIBIT 'B'

RIGHT-OF-WAY

STATE HIGHWAY No. 99



MID LATERAL 4

CITY OF
MODESTO ALLEY

BLOCK 432
BK. 15 MAPS

EXIST. STATE
RIGHT-OF-WAY LINE

506 SQ.FT.
0.01 ACRES

APN 101-003-019

APN 101-003-023

APN 101-003-020

22 | 21 | 20 | 19 | 18 | 17 | 16

PROPOSED STATE
RIGHT-OF-WAY LINE

80'

LAUREL STREET

||| ACCESS RIGHTS ACQUIRED
S.C.R. STANISLAUS COUNTY RECORDS
-M- SUBDIVISION, BOOK & PAGE
P.U.E. PUBLIC UTILITY EASEMENT
APN ASSESSOR'S PARCEL NUMBER

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NorthStar

Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF LOTS 16 THRU 22 OF BLOCK 432, CITY OF MODESTO,
BOOK 15 OF MAPS, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.

MODESTO STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
DATE: 02/07/18
SCALE: 1" = 40'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET
02
OF 02

Parcel name: APN 101-003-019 Area

North: 2056695.21	East : 6413644.82
Line Course: S 52-04-22 E	Length: 192.22
North: 2056577.06	East : 6413796.44
Line Course: N 88-39-31 W	Length: 6.21
North: 2056577.20	East : 6413790.24
Line Course: N 51-25-59 W	Length: 185.95
North: 2056693.13	East : 6413644.85
Line Course: N 00-32-57 W	Length: 2.08
North: 2056695.21	East : 6413644.83

Perimeter: 386.46 Area: 506 sq.ft. 0.01 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: N 55-44-25 E
Error North: 0.002 East : 0.003
Precision 1: 386,460,000.00

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 362.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
RP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 25-11-02 W
Error North: -0.004 East : -0.002
Precision 1: 4,443,940,000.00

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project

The Josephine Thompson Burrell Trust to City of Modesto

APN: 101-003-019

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Josephine Thompson Burrell, trustee and the Successor Trustees of the Josephine Thompson Burrell Trust (created by Declaration of the Trust dated March 18, 1999), filed for record April 27, 2000 as Document No. 2000-0032543, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, and more particular described as follows:

A strip of land 5.00 feet wide, coincident with and lying southwesterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;

thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;

thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

Containing (903 square feet Grid), 903 square feet [0.02 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

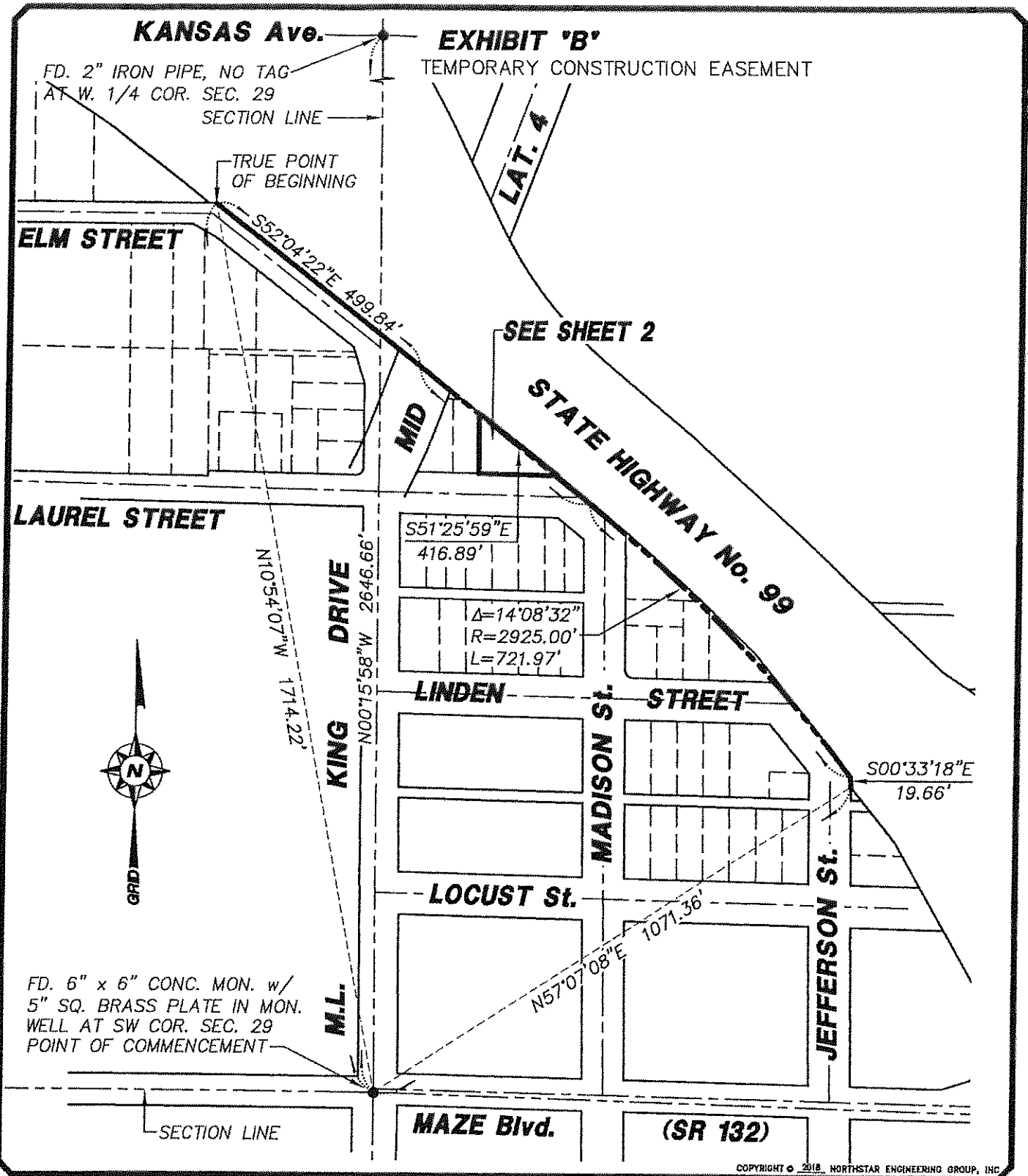
Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.



Rien Groenewoud, P.L.S. 6946



2/13/18



DATE: 12/17/18 BY: LJE/ENR/SPR FILE: \\larsen\work\18\18-1907\18-1907.dwg PLOT: 18-1907.dwg PLOT DATE: 02/07/18 15:17



NorthStar
Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •

620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

PLAT TO ACCOMPANY LEGAL DESCRIPTION

BEING A PORTION OF LOTS 16 THRU 22 OF BLOCK 432, CITY OF MODESTO,
BOOK 15 OF MAPS, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.

MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01
	OF 02

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT

STATE HIGHWAY No. 99



MID LATERAL 4

CITY OF
MODESTO ALLEY

BLOCK 432
Bk. 15 MAPS

EXIST. STATE
RIGHT-OF-WAY LINE

903 SQ.FT.
0.02 ACRES

S51°25'50"W 416.80'

APN 101-003-023

APN 101-003-020

APN 101-003-019

22

21

20

19

18

16

PROPOSED STATE
RIGHT-OF-WAY LINE

80'

LAUREL STREET

S.C.R. STANISLAUS COUNTY RECORDS
-M- SUBDIVISION, BOOK & PAGE
P.U.E. PUBLIC UTILITY EASEMENT
APN ASSESSOR'S PARCEL NUMBER

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Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF LOTS 16 THRU 22 OF BLOCK 432, CITY OF MODESTO,
BOOK 15 OF MAPS, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.

MODESTO STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
DATE: 02/07/18
SCALE: 1"=40'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET

02
OF 02

D:\C:\MISC\6/17/17\1707_S0-132_Easement_Pn_1707\MapInfo\MapInfo\101-003-019_01-02-019_Bk15-15E.dwg PLOTED: 02/07/18 12:17

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 362.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
RP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 25-11-02 W
Error North: -0.004 East : -0.002
Precision 1: 4,443,940,000.00

Parcel name: APN 101-003-019 TCE

North: 2056686.69	East : 6413644.90
Line Course: N 00-32-57 W	Length: 6.44
North: 2056693.13	East : 6413644.84
Line Course: S 51-25-59 E	Length: 185.95
North: 2056577.20	East : 6413790.23
Line Course: N 88-39-31 W	Length: 8.27
North: 2056577.40	East : 6413781.97
Line Course: N 51-25-59 W	Length: 175.31
North: 2056686.69	East : 6413644.89

Perimeter: 375.97 Area: 903 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 89-53-09 W
Error North: 0.000 East : -0.010
Precision 1: 37,597.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-355**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE 612 NORTH FRANKLIN STREET & 309 BEECH STREET, MODESTO, CA 95351 (APNS 101-002-007 AND 101-002-008), OWNER: WILLIAM BRENT BURNSIDE AND STEPHANIE A. BURNSIDE, HUSBAND AND WIFE, AS JOINT TENANTS

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement Between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire the fee interest in the real property located at 612 North Franklin Street & 309 Beech Street, Modesto, CA

95351 (101-002-007 and 101-002-008), as more particularly described in **Exhibit A** attached hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

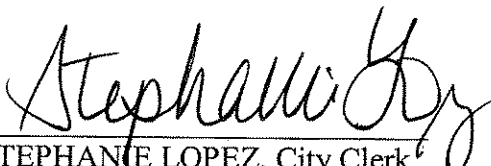
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

EXHIBIT A

LEGAL DESCRIPTION

Real property in the City of Modesto, County of Stanislaus, State of California, described as follows:

PARCEL 1: (APN: 101-002-007-000 (AFFECTS: LOTS 1 THRU 4) AND 101-002-008-000 (AFFECTS: LOTS 5 THRU 10)

LOTS 1 TO 10 INCLUSIVE IN BLOCK 438 OF THE CITY OF MODESTO, ACCORDING TO THE OFFICIAL MAP THEREOF ON FILE AND OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY, CALIFORNIA.

PARCEL 2: (APN: 101-002-008-000)

LOTS 11 AND 12 IN BLOCK 438 OF THE CITY OF MODESTO, ACCORDING TO THE OFFICIAL MAP THEREOF, FILED IN THE OFFICE OF THE COUNTY RECORDER OF STANISLAUS COUNTY, CALIFORNIA, ON DECEMBER 21, 1942 IN VOL. 15 OF MAPS.

EXCEPTING ALL THAT PORTION DEEDED TO THE CITY OF MODESTO BY DEED RECORDED JULY 11, 2001 AS INSTRUMENT NO. 077081, OFFICIAL RECORDS.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-356**

RESOLUTION APPROVING THE ESTABLISHMENT OF A CAPITAL IMPROVEMENT PROJECT FOR EMERGENCY DIGITAL UPGRADES TO THE FIRE DEPARTMENT'S COMMAND 5 RADIO INFRASTRUCTURE, APPROPRIATING A \$125,000 TRANSFER FROM THE FIRE DEPARTMENT GENERAL FUND OPERATING BUDGET TO ESTABLISH THE PROJECT'S EXPENDITURE BUDGET

WHEREAS, the Fire Department VHF radio system is outdated and failing, and

WHEREAS, in 2013, the Federal Communication Commission (FCC) required the narrow banding of radio frequencies and the existing infrastructure of the Fire Department's radio system was not capable of this change, and

WHEREAS, to keep the radio system functional within the FCC regulations, the department has been using out of service equipment that is no longer serviceable, and

WHEREAS, the existing radio system reached a critical failure point in June 2018 when Modesto firefighters in the field were not able to communicate with Stanislaus Regional 911 or each other, and

WHEREAS, the Fire Department has identified a total of \$125,000 to be reduced from its existing General Fund Operating Expense Budget to be used to establish a transfer out from the General Fund to the Capital Improvement Project for the equipment to be purchased and the work to be completed.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the establishment of a Capital Improvement Project for the Fire Department's Command 5 radio infrastructure emergency upgrade, and the appropriation of \$125,000 to said project from a reduction of \$125,000 in the Fire Department General Fund Operating Expense Budget to be transferred into the capital project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-357**

RESOLUTION APPROVING A PURCHASE ORDER WITH HARRIS CORPORATION, OF LYNCHBURG, VIRGINIA FOR THE COMMAND 5 GATEWAY AND SITE EQUIPMENT AND TRUNKED ANALOG GATEWAY, A PURCHASE ORDER WITH TESSCO TECHNOLOGIES OF HUNT VALLEY, MARYLAND FOR COMMAND 5 SIMULCAST DUPLEXER EQUIPMENT, AND A PURCHASE ORDER WITH HOWELL COMMUNICATIONS INC. OF RAYMOND, CALIFORNIA FOR INSTALLATION OF ANTENNAS AT DESIGNATED COMMUNICATIONS LOCATIONS FOR A TOTAL PROJECT AMOUNT NOT TO EXCEED \$125,000 FOR THE FIRE DEPARTMENT'S COMMAND 5 RADIO INFRASTRUCTURE DIGITAL UPGRADE AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING ORDERS

WHEREAS, the Fire Department VHF radio system is outdated and failing, and

WHEREAS, in 2013, the Federal Communication Commission (FCC) required the narrow banding of radio frequencies and the existing infrastructure of the Fire Department's radio system was not capable of this change, and

WHEREAS, to keep the radio system functional within the FCC regulations, the department has been using out of service equipment that is no longer serviceable, and

WHEREAS, beginning in 2011, the City and Stanislaus County partnered together to address the radio communication needs of law enforcement, and

WHEREAS, beginning in 2011, the City and Stanislaus County partnered together to address the radio communication needs of law enforcement, and

WHEREAS, on December 13, 2011, by Resolution No. 2011-473, Council authorized Stanislaus County to issue and award the proposal for the P25 Simulcast Cell, Digital Trunking Public Safety Communication Equipment, and

WHEREAS, on April 30, 2012, by County Board of Supervisors Resolution No. 2012-134, the Stanislaus County Board of Supervisors awarded the contract to Tait North

America, Inc., and

WHEREAS, on September 30, 2014, by County Board of Supervisors Resolution No. 2014-500, the Stanislaus County Board of Supervisors approved the contract amendment for Phase Two of the project which entailed completing the installation and commission of four of the five sites. Phase Three, the final stage, would complete the fifth site of the Interoperability Project, and

WHEREAS, on October 14, 2014, by Resolution No. 2014-424, Council authorized installation of a 160 ft. tower at Fire Station No. 6. This addition to the system provided much needed interoperability and improved radio communications, and

WHEREAS, all of the above actions have put into place the core infrastructure needed for law enforcement agencies in Stanislaus County to move away from an outdated communication system, and

WHEREAS, Modesto Fire, like many fire agencies, has not had sufficient funding to be able to keep up with the technology changes, and

WHEREAS, the existing radio system reached a critical failure point in June 2018 when Modesto firefighters in the field were not able to communicate with Stanislaus Regional 911 or each other, and

WHEREAS, Stanislaus Regional 911, the County's emergency dispatch center and technical expert, has provided pricing for the compatible equipment and labor necessary to upgrade Command 5 and place it back in service, and

WHEREAS, the three vendors that will provide compatible equipment and labor were limited to those who produce equipment that is compatible with the infrastructure already in existence at the dispatch center, and

WHEREAS, Modesto Municipal Code (MMC) Section 8-3.203 generally requires all purchases that meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, however, Section 8-3.204 provides exemptions to the formal bid process. Modesto Municipal Code Section 8-3.204(d) states “Where the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set forth in Section 8.3-203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality. Such alternatives may include, but are not limited to, a “two step” procurement process or a procurement based solely on a technical evaluation”, and

WHEREAS, in addition, Section 8-204(c) states “Where the Purchasing Manager, in his or her discretion, determines that calling for bids on a competitive basis as set forth in Section 8-3.203 is undesirable due to exigent circumstances”, and

WHEREAS, the purchase of the P25 Simulcast Cell, Digital Trunking Public Safety Communication Equipment conforms to the Modesto Municipal Code.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes purchase orders with Harris Corporation of Lynchburg, Virginia, Tessco Technologies of Hunt Valley, Maryland, and Howell Communications Inc. of Raymond, California for a total project amount not to exceed \$125,000 for the Fire Department’s Command 5 radio infrastructure digital upgrade.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing orders.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 14th day of August, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

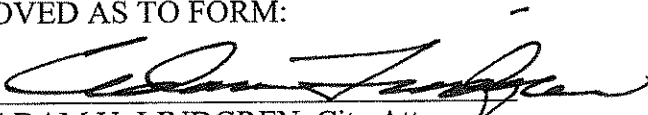
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-358**

**RESOLUTION AMENDING SECTION 6 AND 16 OF THE HOUSING AND
URBAN DEVELOPMENT POLICIES & PROCEDURES MANUAL**

WHEREAS, in order to align with current program guidelines and replace older program policies, Section 6 (Housing Rehabilitation Program), and Section 16 (Four Factor Analysis for Limited English Proficient Persons and Language Assistance Plan) needed to be updated, and

WHEREAS, the updated Housing Rehabilitation Program Policies & Procedures included as **Attachment 1**, and Four Factor Analysis for Limited English Proficient Persons and Language Assistance Plan included as **Attachment 2**, and

WHEREAS, to update Section 6 of the Housing Rehabilitation Program Policies and Procedures, Section 4.5.5 Homeowner Eligibility – the Housing Rehabilitation Loan Committee (HRLC) will consider applications on a case by case basis, and

WHEREAS, the HRLC will have the discretion to consider any extenuating circumstances for a homeowner who may not meet the Homeowner Eligibility Guidelines and may decide to approve the application a based on such extenuating circumstances, and

WHEREAS, applicants with Debt to Income ratios outside the limits established within these policies may be considered for assistance if the Debt to Income ratio is within 10% of the current Homeowner Rehabilitation Program Policies & Procedures guidelines, and

WHEREAS, applicants who have defaulted on payments, but a payment plan have been established, and applicant is current on those payments, and

WHEREAS, to update Section 16 Four Factor Analysis for Limited English Proficient Persons and Language Assistance Plan, and

WHEREAS, Section 6 – Limited English Proficient persons (LEP) updates to translation services, outreach, training and monitoring to ensure compliance with the HUD Office of Fair Housing and Equal Opportunity Voluntary Compliance Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends Section 6 and 16 of the Housing and Urban Development Policies & Procedures Manual.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

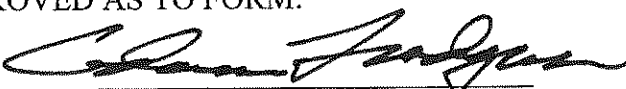
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Section 6

Homeowner Rehabilitation Program Policies & Procedures



City of Modesto
Community Development Division
1010 10th Street, Suite 3100, Modesto, CA 95354
(209) 577-5211, TDD 209-
housing@modestogov.com

Citizens Housing and Community Development Committee (CH&CDC) Approved October 12, 2017
City of Modesto City Council Approved by Resolution 2017-427 on November 8, 2017

*These policies supersede any previously adopted policies and are subject to review and revision by the City of Modesto Housing Rehabilitation Loan Committee.



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Homeowner Rehabilitation Program Policies & Procedures

1.0 APPLICABLE LAWS AND REGULATIONS

- 1.1 All Housing Rehabilitation Program activities shall be conducted in accordance with all applicable federal, state, and local program funding standards, building codes, and zoning ordinance requirements.
- 1.2 All work conducted in accordance with an approved Housing Rehabilitation Program activity shall be consistent with program funding requirements and any locally approved repair and replacement standards including, but not limited to: site improvements, windows and doors, roofing, ventilation, electrical, plumbing systems, HVAC, accessibility, and abatement of hazardous materials (i.e. mold, lead based paint, etc).
- 1.3 All terms used within these policies shall be as defined by applicable funding source(s) or other locally approved Housing Rehabilitation Program policies and/or standards.
- 1.4 All program applications will be processed in accordance to the date of receipt of a complete application and are subject to available funding.

2.0 ELIGIBLE REPAIRS (in order of priority)

- 2.1 Health and Safety repairs as determined by utilization of the City of Modesto HUD Housing Quality Standards (HQS) inspection analysis.
- 2.2 Spot Rehabilitation Eligible non-health and safety related repairs (e.g. - required by State or local Building Code).

Accessibility Repairs to make the home accessible for disabled household members.

- 2.3 Energy Efficiency Improvements may be conducted along with any of the eligible repairs listed above. Energy efficiency improvements may include, but are not limited to:
 - 2.3.1 Replacing single pane windows with double pane windows;
 - 2.3.2 Replacing antiquated water heater;
 - 2.3.3 Replacing antiquated HVAC system;
 - 2.3.4 Weatherization improvements.
- 2.4 Applicant Must Exhaust All Other Available Funding Sources in order to comply with program funding requirements, the applicant must exhaust all other viable program alternatives/resources that may provide assistance to address any of the above eligible repairs. The Housing Finance Specialist in coordination with the Housing Rehabilitation Specialist shall conduct a resource coordination analysis to ensure the applicant has taken advantage of any other resources that may be available prior to receiving assistance via the City of Modesto's Housing Rehabilitation Program.

3.0 PROPERTY ELIGIBILITY:

- 3.1 The assisted property shall be located within the city limits of the City of Modesto.

- 3.2 The assisted property shall contain a legal residential structure intended for continued residential occupancy and meet applicable rehabilitation standards and ordinances at the time of project completion.
- 3.3 A manufactured home (mobile home) in a mobile home park or on leased land that is not on a permanent foundation may only qualify for a grant as allowed under ~~Section 9.0~~MANUFACTURED HOMES Section of these policies.
- 3.4 The assisted property shall be owner-occupied and shall be the principal place of residency of owner-occupants (hereafter "Borrowers") and hold legal title to the property.

4.0 HOMEOWNER ELIGIBILITY:

- 4.1 All Borrower households shall have incomes at or below 80 percent (80%) of the Stanislaus County Area Median Income (AMI), adjusted for household size, as published annually by the California State Department of Housing and Community Development (HCD) or United States Department of Housing and Urban Development (HUD). The applicable AMI shall be as required by available funding source(s).
- 4.2 Borrowers without a mortgage shall demonstrate a debt-to-income ratio sufficient to allow for the on-going annual payments of property tax and any insurance required as a result of the Housing Rehabilitation Program assistance.
- 4.3 Borrowers with a mortgage shall show that all mortgage, property tax, and insurance payments are current, with no late payments having been received within the past twelve months, and meet both of the following debt-to-income ratios:
 - 4.3.1 Front end (housing) debt-to-income ratio shall not exceed 35 percent (35%) and is the percentage of a Borrower's gross monthly income (before deductions) that would cover the cost of the loan principal and interest payment, property taxes, property insurance, mortgage insurance, and HOA dues, if any.
 - 4.3.2 Back-end (total debt obligation) debt-to-income ratio shall not exceed 45 percent (45%), and is the percentage of the borrower's gross monthly income that includes the cost of housing as described in ~~Section 4.0 C~~ the Front End ratio above, plus any other monthly debt payments such as car loans, personal loans, credit card debt, or child support and alimony payments.

4.4 Credit Report and Liabilities

- 4.4.1 The Housing Financial Specialist (HFS) must obtain a signed "Authorization to Verify Information" and/or "Eligibility Release Form" from the applicant authorizing the City to pull a credit report, or to verify any information with a third party.
- 4.4.2 The HFS shall pull the applicant(s) credit report within three business days of determining income eligibility. The HFS shall order a credit report through the City of Modesto's secure account held with a major credit bureau (e.g. Equifax, Experian, or Transunion). A credit report shall be pulled for all program applicants.
- 4.4.3 If the applicant is eligible for a deferred payment loan, the credit report should be reviewed to determine if any public liens will be in prior position to the City loan, or to compare the applicant's actual credit liabilities with the liabilities listed on the application. The credit report should be used for verification of information. The

credit score is not relevant for a deferred payment loan. Debt-to-income guidelines should be used to demonstrate the household's ability to continue to live in the home.

- 4.4.4 If the applicant is eligible for an amortized loan, the credit report should be analyzed for a credit score, verification of debts, and ability and willingness to repay the loan. The HFS shall use debt-to-income ratios allowable under this policy as a guideline for payment affordability. If the household income is non-taxable, income can be grossed up for non-taxability, using the 25% guideline. If the payment is not affordable or a hardship exists, the HFS should discuss this with management and obtain guidance on how to proceed.
- 4.4.5 Special Note: Household income must be collected on all qualifying adult household members per HUD guidelines. However, only the credit liabilities of the applicant will be used in the credit liability calculation. Adult members of the household who are not on title are not a party to the loan transaction.
- 4.5 Borrowers shall meet the following credit worthiness criteria:
 - 4.5.1 No outstanding judgments or liens at the time of loan approval or loan execution. As part of application for assistance, Borrower shall disclose any personal liens that may attach to the property. Failure to disclose any pertinent information that may affect eligibility may be grounds for denial of assistance and application withdrawal. To identify any personal liens, a Judgment and Tax Lien Guarantee search of Borrowers and Preliminary Title Report search on the property shall be conducted after Housing Rehabilitation Loan Committee (HRLC) approval.
 - 4.5.2 Outstanding collections must be paid prior to HRLC approval, unless the HRLC determines, on a case by case basis, that the circumstances that led to collection were outside of the applicant's control, and the payment of the outstanding collection(s) will not impact the applicant's ability to financially retain ownership.
 - 4.5.3 Late payments due to extenuating circumstances will be considered as part of the approval process. Factors leading to late payments will be reviewed and considered on a case by case basis.
 - 4.5.4 Borrower shall not have filed bankruptcy, or received a bankruptcy discharge, in the last three (3) years prior to date of application.
 - 4.5.5 Homeowner Eligibility – the Housing Rehabilitation Loan Committee (HRLC) will consider applications on a case by case basis. The HRLC will have the discretion to consider any extenuating circumstances for a homeowner who may not meet the Homeowner Eligibility Guidelines and may decide to approve the application a based on such extenuating circumstances.
 - 4.5.5.1 Applicants with Debt to Income ratios outside the limits established within these policies may be considered for assistance if the Debt to Income ratio is within 10% of the current Homeowner Rehabilitation Program Policies & Procedures guidelines.
 - 4.5.5.2 Applicants who have defaulted on their property taxes may be considered for assistance if a payment plan has been established with the Stanislaus County Treasurer/Tax Collector's Department and applicant is current on those payments.
- 4.6 If at any time the Borrowers filed bankruptcy that resulted in a discharge of any debt owed to City of Modesto, or the former City of Modesto Redevelopment Agency, for housing rehabilitation or down payment assistance, the HRLC shall evaluate the circumstances of the bankruptcy in order to determine if further assistance may be provided without further risk to funding investment.

- 4.7 Borrowers shall not be a person, or the immediate family of any person, who is in a decision-making position relative to the Housing Rehabilitation Program.
- 4.8 Process:
 - 4.8.1 Housing Finance Specialist determines general program eligibility, including income limits and lending loan-to-value ratios along with a process to determine all other funding opportunities have been explored/exhausted (technical assistance);
 - 4.8.2 Housing Rehabilitation Specialist determines properties needs via Housing Quality Standards (HQS) inspection (pre-1978 visual Lead Based Paint Inspection conducted);
 - 4.8.3 Housing Rehabilitation Specialist scope of work via Rehab Pro Direct to supervisor;
 - 4.8.4 HRLC reviews for consideration and approval of the overall project proposal;
 - 4.8.5 Housing Rehabilitation Specialist processes approved projects through the bid process;
 - 4.8.6 Application inquiry through program completion within 90-days, unless there are extenuating circumstances beyond staff control (e.g. – rain delays);
 - 4.8.7 Quarterly program updates provided to HRLC.

5.0 MAXIMUM AMOUNT OF PROGRAM ASSISTANCE (24 CFR 570.208 (a)(3);(b), and 24 CFR 570.202):

- 5.1 An eligible Borrower may qualify for the full cost of rehabilitation/reconstruction work needed to address any Eligible Repairs outlined in ~~Section 2.0~~ELIGIBLE REPAIRS Section, and/or comply with state and local codes and ordinances; however, the maximum assistance shall not exceed any maximum subsidy established by the funding source(s) utilized to fund the project.
 - 5.1.1 Reconstruction shall only be authorized when the cost of rehabilitation will exceed 75 percent of the current estimated value of the property, as determined by the Housing Financial Specialist;
 - 5.1.2 Loan amount is determined by the repairs/modifications that are required or eligible, as requested and approved by the owner, Community Development Manager or his/her designee.
 - 5.1.3 Maximum amounts are as follows:
 - 5.1.3.1 Grants up to \$10,000 require HRLC acknowledgement in order for staff to proceed;
 - 5.1.3.2 Loans up to \$49,999 require HRLC approval in order for staff to proceed;
 - 5.1.3.3 Loans of \$50,000 or more require HRLC approval and subsequent City Council approval in order for staff to proceed.
 - 5.1.4 Additional loans may be granted within applicants overall loan-to-value ratios;
 - 5.1.5 Emergency repairs of up to \$5,000 may be authorized by the Director of Community and Economic Development if it poses an “extreme health and safety related emergency (e.g. – plumbing or electrical hazards).

6.0 MAXIMUM AFTER REHABILITATION VALUE

The after rehabilitation value of a home assisted under this program shall not exceed 100% of the current median sales price of a single family home listed for the City of Modesto. This information may be obtained by collecting comparable sales data from sources including but not limited to Zillow, Trulia, Data Quick, Realty Trac, Real Quest, Epraisal.com, or FHA 203(b) loan limits. If necessary, the after rehabilitation value may be determined by ordering a professional appraisal. An After Rehabilitation Value Limit Worksheet must be completed and certified by the housing rehabilitation specialist and placed in the project file.

7.0 MAXIMUM COMBINED LOAN TO VALUE RATIO:

- 7.1 For CDBG funded loans, the total indebtedness against the assisted property shall not exceed 100% of the estimated after-rehabilitation value of the property as determined by "Estimates of Value" conducted by program staff using a Comparable Sales Approach, or an appraisal by a licensed appraiser if required by funding source.
- 7.2 For CalHome funded loans, the total indebtedness against the assisted property shall not exceed 100% of the estimated after-rehabilitation value of the property as determined by "Estimates of Value" conducted by program staff using a Comparable Sales Approach, or an appraisal by a licensed appraiser if required by funding source. An additional 5% maximum may be allowed, if allowed by funding source, to cover any eligible closing costs.
- 7.3 As part of application for assistance, Borrower shall disclose any personal liens that may attach to the property (failure to disclose any pertinent information that may affect eligibility may be grounds for denial of assistance and application withdrawal). To determine the total indebtedness assigned against the property, a title search of the property and Borrowers (for the purpose of verifying any personal liens that may attach to the property) shall be conducted after HRLC project approval.
- 7.4 An "Estimates of Value" using a Comparable Sales Approach shall be based on the sale prices of at least three (3) comparable properties, sold within the last twelve months and located within a one mile radius of the subject property. Any alternative methodology for determining estimated value must be approved by the HRLC.
- 7.5 In the case of a reconstruction, as allowed under Section ~~5.0.A.~~ MAXIMUM AMOUNT OF PROGRAM ASSISTANCE Section, the HRLC may consider approval of projects that exceed the CLTV limit of ~~Section 7.0.A. or 7.0.B.~~ provided all other criteria for assistance is met and the City of Modesto will be in first lien position.

8.0 RATES AND TERMS OF PROGRAM ASSISTANCE:

- 8.1 Eligible homeowners may receive a deferred payment loan evidenced by a Promissory Note and secured by a Deed of Trust, with no payback required for 20 years unless the borrower sells or transfers title or discontinues residence in the dwelling.
- 8.2 The following rates (simple interest) shall apply on City of Modesto housing rehabilitation loans, based on the household's Area Median Income (AMI) level:

<u>AMI</u>		<u>Interest Rate (simple interest)</u>
0-50%	=	0%
51-80%	=	3%
- 8.3 City of Modesto may accept voluntary payments on deferred loans. Loan payments will be credited to the principal first and then to interest. The borrower may repay the loan balance at any time with no pre-payment penalty. If it is determined by the City of Modesto that repayment of the loan at the maturity date causes a hardship to the homeowner, the City of Modesto may opt, with HRLC approval, the following:
 - 8.3.1 Amend the Promissory Note and Deed of Trust to defer repayment of the amount due at maturity, that is the balance of the original principal plus the accrued interest, for up

to an additional 20 years (at 0 percent additional interest). This may be offered one time; or,

8.3.2 Convert the debt to loan maturity; that is the balance of the original principal plus any accrued interest, to an amortized loan, repayable in 20 years at 0 percent additional interest.

8.4 Assistance to households with AMI levels between 81% and 120% may only be available if funding source allowing said limits is available. The following terms shall apply to loans made to households with AMI levels between 81% and 120%:

8.4.1 20 year Loan with monthly payments

8.4.2 3% simple interest

8.4.3 Must meet Debt to Income Ratio limits specified in ~~Section 4.~~ HOMEOWNER ELIGIBILITY SECTION.

8.5 In the event that a homeowner sells, transfers title, or discontinues residence in the rehabilitated property for any reason, the loan shall become due and payable.

8.6 Any other transfer of interest, due to homeowner death or other circumstances shall be subject to the requirements of the funding source(s) and shall be defined within the Promissory Note and/or Deed of Trust.

8.7 The HRLC may approve a request to subordinate a loan, in order for the owner to refinance the property. Refer to City of Modesto Subordination Policy for subordination approval criteria.

9.0 MANUFACTURED HOMES:

9.1 Assistance to manufactured homes on a non-permanent foundation will be provided as follows:

9.1.1 The total assistance provided to a manufactured home shall not exceed \$20,000 (combined total of all grants, if multiples).

9.1.2 Assistance to manufactured homes will be a one-time grant, subject to available funding allowing for grants.

9.1.3 Replacement shall only be considered when the cost of rehabilitation will exceed 75 percent of the current estimated value of the property, as determined by the Housing Financial Specialist.

10.0 BID SOLICITATION:

10.1 A detailed scope of work and project independent cost estimate developed by the Housing Rehabilitation Specialist (HRS) based on eligible repairs as listed in ELIGIBLE REPAIRS Section 2.0, shall be prepared and entered into Rehab Pro Direct prior to consideration for HRLC and bid submittal. The Scope of Work shall be approved by the Housing and Urban Development Supervisor and Borrower.

10.1.1 The independent cost estimate shall be established utilizing local market data and published construction cost guidelines.

10.1.2 The Housing and Urban Development Supervisor will review the independent cost estimate prepared by the HRS to ensure the cost estimate is reasonable based on local market data. See ~~section 14.0~~ COST REASONABLENESS Section for further details on Cost Reasonableness.

- 10.2 To comply with HUD requirements, a minimum of three bids by California Licensed Contractors shall be obtained prior to bid approval consideration. The City of Modesto will make every attempt to obtain the highest number of bids possible for every project.
- 10.3 Bids in excess of 15% of the HRLC approved amount must be brought back to HRLC for approval consideration.
 - 10.3.1 If determined appropriate by Housing Rehabilitation Specialist, bids solicitations may be requested from multiple contractors with different disciplines (i.e. general, electrical, roofing, and plumbing, etc.). This approach may be considered as a cost savings measure, if approved by the Housing and Urban Development Supervisor.

11.0 PROCUREMENT

- 11.1 Procurement projects under this program will occur after Housing Rehabilitation Loan Committee project approval. The HRLC will approve each project based on Housing Rehabilitation Cost Estimates. Upon project approval, project procurement will occur in alignment with the 15% cost reasonableness rule identified in ~~Section 14.0~~ COST REASONABLENESS Section.
- 11.2 Projects procured under the Homeowner Rehabilitation Program will be conducted in a manner that promotes full and open competition and avoid arbitray action in the procurement process. The following procurement process will be followed by the City:
 - 11.2.1 Procurement of contractors or other services related to the development of housing through either new construction or rehabilitation must be made on the basis of soliciting competitive bids. Advertisements for bids must include the following language: "This is a HUD funded project; Section 3 businesses and/or business that employ Section 3 residents are encouraged to respond."
 - 11.2.2 The projects will be publicly advertised through the City's PlanetBid system, when timing permits. All contractors registered on the City's PlanetBid system will receive notification of project availability.
 - 11.2.2.1 The Community Development Division will notify prospective bidders, when feasible, to encourage as wide a response as possible.
 - 11.2.3 The bid solicitation will include a brief scope of work description, project address, date of mandatory walkthrough, and date bids are due.
 - 11.2.4 Contracts will be awarded to responsible contractors who possess the ability to perform successfully under the terms and conditions of the proposed procurement. Non-responsible contractors will not be allowed to bid on City projects under this program for a the duration of the program year.
 - 11.2.5 Rehabilitation projects below \$50,000:
 - 11.2.5.1 Contracts under \$50,000 are considered a "Small Purchase" under the City's purchasing policies and HUD's procurement guidelines.
 - 11.2.5.2 The policy aligns with OMB Guidance Section 200.319 and 200.320

- 11.2.5.3 Projects under \$50,000 shall be purchased with three quotes, with public advertising through PlanetBid, if time permitted.
 - 11.2.5.4 The mandatory walkthrough will take place eight (8) business days from the date of bid posting. Contractors will have the opportunity to view project items to be repaired and ask any questions for clarification of bid specifications.
 - 11.2.5.5 Depending on the nature of questions addressed and clarification provided at the mandatory walkthrough, the Housing Rehab Specialist (HRS) may need to amend the project's Scope of Work. If this occurs, the HRS will issue an amended Scope of Work and release to all contractors who attended the mandatory walkthrough.
 - 11.2.5.6 Bid proposals from contractors will be due 8 calendar days from the mandatory walkthrough.
 - 11.2.5.7 All bids from contractors must be sent via email to housing@modestogov.com, or dropped off in person to 1010 10th Street, Suite 3100, Modesto CA 95354
 - 11.2.5.8 All bids will be reviewed by a program supervisor (e.g. HUD Supervisor or Senior Community Development Program Specialist) and recorded by a program specialist (e.g. Housing Financial Specialist or Housing Rehab Specialist).
 - 11.2.5.9 The HRS will summarize the lowest responsible bid results on the "Work Specification" document
 - 11.2.5.10 If less than three written quotes are obtained, an exception may be granted with justification documented and approved by the Purchasing Manager.
- 11.2.6 The applicant will be required to accept the lowest responsible bid with certain exceptions. Rejection of the low bidder without cause will result in cancellation of the project.
- 11.2.6.1 If on the basis of references, or the inability to start work within a reasonable timeframe, the property owner request to reject the low bidder, he/she must do so in writing. Upon confirmation of the reason for rejection by City staff, the low bidder will be rejected, and the next lowest bidder will be considered.
- 11.2.7 Upon selection of lowest responsible bidder, the HRS will prepare the respective documents for contractor, homeowner signatures, and City signatures (e.g. Housing Rehabilitation Contract and Grant/Loan Documents).
- 11.2.8 Once contracts are executed, City Staff will record loan documents with the Stanislaus County Recorder's Office.
- 11.2.9 Upon receipt of recorded documents, the HFS will:
- 11.2.9.1 Issue a Notice to Proceed to the contractor. The contractor will have seven (7) calendar days to begin work from the date of issuance.
 - 11.2.9.2 Route contracts for encumbrance the City's financial system.

11.3 Rehabilitation Projects over \$50,001:

- 11.3.1 In alignment with the City's Procurement policy, all projects in excess of \$50,001 will require HRLC approval and subsequent City Council approval, and must follow the City's Formal Bids/Proposals policy process as follows
- 11.3.1.1 Projects over \$50,01 shall be purchased with through the sealed bid process with obtaining three quotes, with public advertising through PlanetBid
 - 11.3.1.2 Procurement of contractors or other services related to the development of housing through either new construction or rehabilitation must be made on the basis of soliciting competitive sealed bids. Advertisements for bid must include the following language: "This is a HUD funded project; Section 3 businesses and/or business that employ Section 3 residents are encouraged to respond."
 - 11.3.1.3 The projects will be publicly advertised through the City's PlanetBid system. All contractors registered on the City's PlanetBid system will receive notification of project availability.
 - 11.3.1.3.1 The Community Development Division will notify prospective bidders, when feasible, to encourage as wide a response as possible.
 - 11.3.1.3.2
 - 11.3.1.4 The mandatory walkthrough will take place eight (8) business days from the date of bid posting. Contractors will have the opportunity to view project items to be repaired and ask any questions for clarification of bid specifications.
 - 11.3.1.5 Depending on the nature of questions addressed and clarification provided at the mandatory walkthrough, the Housing Rehab Specialist (HRS) may need to amend the project's Scope of Work. If this occurs, the HRS will issue an amended Scope of Work and release to all contractors who attended the mandatory walkthrough.
 - 11.3.1.6 Sealed bids from contractors will be due sixteen (16) calendar days from the mandatory walkthrough at the following location: 1010 10th Street, Suite 3100, Modesto CA 95354
 - 11.3.1.7 The bid opening will be held in a public forum at a City location announced in the Bid solicitation.
 - 11.3.1.8 All bids will be opened by a program supervisor (e.g. HUD Supervisor or Senior Community Development Program Specialist) and recorded by a program specialist (e.g. Housing Financial Specialist or Housing Rehab Specialist).
 - 11.3.1.9 The HRS will summarize the lowest responsible bid results on the "Work Specification" document provided to the homeowner.
- 11.3.2 The applicant will be required to accept the lowest responsible bid with certain exceptions. Rejection of the low bidder without cause will result in cancellation of the project.

- 11.3.2.1 If on the basis of references, or the inability to start work within a reasonable timeframe, the property owner request to reject the low bidder, he/she must do so in writing. Upon confirmation of the reason for rejection by City staff, the low bidder will be rejected, and the next lowest bidder will be considered.
- 11.3.3 Upon selection of lowest responsible bidder, the HRS will prepare the respective documents for contractor, homeowner signatures, and City signatures (e.g. Housing Rehabilitation Contract and Grant/Loan Documents).
- 11.3.4 Once contracts are executed, City Staff will record loan documents with the Stanislaus County Recorder's Office.
- 11.3.5 Upon receipt of recorded documents, the HFS will:
 - 11.3.5.1 Issue a Notice to Proceed to the contractor. The contractor will have seven (7) calendar days to begin work from the date of issuance.
 - 11.3.5.2 Route contracts for encumbrance the City's financial system.

12.0 EMERGENCY REPAIRS PROCEDURE

- 12.1.1 Per ~~Section~~ MAXIMUM AMOUNT OF PROGRAM ASSISTANCE Section, 5.1.5, emergency repairs of up to \$5,000 may be authorized by the Director of Community and Economic Development if it poses an "extreme health and safety related emergency in line with Modesto Municipal Code 8-3.301.
- 12.1.2 From time to time, City of Modesto residents will contact the city with repair requests that constitute an immediate threat to their health and safety. Such cases will be treated as Emergency repairs; e.g. broken sewer line, broken water line, leaking roof (during rainy season), broken HVAC system (during summer/winter), and unsafe electrical and or plumbing conditions.
- 12.1.3 These cases will be given priority over other non-emergency projects.
- 12.1.4 Upon homeowner contact with the City's Housing Division, the HFS will conduct a pre-screening of the prospect applicant and collect pertinent emergency case facts.
- 12.1.5 After pre-screening, the HFS will collect the application and eligibility documentation from the homeowner; the HFS will inform the Housing Rehab Specialist immediately after collecting the pertinent facts.
- 12.1.6 The HFS shall determine program eligibility within three (3) business days of collecting a completed application packet.
- 12.1.7 Upon determining eligibility, the Housing Rehab Specialist shall communicate with the homeowner and will schedule and conduct a property inspection and determine/prepare a detailed scope of work and independent cost estimate within three (3) business days of eligibility determination, depending on the severity of the emergency.

- 12.1.8 Upon completion of the Emergency Repair Scope of Work, the HRS will submit an "Emergency Repair Request" packet which includes the Scope of Work and related case facts to the HUD Supervisor for review and approval to proceed with procurement for the Emergency Project.
- 12.1.9 Upon approval by the HUD Supervisor, HRS shall obtain a minimum of three (3) informal bids and shall be awarded to the lowest responsible bidder.
 - 12.1.9.1 Bid documentation will be kept in the file record.
- 12.1.10 Upon contractor selection, the HRS shall prepare the Advanced Payment Agreement and all required loan documentation for homeowner, contractor, and Director of Community and Economic Development execution within three (3) business days of contractor selection. The Notice to Proceed will be issued upon contract execution by all parties. The rehabilitation contract shall specify the number of days for project completion.
 - 12.1.10.1 A homeowner cannot enter into an Advanced Payment Agreement, unless the homeowner meets the homeowner eligibility guidelines as described in Section 4.0 – Homeowner Eligibility.
- 12.1.11 Routine Progress inspections shall be conducted as specified in Section ~~4~~PROGRESS INSPECTIONS Section; frequency of progress inspections may be increased as needed for emergency repairs.
- 12.1.12 All emergency rehabilitation projects will be presented to the Housing Rehabilitation Loan Committee (HRLC) at the next available HRLC meeting for formal approval.

13.0 CONTRACTOR ELIGIBILITY

- 13.1 All prospective Contractors must submit or must have submitted, within the past 3 years, a *Contractor Application* to the City which will allow the City to collect all pertinent information to determine contractor eligibility (i.e. DUNS number, Tax ID, etc).
 - 13.1.1 Contractor failure to submit a Contractor Application may result in a "non-responsive" bid and disqualify the contractor from consideration.
- 13.2 Upon Receipt of bids from prospective contractors, the Housing Financial Specialist shall determine contractor eligibility by conducting the following:
 - 13.2.1 Verify that the City has a *Contractor Application* on file for each prospective contractor;
 - 13.2.2 If the City does not have a *Contractor Application* on file for the prospective contractor, the Housing Financial Specialist will make arrangements to ensure the prospective Contractor completes and submits a *Contractor Application* in a timely manner.
- 13.3 Upon confirmation that the City has a complete *Contractor Application* on file, the Housing Financial Specialist shall conduct the following searches for each prospective contractor:
 - 13.3.1 **Debarred/Suspended Search**
 - 13.3.1.1 It is the City of Modesto's policy not to conduct business with contractors who are excluded/debarred from conducting business with any federal agency.
 - 13.3.1.2 The Housing Financial Specialist shall ensure that the prospective Contractor is not excluded/debarred from conducting business with any federal agency by conducting a search on the federal System for Award Management website at www.sam.gov.

- 13.3.1.3 To comply with this requirement, Contractors must provide their DUNS number on the *Contractor Application*.
- 13.3.1.4 Prospective contractors who do not have a DUNS number at time of bid submittal, must request one by accessing the following website: <http://fedgov.dnb.com/webform/displayHomePage.do>
- 13.3.1.5 Upon conducting the Sam.gov search, the Housing Financial Specialist shall print the search results and place a copy in the project file.

13.3.2 California State License Board (CSLB) Search:

- 13.3.2.1 It is the City of Modesto's policy not to conduct business with Contractors who do not hold an active CSLB license.
- 13.3.2.2 The Housing Financial Specialist shall verify a prospective Contractor holds an active CSLB license by conducting a search on the CSLB website at <https://www2.cslb.ca.gov/OnlineServices/CheckLicense/checklicense.aspx>.
- 13.3.2.3 The CSLB license must be appropriate for the type of rehabilitation work to be conducted (i.e. General Contractor, Electrical, Carpenter, etc.)
- 13.3.2.4 Upon conducting the CSLB search, the Housing Financial Specialist shall print the search results and place a copy in the project file.

13.3.3 Better Business Bureau (BBB) Search

- 13.3.3.1 It is the City of Modesto's policy not to conduct business with contractors who have negative letter rating score (D+ through F) with the BBB.
- 13.3.3.2 The Housing Financial Specialist shall verify a prospective Contractor has a positive letter rating score (A+ through C-) with the BBB.
- 13.3.3.3 Upon conducting the BBB search, the Housing Financial Specialist shall print the search results and place a copy in the project file.

14.0 COST REASONABLENESS AND SCOPE OF WORK:

14.1 As a CDBG recipient, the City of Modesto is held accountable for all funds, property and assets of the CDBG program. The City of Modesto must maintain a financial accounting system for grants that meets the CDBG regulations, 24 CFR Part 84 and OMB Circulars A-87 and A-133. This includes requirements pertaining to financial management systems and records, allowable costs and audits.

14.1.1 The City of Modesto is required to ensure that CDBG funds are spent only on reasonable and necessary costs associated with approved grant activities and must have a procedure for determining the reasonableness, allowability and allocability of costs.

14.1.1.1 For major projects, the procedure for determining reasonableness will include the preparation of a detailed scope of work and an independent cost estimate.

14.1.1.1.1 A detailed Scope of Work will identify project milestones, reports, deliverables, and end products that are expected to be provided by the performing party. The Scope of Work will also include a timeline for all deliverables.

14.1.1.1.2 An independent cost estimate will be established utilizing local market data and published cost guidelines.

14.1.1.1.3 The project manager and supervisor will work with the appropriate parties to develop the independent cost estimate to ensure the cost estimate is reasonable based on local market data.

- 14.2 To comply with cost reasonableness requirements, the City of Modesto will review all requests for payments to ensure that costs are allowable under regulations, approved in the CDBG grant application, allocated to the correct program activity and are reasonable.
- 14.3 A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
 - 14.3.1 In determining reasonableness of a given cost, consideration shall be given to whether the cost is of a type generally recognized as ordinary and necessary to address the housing condition being considered for repair.
 - 14.3.2 A cost analysis of the scope of work items shall be made and documented in the project file. Cost analysis is the review and evaluation of each element of cost to determine reasonableness, allocability, and allowability.
 - 14.3.3 Cost analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts.
 - 14.3.4 All change orders will be subject to a cost reasonableness evaluation by the project manager and approval by the HUD Supervisor.
- 14.4 Cost reasonableness shall be determined by comparing the bids received with the cost estimate prepared by the Housing Rehabilitation Specialist.
- 14.5 Bids received must be within 15% of the Housing Rehabilitation Specialist's cost estimate.
- 14.6 An explanation must be provided to the HRLC for any bid selected that exceeds 15% of the estimate.
- 14.7 Comparable estimates may also be considered, when optimal, for utilization of subcontractors instead of general contractors for work to be performed.
- 14.8 The Housing Rehabilitation Specialist will work to manage rehabilitation costs through the most efficient and economically feasible project contracting model.

15.0 ENVIRONMENTAL REVIEW:

- 15.1 All assisted properties shall be subject to environmental review as required by the funding source(s). No funds shall be committed and/or released until all environmental reviews have been conducted to the satisfaction of City of Modesto. Refer to HUD Policies and Procedures Manual, Section 14 – Environmental Review Plan – for environmental review process.

16.0 HOUSING REHABILITATION LOAN COMMITTEE (HRLC) APPROVAL:

- 16.1 All Housing Rehabilitation Program activities shall be subject to majority vote approval by the City of Modesto Housing Rehabilitation Loan Committee (HRLC). The HRLC shall be comprised of the following voting members (all terms are four (4) years in length):
 - 16.1.1 One Councilmember (appointed by the Mayor)
 - 16.1.2 One financial institution representative.
 - 16.1.3 One service provider representative.
 - 16.1.4 One general contractor (active or retired).
 - 16.1.5 One Housing Authority of the County of Stanislaus (HACS) representative.
 - 16.1.6 One Citizen-at-Large.
 - 16.1.7 One Citizen's Housing and Community Development Committee Representative.

- 16.2 The City of Modesto Community Development Manager may appoint a substitute voting member using alternative criteria if existing circumstances do not allow for a Committee make-up as specified above and time constraints warrant a substitution.
- 16.3 All actions of the HRLC shall be reflected in meeting minutes to be prepared by staff of the City of Modesto Community Development Division.

17.0 APPROVAL CONTINGENCIES:

- 17.1 All rehabilitation loans shall be evidenced by the following documents and provisions:
 - 17.1.1 Loan Agreement;
 - 17.1.2 Promissory Notes (s) payable to City of Modesto in the principal amount of the loan and stating the terms and rate of interest;
 - 17.1.3 Deed of Trust(s) securing the Note (deed shall be recorded and shall secure City of Modesto's financial interest in the property);
 - 17.1.4 Declaration of Conditions, Covenants, and Restrictions (if applicable);
 - 17.1.5 Other appropriate security instrument naming City of Modesto as beneficiary;
 - 17.1.6 Request for copy of "Request for Notice of Default" on first mortgage; and
 - 17.1.7 Any other documents determined necessary by the Community Development Manager.
- 17.2 All rehabilitation activities approved by the HRLC shall be contingent on meeting the following requirements:
 - 17.2.1 Execution of a construction contract and Notice to Proceed;
 - 17.2.2 Construction Schedule mutually agreed to by the Homeowner, Contractor, and Housing Rehabilitation Specialist;
 - 17.2.3 On-site monitoring and inspections by the Housing Rehabilitation Specialist to verify scope of work, materials, and construction schedule conform to contract requirements;
 - 17.2.4 Written final inspection and approval documentation by the Housing Rehabilitation Specialist;
 - 17.2.5 Recorded Notice of Completion, signed by the homeowner, following final inspection and approval by the Housing Rehabilitation Specialist;
 - 17.2.6 Release of retention payment within 30-days after recording Notice of Completion.
- 17.3 Written change orders, subject to the criteria listed below, shall be required for any changes in the work write-up, such as eliminating an item completely, eliminating one item and substituting another, or adding items:
 - 17.3.1 Contractor must notify Housing Rehabilitation Specialist and homeowner if Contractor deems a change order for work is necessary; Contractor's Change Order request shall be submitted in writing and list the change order items with dollar value for each change;
 - 17.3.2 Housing Rehabilitation Specialist shall review and determine if Change Order requests and costs are reasonable and work with Contractor to modify Change Order items if necessary;
 - 17.3.3 Upon reviewing and approving Change Order requests, Housing Rehabilitation Specialist must prepare a City of Modesto Change Order Request Approval form and submit to Housing and Urban Development Supervisor for final approval signature;

- 17.3.4 Upon final approval by the Housing and Urban Development Supervisor, Change Order shall be signed by Homeowner and Contractor;
 - 17.3.5 The combined total of all approved Change Orders shall not exceed the approved financing and contingences;
 - 17.3.6 Homeowners cannot request (non-health and safety) change orders in excess of the approved financing (not including contingency), unless HRLC approves the use of additional funds (Attachment A).
- 17.4 The homeowner shall maintain fire insurance on the property for the duration of the program loan(s). This insurance must be adequate to cover all encumbrances on the property. The insurer must identify City of Modesto as Additional Insured for the amount of the program loans. A copy of the homeowner's insurance policy shall be provided to City of Modesto annually.
- 17.5 Homes located within a 100-year flood zone will be considered on a case-by-case basis. If approved for assistance, the Borrower is required to maintain flood insurance during the term of the assistance and in an amount adequate to secure the program loan and all other encumbrances. The insurer must identify City of Modesto as Loss Payee for the amount of the program loans. A copy of the homeowner's flood insurance policy shall be provided to City of Modesto annually.

18.0 CONTRACTOR LIST

- 18.1 The Housing Financial Specialist shall maintain a *Contractor List* that includes contractors that have participated in the Homeowner Rehabilitation Program. These contractors must have been vetted through the City's Contractor Eligibility Process as outlined in CONTRACTOR ELIGIBILITY SECTION~~Section 11.0~~. The list shall contain the names, addresses, license numbers, CSLB license expiration dates, DUNS Number, insurance information, and business license numbers, expiration dates, insurance information, and business license information for contractors who have been formally approved for participation in the housing rehabilitation programs.
- 18.1.1 Information on the *Contractors List* will be updated on an annual basis, or more frequently, if deemed necessary.
- 18.1.2 The *Contractors List* will be available to the public, upon request. If the public requests a copy of the *Contractors List*, a disclaimer must appear on the top of the list as referenced in the desk manual.
- 18.2 Any person, partnership, or corporation with a current California General Contractor's License is eligible to have bids considered on a housing rehabilitation project.
- 18.2.1 In accordance with 24 CFR 85.36(c)(4) the City shall encourage qualified contractor participation to ensure that enough bids are received for a successful and adequate solicitation. Staff shall engage in continuous contractor outreach and engagement in order to provide for the maximum open and free competition that will not preclude other potential bidders from qualifying during the bid solicitation period.

19.0 PROGRESS INSPECTIONS

- 19.1 The Housing Rehabilitation Specialist shall conduct routine progress inspections on all housing rehabilitation projects to verify the Contractor is adhering to the agreed upon Contract Schedule.
- 19.1.1 Routine progress inspections shall mean onsite inspections once weekly, unless project timelines call for more frequent inspections.

- 19.2 The Housing Rehabilitation Specialist shall track each progress inspection by completing a *Progress Inspection Report*, documenting the results and date of the inspection, and place the completed *Progress Inspection Report* in the project file.
- 19.3 If applicable, the Housing Rehabilitation Specialist shall include the reasons for any project delays within the *Progress Inspection Report* and describe a revised project schedule agreed upon by the Contractor, Homeowner, and Housing Rehabilitation Specialist.
- 19.4 Revised project schedules shall be signed by the Contractor, Homeowner and Housing Rehabilitation Specialist.
- 19.5 Further unjustified project delays by the Contractor resulting in non-compliance with the agreed upon project schedule shall result in a credit to the Homeowner until the project has been substantially completed or terminated as defined within the section entitled "Time is of the Essence in the Performance of this Agreement" in the Rehabilitation Program Contract.
- 19.6 Contractor progress payment requests shall reflect the percentage of the project completed through the time period for which payment is requested. The project completion percentage shall be indicated on the internal payment request form.

20.0 CONTRACTOR COMPENSATION

- 20.1 Contractor progress payments shall be subject to Housing Rehabilitation Specialist verification, acknowledgement and certification that the work being invoiced for is reflective of the work verified through the Housing Rehabilitation Specialist's progress inspection(s) and through the time period indicated on the payment request.
 - 20.1.1 All contractor progress payments must be accompanied by the "Invoice Checklist" including all required items listed on the invoice checklist for an invoice to be processed by the City's Finance Department.
 - 20.1.2 Progress payment to contractors and reimbursement from HUD will occur only after the Housing Rehab Specialist has verified that the work for which reimbursement is being issued, has been completed.
 - 20.1.2.1 Verification of work completion will take place by conducting onsite progress inspections and including an inspection report reflecting a "pass".
- 20.2 Contractor payment requests will only be processed if signed by the Contractor, Homeowner, Housing Rehabilitation Specialist, and Housing Rehabilitation Specialist Supervisor. Invoices must be detailed enough to determine payment eligibility, along with accompanying documentation. All efforts will be made to reimburse qualified invoices within a 30-day time frame.
- 20.3 If the Homeowner is not satisfied with the completed work, or the Contractor has not completed the work in accordance with the Rehabilitation Program Contract, Community Development Division staff will meet with the Homeowner and Contractor to resolve the dispute.
- 20.4 If such informal resolution is unsuccessful, the Homeowner and the Contractor must follow the arbitration steps and tribunal procedures as outlined in the Rehabilitation Program Contract.

21.0 NON-PROFIT SPONSORED HOUSING ACQUISITION AND/OR REHABILITATION ACTIVITIES

21.1 City of Modesto Housing Program funds, as allowed by the individual funding source(s), may be provided directly to a non-profit entity for the purpose of acquiring and/or rehabilitating housing units that will ultimately benefit an owner-occupant provided that the activity complies with all criteria as set forth in the Sections above and with the following criteria:

21.1.1 Funds provided to a non-profit Developer shall not be used for the administration of the activity.

21.1.2 "Developer's fees" shall not be allowed as part of funds provided to a non-profit. However, Non-profit Developers may be compensated at a rate of up to twelve percent (12%) of the total rehabilitation/construction cost for each project.

21.1.3 Non-profits seeking funding shall submit for Community Development Division review and HRLC approval consideration on a project plan detailing:

21.1.3.1 How the criteria of the Housing Rehabilitation Program will be met;

21.1.3.2 Scope of work including total estimated project cost;

21.1.3.3 Timeline for project completion;

21.1.3.4 Project proforma including all secured funding sources, amounts, and detailed uses to be utilized in fulfillment of the project. "Pledged" or pending sources will not be considered as leverage funding.

21.1.3.5 Financing summary of all loans being transferred to homebuyer.

21.1.4 Following HRLC approval and prior to release of funds, the non-profit must submit to City of Modesto items including, but not limited to a resolution by the non-profit's Board accepting the terms of the request and commitment of repayment, insurance and endorsements, and other items outlined within the Community Development Division contract completion checklist.

21.1.5 The Maximum Sales Price of a City/non-profit sponsored project to be sold to eligible buyers must not exceed 100% of the appraised value, with a 50/50 share of net proceeds between the Developer and the City of Modesto from the sales price of a single family home listed for City of Modesto.

21.1.6 City/Non-profit sponsored projects must comply with Maximum after Rehabilitation Value and Maximum Loan to Value requirements as outlined in sections ~~6.0~~ and ~~7.0~~ MAXIMUM AFTER REHABILITATION VALUE AND MAXIMUM COMBINED LOAN TO VALUE Sections respectively.

21.1.6.1 Additional information may be required by the HRLC in consideration of the request.

21.1.7 All HRLC approved funding shall be provided as a reimbursement subject to review and approval of a Reimbursement Request submitted from Developer to the City of Modesto Community Development Division. All RFF's shall be in a form determined satisfactory to the Department.

22.0 MONITORING

22.1 The Housing Financial Specialist audits funded recipients to ensure that assisted units are occupied only by households that are eligible as low-income families and must meet certain AMI limits.

- 22.2 The requirements include HOME-assisted non-owner-occupied units in single-family (1-4 unit) housing units.
- 22.3 The Housing Rehabilitation Specialists perform annual perform inspections to ensure units meet program compliance requirements.
- 22.4 The Housing and Urban Development Supervisor will annual audit 10% of these activities to ensure eligibility compliance requirements for the units are still being met.

23.0 LEAD BASED PAINT OPERATING PROCEDURES FOR UNITS BUILT PRIOR TO 1978

- 23.1 All program applicants shall receive notification of Lead-Based Painting hazards as follows:
 - 23.1.1 The City will provide a Lead Hazard Information Pamphlet “Protect Your Family From Lead in Your Home” to all program applicants.

23.2 Homeowner Rehabilitation Federal Assistance Up to \$5,000:

23.2.1 Lead Based Paint Presumption: Paint testing will not be conducted for housing rehabilitation projects not exceeding \$5,000. The City will presume the presence of lead based paint for all housing projects assisted with an amount not exceeding \$5,000. If the rehabilitation project will disturb painted surfaces all lead based paint mitigation activities, other than the actual testing, will be implemented as prescribed by HUD.

23.2.2 If the housing unit is built prior to 1978, the homeowner will be provided a “Notice that Lead-Based Paint or Lead Based Paint Hazards Are Presumed to be Present” to occupants within 5 business days of making such presumption.

23.2.3 Visual Inspection: A visual inspection shall be made by the Rehabilitation Specialist or other staff assigned to make the inspection, to determine if the project will disturb any painted areas. If the project *will not* disturb any painted areas, the case file shall be so documented and the property owner or tenant advised in writing. No additional compliance steps with lead based paint regulations are required.

23.2.4 Repair Work: If the project *will* disturb paint, then the City will require the rehabilitation contractor to be certified as a lead based paint abatement supervisor or as a certified lead safe worker; or the rehabilitation contractor will secure a certified lead base paint abatement supervisor to monitor safe work practices in those areas where painted surfaces will be disturbed by the rehabilitation work. Safety precautions for occupant protection ((§35.1345), work site preparation and cleanup activities and prohibited methods of removal (§35.140) of lead base paint materials must be followed.

23.2.5 De Minimis Levels: Safe work practices are not required for projects which are determined to disturb surfaces below *de minimis* levels (§35.1350). The case file shall be documented and a Notice of Completion and Notice of Clearance is not required.

23.2.6 Notice of Completion and Notice of Clearance: A clearance examination of the work site (the area in which the rehabilitation construction was performed) is the responsibility of the rehabilitation contractor and must be performed by a certified lead based paint inspector/assessor. Once work is completed, the City will provide the owner a report

entitled "Summary Notice of Completion Lead Base Paint Hazard Reduction Activity" within fifteen (15) days of the completion date (the date on which clearance is achieved). A copy shall be placed in the project file as documentation.

23.3 Homeowner Rehabilitation Federal Assistance \$5,001-\$25,000

23.3.1 Information Pamphlet: The City shall provide the pamphlet "Protect Your Family From Lead In Your Home" to the applicant.

23.3.2 De Minimis Levels: Safe work practices are not required for projects which are determined to disturb surfaces below *de minimis* levels (§35.1350). The case file shall be documented and a Notice of Completion and Notice of Clearance is not required.

23.3.3 Paint Testing or Presumption: For projects of this funding level (\$5,001-\$25,000), presumption of the presence of lead base paint **shall not** be made. Instead, paint will be tested in all areas that will be disturbed by the proposed repair work by a certified lead base paint inspector/assessor.

23.3.4 Noticing: The City shall provide the occupants with a "Summary Notice of Lead Based Paint Inspection" after such inspection is made by a certified lead base paint inspector/assessor in accordance with §35.1320(a).

23.3.5 Risk Assessment: The City shall order test samples of those painted surfaces to be disturbed by the rehabilitation construction or, upon visual inspection by the rehabilitation specialist, on any painted surfaces that are deteriorated. If lead is found in the test samples, a risk assessment shall be ordered by the City and conducted by a certified lead inspector/assessor in accordance with §35.1320(b) before rehabilitation construction begins. The lead base paint inspector/assessor will provide a copy of the results to the City who will notify the owners of the property with the "Summary Notice of Lead-Based Risk Assessment."

23.3.6 Interim Controls: If the risk assessment indicates the presence of lead base paint then lead hazard mitigation activities, including paint standards, interim controls and paint stabilization must be performed on all identified lead paint hazards in accordance with §35.1330. Safety precautions for occupant protection (§35.1345), work site preparation and cleanup activities and prohibited methods of removal (§35.140) of lead base paint materials must be followed.

23.3.6.1 A person performing paint standards, interim controls or stabilization must be trained in accordance with 29 CFR 1926.59 and be a certified lead base paint safe worker or certified lead base paint abatement supervisor.

23.3.7 Relocation: As stated in section §35.1345, temporary relocation is required unless: (1) the work will not disturb lead based paint or lead based paint hazards; (2) only exterior work is being conducted and openings to the interior are closed during the work and lead-hazard-free entry to the dwelling is provided; (3) the interior work will be completed in 8 hours, the work sites are contained to prevent dust release into other areas, and no other health or safety hazards are created; or (4) interior work will be completed in 5 consecutive days, work sites are contained, no other health or safety hazards are created, work sites and areas 10 feet from the containment are cleaned at the end of each work day, and occupants have safe access to sleeping, kitchen and bathroom facilities.

23.3.7.1 Safe access to sleeping, kitchen and bathroom facilities can be provided in another convenient location outside of the work site, thereby avoiding unnecessary relocation of residents.

23.3.8 Clearance: Clearance shall be the responsibility of the rehabilitation contractor who will order the clearance inspection from a certified lead base paint inspector/assessor and in accordance with §35.1340(b).

23.3.9 Notice of Completion and Notice of Clearance: Once work is completed and after a clearance examination of the work site is performed by a certified lead paint inspector/assessor, a copy shall be placed in the project file as documentation. The City will provide a "Summary Notice of Completion of Lead Based Paint Hazard Reduction Activity" to the owner within 5 business days from project completion date. The lead base paint inspector/assessor will provide a "Lead Hazard Evaluation Report" (Form DHS 8552) to the City, the owner and to the Department of Health Services.

23.4 Homeowner Rehabilitation Federal Assistance greater than \$25,000 (Identify and Eliminate lead hazards)

23.4.1 Information Pamphlet: The City shall provide the pamphlet "Protect Your Family From Lead In Your Home" to the applicant.

23.4.2 If the amount of assistance is more than \$25,000, the following is required:

23.4.2.1 Paint testing as outlined in ~~Section 20-3-3~~ Paint testing or Presumption sub-section above;

23.4.2.2 Abatement of all lead based paint hazards identified or produced;

23.4.2.3 Use of interim controls on exterior surfaces not disrupted by rehabilitation; and all applicable lead based paint notices.

23.4.3 All paint tests that result in a negative finding of lead-based paint are exempt from any and all additional requirements. If defective paint surfaces are found, they will be properly treated or abated. A certified Inspector/Assessor shall perform all paint testing, risk assessments, and clearances. A trained supervisor may oversee interim controls; however, a certified supervisor and workers will perform all abatement.

FOUR FACTOR ANALYSIS FOR LIMITED ENGLISH PROFICIENT PERSONS AND LANGUAGE ASSISTANCE PLAN



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City of Modesto Citizen Housing and Community Development Committee (CH&CDC) Approved October 12, 2017
City of Modesto City Council Approved by Resolution 2016-425 on October 25, 2016



CITY OF MODESTO
FOUR FACTOR ANALYSIS FOR LIMITED ENGLISH PROFICIENT PERSONS
AND
LANGUAGE ASSISTANCE PLAN

(October 2017-August 2018)

1. FOUR FACTOR ANALYSIS FOR LIMITED ENGLISH PROFICIENT PERSONS

1.1. In order to determine the needs of Limited English Proficient (LEP) persons in the jurisdiction of the City of Modesto (the City), the City conducted the following analysis defined by the U.S. Department of Housing and Urban Department (HUD):

2. Factor 1: Number or proportion of LEP persons served or encountered in the eligible service area:

2.1. The City obtained information from the U.S. Census Bureau’s American Factfinder website, as recommended by HUD, to gather data about the City’s overall population, as well as the population of LEP persons within the City and the primary languages spoken. The following results were obtained from the American Factfinder 2011-2015 American Community Survey 5-Year Estimates:

2.2.

Total Population 5 years and Over:	192,811
Total LEP Population 18 Years and Over:	23,121
Spanish Speaking LEP Population 18 Years and Over:	15,347
Asian and Pacific Island Languages 18 Years and Over:	3,488
Other Indo-European Language Speaking LEP Population 18 Years and Over:	2,347
Other LEP Speaking Population 18 Years and Over:	1,939

2.3. The above data demonstrates that approximately 66% (15,347) of the City’s LEP population is Spanish Speaking. This language group is the only one that meets the 1,000 or 5% requirement for written translation services as described in the Language Assistance Plan (LAP).

2.4. The next largest LEP population group is Asian and Pacific Island Languages which constitutes approximately 15% (3,488) of the City's LEP population. The Asian and Pacific Islander group consists of a combination of many different languages including, but not limited to, Chinese, Vietnamese, Hmong, Urdu, Bengali, and Korean. According to the U.S. Department of Education, the 3 most common Asian and Pacific Islander languages in the U.S., for which data was collected and reported, are Chinese, Vietnamese, and Hmong. According to the Statistical Atlas, in 2015 there were 962 Chinese LEP persons, 385 Vietnamese LEP persons, and 164 Hmong LEP persons in the City.

2.5. The next LEP population constitutes 10% (2,347) which consists of Indo-European language speakers. This population includes, but is not limited to, Albanian, Armenian, Baltic, Slavic, Germanic, and Greek.

2.6. It is not known what languages were categorized under the "Other LEP speaking population."

3. Factor 2: Frequency with which LEP persons come into contact with the program:

3.1. A review of the frequency of LEP persons contacting the City for the covered HUD housing programs revealed that approximately 4 out of 10 persons contacting the City were Spanish speaking. There were no records of any other language group contacting the City for the same programs.

3.2. The City's Community Development Division includes staff ~~who~~that speak Spanish and regularly provide oral interpretation services to customers who access the City's housing programs.

4. Factor 3: Nature and importance of the program, activity, or service provided by the program:

4.1. The services provided by the City's Community Development Division provide affordable housing opportunities via homebuyer assistance and owner occupied housing rehabilitation. These programs directly address General Plan/Housing Element goals as well as state and federal housing requirements.

5. Factor 4: Available resources and costs to the City:

5.1. Because the City has Spanish speaking staff, it is cost effective for the City to provide Spanish language translation of vital documents.

5.2. The City will utilize any documents provided by HUD in languages other than English.

5.3. The City will consider professional interpretation services to provide oral interpretation in languages other than Spanish, as needed.

6. LANGUAGE ASSISTANCE PLAN

6.1. Introduction

6.1.1. The City is committed to providing equal opportunity housing in a non-discriminatory manner, and to fully comply with all Federal, State and local nondiscrimination laws as well as with regulations governing Fair Housing and Equal Opportunity in housing and employment. This includes complying with Title VI of the Civil Rights Act of 1964 to ensure meaningful access to programs and activities by Limited English Proficient (LEP) persons.

6.1.2. The purpose of this LAP is to identify how the City will ensure its methods of administration will not have the effect of subjecting LEP persons to discrimination because of their national origin, and to ensure LEP persons have full access to City programs and services.

6.2. Who is LEP?

6.2.1. For purposes of this LAP, anyone whose primary language is not English, and has a limited ability to read, write, speak or understand English may be an LEP person.

6.2.2. The City will not identify anyone as an LEP person; the beneficiaries of the services and activities must identify themselves as an LEP person (Federal Register Vol. 72, No. 13, January 22, 2007).

6.3. Safe Harbor

6.3.1. "Safe Harbor" guidance provided by HUD states that written translations of vital documents should be provided for each eligible LEP language group that constitutes 1,000 or more of the eligible population in the market area or 5% of the eligible population.

6.3.2. It is important to note that the "Safe Harbor" concept only applies to the translation of documents. Failure to provide translation does not mean there is non-compliance. Oral interpretation may be an acceptable way of providing access when the translation of documents becomes so burdensome as to defeat the legitimate objectives of a program. Other considerations will be the importance of the service, benefit or activity, the nature of the information sought, and whether the proportion of the LEP persons served calls for written translations.

6.4. Service Area

6.4.1. The Service Area shall mean the Modesto City limits.

6.4.2. When considering written translations, the "Safe Harbor" evaluation will differ depending on the population the City is considering as follows:

6.4.3. When conducting outreach to the eligible population in the service area, the number and percentage of the eligible LEP population in the service area will be evaluated.

6.4.4. When working with program beneficiaries (i.e. applicants to City's housing programs), the number and percentage of LEP persons accessing the program will be evaluated.

6.5. Identification of Language Needs within the City

6.5.1. It was determined through review of the U.S. Census Bureau's American Fact Finder 2011-2015 American Community Survey 5-Year Estimates data, that the total LEP population 18 years of age and over in the City is 23,121.

6.5.2. Of the total LEP population, the largest LEP population is Spanish speaking with 15,347 (66% of LEP population) Spanish Speaking LEP persons.

6.5.3. A review of the frequency of LEP persons contacting the City for the covered HUD Housing programs revealed that approximately 4 out of 10 persons contacting the City within any given week were Spanish speaking. There were no records of any other language group contacting the City for the same programs.

6.5.4. To comply with the "Safe Harbor" rule, the City has determined that because there are more than 1,000 Spanish-speakers in the City who speak English less than very well, the City will translate vital documents into Spanish.

6.5.5. The next largest LEP population were persons who speak Asian and Pacific Islander languages (which consist of Chinese, Vietnamese, Hmong, Urdu, Bengali, and Korean among others) and identified themselves as speaking English "less than very well." This is a population of 3,488 or 15% of the overall LEP population. According to the U.S. Department of Education, the 3 most common Asian/Pacific Islander languages in the U.S. are Chinese, Vietnamese, and Hmong. According to the Statistical Atlas, in 2015 there were 962 Chinese LEP persons, 385 Vietnamese LEP persons and 164 Hmong LEP persons. The City has determined that because there are less than 1,000 people in each of the major Asian/Pacific Islander languages, the City will not translate vital documents into these languages. However, the City will provide oral interpretation as needed to LEP persons requesting such services.

6.5.6. The remaining LEP population consists of Indo-European language speaking and other LEP speaking populations for which data was not available. Written translation of vital documents into these languages will not be provided. The City will provide oral interpretation, as needed, to LEP persons requesting such services.

6.6. Written Translation

6.6.1. As stated above in Section V, the City has determined that because there are more than 1,000 Spanish-speakers in the City who speak English less than very well, the City will translate vital documents into Spanish. As of the date of the adoption of this LAP, Spanish is the only language into which vital documents will be translated. This may subject to change upon updates of the LAP.

6.7. Vital Documents

6.7.1. HUD has defined "Vital Documents" to be those documents that are critical for ensuring meaningful access to the City's major activities and programs by beneficiaries generally and LEP persons specifically.

6.7.2. In general, the City will attempt to translate all letters sent to Spanish speaking program applicants who are identified as LEP. However, the following is a list of documents the City has determined to be Vital Documents and has committed to translating into or providing HUD-approved versions in Spanish:

6.8. Vital Documents

6.7.3. Public Hearing Notices related to Consolidated Plan, Annual Action Plan, Consolidated Annual Performance Evaluation Report, and Assessment of Fair Housing.

6.8.1.1-6.7.3.1.

<u>Documents</u>	<u>Translation Turn Around</u>
<u>Consolidated Plan</u>	<u>30 calendar days from the date of request</u>
<u>Annual Action Plan</u>	<u>30 calendar days from the date of request</u>
<u>Consolidated Annual Performance Evaluation Report</u>	<u>30 calendar days from the date of request</u>
<u>Assessment of Fair Housing</u>	<u>30 calendar days from the date of request</u>
<u>Committee Agendas</u>	<u>14 days from the date of request</u>
<u>Committee Minutes</u>	<u>14 days from the date of request</u>

6.7.4. Homebuyer Assistance Program Application
The following Vital documents will be readily available translated into Spanish (and other languages as needed may be identified in the future):

6.7.4.1. Public Hearing Notices related to Consolidated Plan, Annual Action Plan, Consolidated Annual Performance Evaluation Report, and Assessment of Fair Housing.

6.7.4.2. Homebuyer Assistance Program Application

6.7.4.3. Citizen Participation Plan

6.8.1.2-6.7.4.4. Complaint Procedures

6.8.1.3-6.7.4.5. Homebuyer Assistance Program Brochure

6.8.1.4-6.7.4.6. Homeowner Rehabilitation Program Application

6.8.1.5-6.7.4.7. Homeowner Rehabilitation Program Brochure

6.8.1.6-6.7.4.8. Annual Monitoring Notices

6.9.6.8. Oral Interpretation

~~6.9.1-6.8.1.~~ The City will make every effort to provide oral interpretation for all its clients who have identified themselves as LEP persons and request services.

~~6.10-6.9.~~ Bilingual Staff

~~6.10.1-6.9.1.~~ The City's Community Development Division employs bilingual, Spanish-speaking staff in several positions, including program management. Currently, the City's Community Development Division has four full-time Spanish-speaking staff.

~~6.10.2-6.9.2.~~ In addition, the City has access to other bilingual City employees, including numerous Spanish-speaking staff, as well as staff members who speak: Hindi, Laotian, Hmong, French, Khmer, and Cambodian.

~~6.10.3-6.9.3.~~ Bilingual employees must pass a competency test in the respective language in order to be designated as a bilingual person. This test consists of an oral question and answer session conducted in an oral panel interview setting by Certified City employees.

~~6.11-6.10.~~ Interpreter Services

~~6.11.1-6.10.1.~~ When there is not a City staff person who speaks the LEP person's primary language, the City will seek interpretation through a professional interpreter service.

~~6.11.2-6.10.2.~~ In the event the LEP person's primary language is not widely spoken and the City is unable to locate a suitable interpreter through a professional interpreter service, the City may resort to other methods such as seeking community volunteers.

~~6.11.3-6.10.3.~~ As a last resort in cases where the City is unable to find an acceptable interpreter within a time frame to effectively assist the client, the City may use an online translation website in order to communicate via an in-office computer.

~~6.12-6.11.~~ Informal Interpreters

~~6.12.1-6.11.1.~~ The City will generally discourage the use of family members or other informal interpreters, but will allow the use of an interpreter of the LEP person's choosing (including family members or a professional interpreter at the LEP person's own expense) when the LEP person rejects the City's free language assistance services. The City will document the offer and the LEP person's subsequent rejection.

~~6.13.1.1.~~ Staff Training

~~6.12.~~ The City will provide a copy of this LAP to all existing and incoming staff, and will also provide training as to its contents and what is required under the policy. **Outreach**

~~6.12.1.~~ The City will conduct outreach to LEP persons as follows:

~~6.12.1.1.~~ The City will provide notification to LEP persons of the availability of translation assistance services (both interpretation and translation) through public notices published in conjunction with the Annual Action Plan.

~~6.12.1.2.~~ The City will provide a link on the City website to HUD translated materials site.

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6.12.1.3. The City will provide its subrecipients with technical assistance regarding their responsibilities to provide language assistance services to individuals in their programs and request information from them through program monitoring on how they are providing outreach to LEP persons.

6.13. Staff Training on LEP guidance and the LAP, including specific provisions for training staff that are responsible for monitoring subrecipients.

6.13.1. The City will ensure that staff are given proper LEP training so that they are aware of their obligations to provide access to information and services for LEP persons. Staff associated with HUD Funded programs will require a more in-depth training, and the City will ensure that such staff persons have been trained on providing language assistance and/or obtaining language assistance for LEP individuals. Training for these individuals will include the following:

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6.13.1.1. Staff persons will be training on language assistance requirements by being made aware of applicable laws and resources.

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6.13.1.2. Staff persons will be provided with a copy of the Four Factor Analysis and Language Assistance Plan, and will be informed when such information is updated.

6.13.1.3. Staff person will be informed of other staff persons who are proficient in providing language assistance, and receive instructions on actions to take when LEP individuals are encountered, including instructions on the use of the language line.

6.13.1.4. Front desk receptionists will be trained on the use Language Line and on use of language identification cards, or "I speak cards", which invite LEP persons to identify their language needs. I speak cards will be kept at the front desk.

6.13.1.5. All staff persons that monitor subrecipient's will be trained on examining the efforts of subrecipients to comply with LEP requirements. This will include the following: (1) evaluating whether the subrecipient has completed a Four Factor Analysis; (2) determining whether such Four Factor Analysis necessitated the preparation of a Language Assistance Plan; (3) determining whether subrecipient provided language assistance outreach and services as identified in the Language Assistance Plan; and (4) determining whether Vital Documents have been made available in appropriate languages.

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The City will provide a copy of this LAP to all existing and incoming staff, and will also provide training as to its contents and what is required under the policy.

6.13.1.6. Supervisors and managers will be trained on language assistance requirements so that they can reinforce the importance of compliance and ensure implementation by staff.

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6.14. Recipients of HUD Funds From the City

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6.14.1-6.14.1. The City will monitor that the any receiptent

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6.14.6.15. Monitoring and Updating of This LAP

~~6.14.1-6.15.1.~~ The City will review/revise this LAP on an as needed basis, but no less than every five years to ensure the populations of the various language groups within the jurisdiction and their needs are reflected in the provision of primary-language services.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-359**

**RESOLUTION AWARING \$50,000 IN COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS TO OPPORTUNITY STANISLAUS, FOR THE VOLT
INSTITUTE TO PROVIDE ELIGIBLE PUBLIC SERVICE ACTIVITIES AND
AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO EXECUTE
THE AGREEMENT**

WHEREAS, the City of Modesto receives Community Development Block Grant (CDBG), HOME Investment Partnerships Program and Emergency Solutions Grant funds from the U.S. Department of Housing and Urban Development each year, and

WHEREAS, these funds are allocated through an Annual Action Plan which is reviewed by the Citizens' Housing and Community Development Committee and approved by the City Council, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-238, Council approved the City of Modesto Program Year 2018-19 Annual Action Plan, and

WHEREAS, the Annual Action Plan approved up to 15% of the annual allocation for public service funded activities which will be utilized with Community Development Block Grant Funding, and

WHEREAS, the funding allows the City to partner with local nonprofit service providers, such as Opportunity Stanislaus, for the provision of eligible public service activities, and

WHEREAS, the Opportunity Stanislaus, plans to utilize the funds to match a Federal Disaster Recovery EDA grant opportunity, and

WHEREAS, this project will provide services to individuals with incomes below 80% of the area median income (AMI), and

WHEREAS, the project will utilize \$50,000 of Community Development Block Grant entitlement funds, and

WHEREAS, the Opportunity Stanislaus will be able to leverage up to \$2,200,000 increase the capacity of the project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding up to \$50,000 in Community Development Block Grant funds to Opportunity Stanislaus for the provision of eligible public service activities.

BE IT FURTHER RESOLVED, that the City Manager or his designee, is authorized to execute the agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-360**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 AND FISCAL YEAR
2018-2019 ANNUAL OPERATING AND CAPITAL IMPROVEMENT PROJECT
FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18 and Fiscal Year 2018-19.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 and Fiscal Year 2018-19 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

COMMUNITY ECONOMIC DEVELOPMENT

A budget adjustment is necessary to recognize actual revenue received in the Measure L Fund (1410) for the fiscal year FY 16/17 and FY 17/18. The total revenue to recognize is \$10,622,427 for the Local Streets & Roads (14625), Traffic Management (14626), Bike & Pedestrian (14627), and Transit Services (53402) cost centers. Additionally, a transfer of \$322,324 needs to be established to move the revenue from the Transit Services cost center (53402). \$302,324 of the transfer will go to Bus Fixed Route Max Operations Fund (4540) and \$20,000 to the Bus Service Fund – DAR (4520) to offset transit operation and maintenance services in the fiscal year.

FIRE DEPARTMENT

A budget adjustment is necessary to amend the Industrial Fire District budget as approved in Fund 6100, JPA – Industrial Fire Fund, by the Industrial Fire board on August 2, 2018. The revenues are being increased by \$65,600, which is offset by an increase to the expense of the final disbursements to the JPA members by \$65,600.

INFORMATION TECHNOLOGY

A budget adjustment is necessary to reallocate the IT project transfers, in the amount of \$2,448, from Industrial Fire JPA to General Fund. These transfers were for the Budget Software and Oracle Upgrade but the Industrial Fire JPA never approved these costs as part of their budget. The increase of the General Fund transfers will come out of the General Fund Emergency Reserves.

PARKS, RECREATION, AND NEIGHBORHOODS

A budget adjustment is necessary in the TRRP JPA operating cost center (6700-80300) due to unexpected pump repair expenses and additional tree trimming work that was delayed last fiscal year due to flooding. In order to cover the outstanding expenses we will recognize \$8,977 in additional rental/lease revenue and reduce the transfers out in the amount of \$47,457 which will reduce the transfer in for the TRRP JPA Special Revenue Fund (6710) in the amount of \$47,400. This will allow the increase of Professional Services by \$33,234 to cover the expenses mentioned.

POLICE DEPARTMENT

A budget adjustment is necessary to increase the transfer between General Fund and the Grants – Police Fund (1342) in the amount of \$280,000 to cover the City's portion of the COPS Hiring Program Grant while also reducing the Revenue in the Grants – Police Fund by \$280,000 from the Department of Justice for the COPS Hiring Grant. The additional transfer amount will be coming from the General Fund Emergency Reserves.

PUBLIC WORKS

A budget adjustment is necessary to establish a transfer from the Surface Transportation Fund – Measure L/SB1 Maintenance of Effort (MOE) Fund (1420) to the Surface Transportation Fund (1700) in the amount of \$1,157,210 to offset transportation operations in the fund and meet the Senate Bill 1 RMRA MOE requirement.

A budget adjustment is necessary to increase the budget in the Fleet Replacement Fund 5409 in the amount of \$197,700 to account for fleet vehicle purchases that were not in the original fleet replacement budget. A majority of the unbudgeted replacements were in the Public Works department for vehicles related to Streets and Transit. The Fleet Replacement Fund 5409 will be reimbursed by the purchasing departments via transfers.

A budget adjustment in the amount of \$90,000 is necessary in the Fleet Fund (5400) to account for unanticipated repair and maintenance costs. The increase in budget is covered by Fund 5400 reserves and will be recouped from the appropriate departments in two years using the Internal Service Fund (ISF) allocation model.

The following adjustments are being made from the various city Fleet Replacement sub-funds to the Fleet Replacement Fund (5409). This action is being done to correct prior year transactions and to reimburse the Fleet Replacement Fund (5409) for vehicle purchases that had been made as required by fund accounting rules. Below is a table showing the net effect in each sub-fund as a result of the various adjustments.

Fund	Fund Name	Net Impact of Adjustments
1139	CDBG Direct Program Fleet Replacement Fund	\$13,355
1709	Surface Transportation Fleet Replacement	\$1,208,679
4109	Water Fleet Replacement Fund	\$441,975
4219	Wastewater Fleet Replacement Fund	\$7,031
4319	Airport Fleet Replacement Fund	\$34,545
4549	Bus Fixed Route Fleet Replacement Fund	\$54,307
4899	Solid Waste Fleet Replacement Fund	\$952,013
5129	Mail Services ISF Fleet Replacement Fund	(\$1)
5410	GF Equipment Replacement	\$1,062,070
	Total	\$3,773,973

A budget adjustment is necessary to establish a transfer in the amount of \$29,465 from CDBG Direct Program Fleet Replacement Fund 1139 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (2) Mid-size Sedan.

A budget adjustment is necessary to correct a transfer from CDBG Direct Program Fleet Replacement Fund 1139 to the Fleet Replacement Fund 5409 by decreasing the amount by \$16,110 for purchases made in FY16/17: (1) Mid-size Sedan.

A budget adjustment is necessary to establish a transfer in the amount of \$1,226,977 from Surface Transportation Fleet Replacement Fund 1709 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Truck w/ Aerial Bucket, (2)

Concrete Grinder, (2) Concrete Grinder Push Truck, (2) Sweeper, (2) Truck w/ hot patch body.

A budget adjustment is necessary to correct a transfer from Surface Transportation Fleet Replacement Fund 1709 to the Fleet Replacement Fund 5409 by decreasing the amount by \$18,298 for purchases made in FY16/17: (2) Concrete Grinder, (2) Concrete Push Truck Grinder.

A budget adjustment is necessary to establish a transfer in the amount of \$484,147 from Water Fleet Replacement Fund 4109 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (5) ¾ Ton Xtra Cab Truck, (1) Backhoe 4-wheel drive, (1) Trailer for Chlorine, (1) 1-Ton Utility Truck, (1) ¾ Ton Extended Cab Utility Truck, (3) ¾ Extra Cab Utility Trucks.

A budget adjustment is necessary to correct a transfer from Water Fleet Replacement Fund 4109 to the Fleet Replacement Fund 5409 by decreasing the amount by \$42,172 for purchases made in FY16/17: (1) Trailer for Chlorine, (1) ¾ Ton Utility Truck.

A budget adjustment is necessary to establish a transfer in the amount of \$13,679 from Wastewater Fleet Replacement Fund 4219 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Mid-size Sedan.

A budget adjustment is necessary to correct a transfer from Wastewater Fleet Replacement Fund 4219 to the Fleet Replacement Fund 5409 by decreasing the amount by \$6,648 for purchases made in FY16/17: (1) Loader with Claw Attachment.

A budget adjustment is necessary to establish a transfer in the amount of \$34,545 from Airport Fleet Replacement 4319 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Mower Flail, (1) Riding Mower.

A budget adjustment is necessary to establish a transfer in the amount of \$54,307 from Bus Fixed Route Fleet Replacement 4549 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Truck with Utility.

A budget adjustment is necessary to establish a transfer in the amount of \$966,231 from Solid Waste Fleet Replacement Fund 4899 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Mid-size Sedan, (2) Truck with Aerial Bucket, (1) Water Truck, (2) Packer Truck.

A budget adjustment is necessary to correct a transfer from Solid Waste Fleet Replacement Fund 4899 to the Fleet Replacement Fund 5409 by decreasing the amount by \$14,218 for purchases made in FY16/17: (1) Mid-size Sedan.

A budget adjustment is necessary to establish a transfer in the amount of \$14,973 from Mail Services ISF Fleet Replacement Fund 5129 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Sedan Compact Wagon.

A budget adjustment is necessary to correct a transfer from Mail Services ISF Fleet Replacement Fund 5129 to the Fleet Replacement Fund 5409 by decreasing the amount by \$14,974 for purchases made in FY16/17: (1) Sedan Compact Wagon.

A budget adjustment is necessary to establish a transfer in the amount of \$1,260,613 from GF Fleet Replacement Fund 5410 to Fleet Replacement Fund 5409 for purchases made in FY16/17 and FY17/18: (1) Ball Field Conditioner, (9) Motorcycle, (1) Riding Mower, (24) Investigation Sedan, (1) Mid-size Sedan, (12) Patrol Sedan, (1) Self-propelled Sprayer, (4) SUV, (1) Truck with Stake-side Dump.

A budget adjustment is necessary to correct a transfer from GF Fleet Replacement Fund 5410 to the Fleet Replacement Fund 5409 by reducing the amount by \$198,543 for purchases made in FY16/17: (10) Investigation Sedan Vehicles, (2) Investigation SUV.

UTILITIES

A budget adjustment is necessary to reduce the transfer from Wastewater Fund (4210) to Wastewater 2006A Revenue Bond Fund (4240) in the amount of \$100,755; increase the transfer from Wastewater Fund (4210) to Wastewater 2018A Revenue Bond Fund (4271) in the amount of \$176,240; increase the expense budget in the Wastewater 2006A Revenue Bond Fund (4240) by \$95,000; and reduce the expense budget in the Wastewater 2018A Revenue Bond Fund (4271) by 18,760. This will allow the city to cover expenditures related to the 2018 refinancing of the Wastewater bond.

A budget adjustment is necessary to establish a transfer from the Water Fund (4100) to the Water CIP fund (4180) in the amount of \$21,318,189 to cover FY17-18 Capital Improvement Plan (CIP) expense.

A budget adjustment is necessary to establish a transfer from the Wastewater Fund (4210) to the Wastewater 2015 Debt Refunding Fund (4241) in the amount of \$2,773,207 to cover FY17-18 principal and interest payments associated with the 2015 refunding of Wastewater bonds.

A budget adjustment is necessary to establish a transfer from the Wastewater Fund (4210) to the Wastewater State Revolving Loan Tertiary Treatment Fund (4245) in the amount of \$8,245,564 to cover FY17-18 principal and interest payments associated with the Tertiary Treatment plant.

FISCAL YEAR 2018-19

COMMUNITY ECONOMIC DEVELOPMENT

A budget adjustment is necessary to increase the Village One #2 CFD 2014 Debt fund, Fund 3294 expense budget by \$973,350 for the increased principal payment in the fiscal year for call payment for Brooks Landing apartments. The increase in budget will be covered by Fund 3294 reserves.

OFFICE OF THE CITY AUDITOR

A budget adjustment is necessary to reverse the Appropriation Unit C reduction of \$25,041 that was approved on the list of Mayor's Approved Reductions and Adjustments as part of the FY 2018-19 Adopted Operating Budget. A reduction had already been accounted for thru the reclassification of the Executive Assistant position to Senior Auditor with a vacancy hold of 6 months and this amount of \$25,041 was duplicative. This will increase account 0100-06010-54001 by \$25,041 to carry out the correction.

A budget adjustment is necessary to increase the Appropriation Unit C expense account for Business Expenses by \$6,200 in the Office of the City Auditor for FY 2018-19. As part of the contract for the hiring of the City Auditor position moving expenses were to be paid for by the City of Modesto. These invoices were not fully completed and paid until the new fiscal year (FY 2018-19) and therefore are required by accounting policies and procedures to be paid from budget in the fiscal year in which they are paid. Funds were budgeted for this expense in the prior year but did not carry forward and subsequently dropped to fund balance at the end of fiscal year 2017-18. This adjustment will re-appropriate those funds for their original purpose by increasing the expense budget for the Office of the City Auditor in account 0100-06010-53030 by \$6,200 from FY 2017-18 General Fund carryover.

PARKS, RECREATION, AND NEIGHBORHOODS

A budget adjustment is necessary in PRN – Graffiti Abatement cost center to reduce the budget by \$68,131 as it is a duplicated amount related to the direct charge agreement PW-MYAF. (0100-35170-51991)

A budget adjustment is necessary in the PRN – Parks, Planning and Development cost center for the addition of a Full-Time Parks Project Coordinator as part of the Parks (PRN) re-organization. The following accounts need to be updated within the cost center:

Expenses:

- 0100-32020-51401 increase \$70,325
- 0100-32020-51901 increase \$24,839
- 0100-32020-51040 decrease \$26,460

Revenue

- 0100-32020-43501 increase \$10,000
- 0100-32020-45004 increase \$45,512

A budget adjustment is necessary to increase the John Thurman Field Capital Improvements project expenditure budget by \$120,000. As part of the budget adoption for the multi-year projects, the revenue budget for this project (#101019) was increased by \$120,000 per the contract that the City has with the Modesto Nuts. The expenditure budget should have been increased by the same amount for FY 2018-19. This adjustment will appropriately match the revenue and expenditure budgets in FY 2018-19 by increasing the expenditure budget by \$120,000 for Project 101019 – John Thurman Field Capital Improvements in the Non-CIP Capital expense account.

POLICE DEPARTMENT

A budget adjustment is necessary to clean up the Stanislaus Drug Enforcement Agency (SDEA) JPA budget as the City of Modesto is no longer the fiduciary. Of the \$723,072 budgeted, \$504,666 will be eliminated as the positions have been eliminated. Another \$97,148 in ISF costs will be moved to General Fund within the MPD – Field Operations cost center which will come from General Fund Emergency Reserves. The remaining balance of \$121,258, which is the salary, benefits and ISF costs for one Senior Crime Analyst, will be moved to a new cost center within the Grants – Police Fund (1342) with matching revenue as this position will remain with SDEA with funding through CalMMET (California Multi-Jurisdictional Methamphetamine Enforcement Team) grants.

A budget adjustment is necessary to add \$50,000 in Overtime to the MPD SDEA cost center (0100-19210) with matching revenues so there will be no impact on the General Fund. In turn the SDEA HIDTA (High Intensity Drug Trafficking Area) Grant cost center (1342-19212) will also be increased by \$50,000 for the overtime with matching revenue from HIDTA reimbursement.

A budget adjustment is necessary to amend the MPD Asset Forfeiture budget (0100-19465) by increasing both the revenue and a transfer out to fund 3120 in the amount of \$180,000. This was originally approved by council on 5/2/17 for the Records Management System project with Resolution number 2017-168 but since the project has not hasn't been completed the budget needs to be re-established in FY 18-19.

PUBLIC WORKS

A budget adjustment is necessary to increase revenues due to the approval of the Maximum Rate Schedule effective 7/1/18 for the City Solid Waste Collection Services on 6/12/18 by Council in the amounts listed below:

- Solid Waste Fund in the amount of \$409,600,
- Green Waste Fund in the amount of \$771,671
- Carpenter Road Landfill Fund in the amount of \$74,498

A budget adjustment is necessary to recognize unbudgeted revenue in the amount of \$301,200 for Capital Improvement Project #100967 – HSIP Cycle 6 High Friction Surface Treatment

within Fund 3160, Capital Grants-Streets CIP Projects as additional funding was recently awarded by the Department of Transportation (Caltrans). Additionally, a transfer of \$33,600 need to be established from the Surface Transportation Fund (1700) reserves to the project for the local match portion of the funding. The total increase in budget of \$334,800 will be allocated to the projects discretionary expense tasks.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-361**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES IN THE AMOUNT OF \$54,000, FOR A TERM TO EXPIRE ON JANUARY 31, 2019 FOR A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$157,200 FOR CONSULTANT SERVICES WITH RESPECT TO ADMINISTRATIVE INVESTIGATIONS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on January 23, 2018, by Resolution No. 2018-53, Council approved an agreement with Armistead Research and Investigative Services for a term of November 9, 2017 through September 30, 2018 for internal administrative investigation services, in the amount of \$103,200, and

WHEREAS, a discrepancy has been discovered in the previously ratified expense amount taken to Council on January 23, 2018, and

WHEREAS, the City has a need to continue these services for confidential investigations, and

WHEREAS, staff recommends the City amend the professional services agreement Armistead Research and Investigative Services to correct the discrepancy and approve the continued services.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Modesto hereby approves a First Amendment to the professional services agreement with Armistead Research and Investigative Services in the amount of \$54,000, for a term to expire on January 31, 2019 for a total agreement amount not to exceed \$157,200 for consultant services with respect to administrative investigations.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the First Amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-362**

**RESOLUTION APPROVING THE FIRST AMENDMENT TO THE
CONSULTANT SERVICES AGREEMENT WITH AARONSON MANAGEMENT
GROUP, INC. (DBA STORYPOWERED) FOR PHASE II WORK ON THE
CONVENTION AND VISITOR'S BUREAU TRANSITION TO AN
INDEPENDENT AGENCY, IN AN AMOUNT NOT TO EXCEED \$52,500, FOR A
TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$102,000 AND
AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE
THE AMENDMENT**

WHEREAS, in June 2015, the City Council adopted Resolution No. 2015-224 assigning the duties and functions of the Convention and Visitor's Bureau (CVB) to the Community and Economic Development Department, and

WHEREAS, in September 2015, the Destination Modesto Task Force (Task Force) was formed to review and make recommendations on how to structure the entity responsible for marketing Modesto and its many venues and attractions, including John Thurman Field, three (3) City-owned golf courses, McHenry Mansion, McHenry Museum, Modesto Centre Plaza, and the CVB, and

WHEREAS, the Task Force agreed that marketing Modesto should include: 1) results oriented management, 2) comprehensive and coordinated marketing, 3) regional collaboration and partnership, 4) performance measured by economic growth potential, and 5) entrepreneurial spirit, and

WHEREAS, recommendations have been made, exercised, or are on-going pertaining to John Thurman Field, Modesto Centre Plaza, the three (3) City-owned golf courses, and the McHenry Mansion and McHenry Museum, and

WHEREAS, Resolution No. 2018-107 initiated the start of moving forward to have a fully functioning CVB, and restoring it as an independent agency, and

WHEREAS, steps toward restoring the CVB include hiring a consultant to oversee the transition and activities of the Convention and Visitor's Bureau, establishing the Mayor and Council and the Interim Board of Directors, and drafting an agreement to provide funding from the Transient Occupancy Tax, using the previous agreement as a guide, and

WHEREAS, on March 27, 2018, the City executed an Agreement for Consultant Services with Aaronson Management Group, Inc. (DBA StoryPowered) (Agreement), to oversee Phase I of the CVB transition, and

WHEREAS, Phase I is complete and included a SWOT Analysis Draft and Comprehensive Set Audit, Draft By Laws, Draft Business Plan, Draft Zero-Based Budget and a revised budget, and

WHEREAS, the cost of Phase I was \$47,500 plus reimbursable expenses, and

WHEREAS, City desires to amend the Agreement to include Phase 2, the second and final phase, leading to the launch of a new Convention and Visitors Authority in early 2019, and

WHEREAS, the cost of Phase II is \$47,500 plus reimbursable expenses in an amount not to exceed \$5,000, and

WHEREAS, funding for Phase II is budgeted in the Fiscal Year 2018-2019 Operating budget of the Convention & Visitors Bureau in the General Fund (0100-34300-53300).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the First Amendment to the Consultant Services Agreement with Aaronson Management Group, Inc. (DBA StoryPowered), for Phase II work on the

Convention and Visitor's Bureau transition to an independent agency, in an amount not to exceed \$52,500, for a total agreement amount not to exceed \$102,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the First Amendment to the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

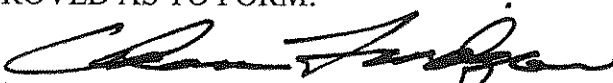
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-363**

RESOLUTION ACCEPTING THE 2018/2019 ALCOHOL POLICING PARTNERSHIP GRANT IN THE AMOUNT OF \$57,000 FROM THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL FOR MINOR DECOY, SHOULDER TAP, AND IMPACT INSPECTIONS; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE NECESSARY GRANT DOCUMENTS

WHEREAS, the Modesto Police Department desires to undertake a certain project designated as the Modesto ABC Project to be funded in part from 2018/2019 Alcohol Policing Partnership Grant, and

WHEREAS, the Police Department was awarded a grant in the sum of \$57,000 from the State Department of Alcoholic Beverage Control (ABC) for Minor Decoy, Shoulder Tap, and IMPACT Inspections, and

WHEREAS, acceptance of said \$57,000 grant will allow the Modesto Police Department to work proactively to address alcohol related crimes in the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the 2018/2019 Alcohol Policing Partnership Grant in the amount of \$57,000 from the State Department of Alcoholic Beverage Control to reduce crimes related with the sales, distribution and access to alcoholic beverages by minors.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the necessary grant documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-364**

RESOLUTION AMENDING THE FISCAL YEAR 2018/2019 OPERATING BUDGET, AND REALLOCATING REVENUE OF \$57,000 TO GRANT EXPENDITURES FOR THE 2018-2019 ALCOHOL POLICING PARTNERSHIP GRANT

WHEREAS, the Police Department acquired a grant award in the amount of \$57,000 from the State Department of Alcoholic Beverage Control for Minor Decoy Program, Shoulder Tap, Investigation/Enforcement, Education/Training and Impact Inspections relating to the 2018/2019 Alcohol Policing Partnership Grant Program to reduce crime related with sales, distribution and access to alcoholic beverages by minors, and

WHEREAS, there is no local match required for this program, and

WHEREAS, the Fiscal Year 2018/2019 Operating Budget will be amended as shown on **Exhibit A**, which is **attached** to this resolution and incorporated herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes amending the Fiscal Year 2018/2019 Operating Budget as shown on the **attached Exhibit A**.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A Request for Budget Adjustment (Projects and Grants)

Contact Person: Julie Hendee
 Telephone: 572-9518
 Submitting Department: Police

Council Action Date: _____
 Resolution Number: _____
 Date Submitted by Dept: 8/7/2018

Project Name: ABC Grant FY18-19

Fiscal Year being Adjusted: FY2018-2019

Project Fund: 1342- Police Grants

FY	Fund	Cost Center	Account	Project	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
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Revenues

FROM								
-	-	-	-	-			\$0	
TO								
MY	- 1342	- 19998	- 42141	- 101127	\$0	\$57,000	\$57,000	Intergov-State-Office of Traffic Safety
-	-	-	-	-			\$0	

FY	Project	Task	Expenditure Type	Current Budget	Increase/ (Decrease)	Revised Budget	Project Organization
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Expenses

FROM							
-	-	-	-			\$0	
-	-	-	-			\$0	
TO							
MY	- 101127	- APPR A	- 51200-Overtime	\$0	\$50,000	\$50,000	MPD.ADMINISTRATION
MY	- 101127	- APPR C	- 54900-Misc Services	\$0	\$2,500	\$2,500	MPD.ADMINISTRATION
MY	- 101127	- APPR C	- 52038-Police Equipment	\$0	\$2,500	\$2,500	MPD.ADMINISTRATION
Y	- 101127	- APPR C	- 53020-Conference Expense	\$0	\$2,000	\$2,000	MPD.ADMINISTRATION
-	-	-	-				
-	-	-	-				
-	-	-	-				
-	-	-	-				
						\$57,000	

Justification for Budget Adjustment

This budget amendment is being made to: 1) Program ABC grant revenue and offsetting expenses in the amount of \$57,000. This action will establish a new grant Project account for the recently awarded Office of Traffic Safety (OTS) 2018-19 Alcoholic Beverage Control (ABC) Grant. Grant funding will be used to fund operation to reduce crimes related to the sales, distribution and access of alcoholic beverages by minors.

Authorization	Signature	Date
Administrative Services Officer (if needed)	N/A	
Department Director or Authorized Designee		
Financial Analyst		
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: _____ Completed By: _____

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-365**

RESOLUTION APPROVING THE SUBMITTAL OF A GRANT APPLICATION TO THE FEDERAL TRANSIT ADMINISTRATION (FTA) REQUESTING \$5,257,527 IN FTA SECTION 5307 FUNDS AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AND FILE ALL OTHER NECESSARY DOCUMENTS WITH THE FTA

WHEREAS, the Federal Transit Administration (FTA) has been a delegated authority to award federal financial assistance for transportation related projects, and

WHEREAS, the City of Modesto has provided all annual certifications and assurances required by the FTA to be eligible for funding under 49 U.S.C Section 5307, and

WHEREAS, the projects are included in the 2017 Federal Transportation Improvement Program (FTIP) adopted by the Stanislaus Council of Governments (StanCOG), and

WHEREAS, the projects are also included in the 2019 FTIP draft awaiting approval by StanCOG, and

WHEREAS, Modesto is eligible to use federally approved Transportation Development Credits, formerly known as “State Toll Credits”, in lieu of a local match, and

WHEREAS, these Section 5307 funds will be used for preventative maintenance, preventive maintenance for transit improvements, capital cost of contracting for Stanislaus County, and capital cost of contracting for Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the submittal of an application to the FTA for \$5,257,527 in Section 5307 funds.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute and file all other documents the FTA requires for awarding a federal assistance grant.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold
NOES: Councilmembers: None
ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-366**

RESOLUTION APPROVING THE AWARD OF BID FOR THE PURCHASE OF NEW EMERGENCY VEHICLE PRE-EMPTION EQUIPMENT FROM ADVANCED TRAFFIC PRODUCTS INC., EVERETT, WASHINGTON FOR A TOTAL COST NOT TO EXCEED \$555,843, AND AUTHORIZING THE PURCHASING MANAGER, OR HER, DESIGNEE, TO ISSUE A PURCHASE ORDER

WHEREAS, on May 24, 2016 Council approved Measure L projects which included the purchase of new Emergency Vehicle Pre-emption (EVP) equipment from Advanced Traffic Products Inc., Everett, Washington, and

WHEREAS, purchase of this equipment is the first step in making our traffic signal network ready for future adaptive traffic signal system, and

WHEREAS, Purchasing Division secured bids for the purchase of new Emergency Vehicle Pre-emption equipment to communicate with the new 2070 controllers, and

WHEREAS, City staff has reviewed the bids and Advanced Traffic Products Inc., was the lowest responsive and responsible bidder, and

WHEREAS, the Public Works Director and the City Manager have recommended that the bid of \$555,843 received from Advanced Traffic Products Inc., be accepted and the purchase be awarded to Advanced Traffic Products Inc., Everett, Washington, and

WHEREAS, sufficient funds for new Emergency Vehicle Pre-emption equipment to communicate with the new 2070 controllers have been funded through the Highway Safety Improvement Program Grant, as well as local match thru Measure L Funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchase new Emergency Vehicle Pre-emption equipment for

traffic signals from Advanced Traffic Products Inc., Everett, Washington in an amount not to exceed \$555,843.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is authorized to issue a purchase order for a total cost not to exceed \$555,843.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-367**

RESOLUTION APPROVING THE SOLE BRAND PROCUREMENT OF A CATERPILLAR TIER 4F C27 ENGINE, OR EQUIVALENT ENGINE APPROVED BY THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT (SJVAPCD), TO HOLT OF CALIFORNIA, FOR THE REPOWER OF THE COMPOST DIAMOND Z DZH5000 HORIZONTAL GRINDER TO BE IN COMPLIANCE WITH RULE 4702 – INTERNAL COMBUSTION ENGINES, FOR A TOTAL COST NOT TO EXCEED \$288,543, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE TO ISSUE THE PURCHASE ORDER

WHEREAS, in 2007 the Compost Facility purchased a Diamond DZH5000 Horizontal Wood Grinder equipped with a 1050 horsepower Caterpillar C27 Tier 2 diesel powered engine to enable the facility to grind and process approximately 65,000 tons of residential and commercial greenwaste, foodwaste, and forestry materials, and

WHEREAS, in 2003 the Air Board adopted Rule 4702 – *Internal Combustion Engines*, which required different engine certification upgrades for internal combustion engines by certain due dates, and

WHEREAS, Rule 4702 has been amended over the years and the last amendment in 2013 required all non-emergency use Tier 1 and Tier 2 EPA certified diesel internal combustion engines rated great than 50 horsepower to be removed from service as of June 1, 2018, and

WHEREAS, on July 11, 2018, the Compost Facility received a Notice of Violation (NOV) from the San Joaquin Valley Air Pollution Control District (SJVAPCD) for the Grinder's 1050 horsepower Caterpillar C27 Tier 2 diesel powered engine being in violation of Rule 4702, and on July 26, 2018, a second NOV was issued for the grinder being in violation of exceeding the daily hourly limit on that engine, and both NOV's are subject to penalties, and

WHEREAS, under Rule 4702, 4 options are listed as acceptable methods for compliance, and

WHEREAS, Option 1 is to purchase a new grinder with the proper Tier 4F diesel engine which would cost approximately \$900,000; Option 2 is to buy an electric grinder which cost over \$2,000,000 for the construction of the substation to power the grinder and the purchase of the grinder; Option 3 is to limit the operations of the current grinder to 200 hours per calendar year, which would not be feasible for our size operation; and Option 4 is to replace the grinder's engine and related components to a Tier 4F SJVAPCD approved engine which would cost \$288,543, and

WHEREAS, Option 4 is the most prudent choice for the City at this time, and after receiving the NOV the City had 10 days to respond and advise the SJVAPCD how we would be proceeding, and

WHEREAS, staff has located an engine with Caterpillar, the engine manufacturer, through the local dealer, Holt of California, that will meet the Tier 4F engine specifications as required by the SJVAPCD, and

WHEREAS, this engine will take approximately 14 weeks to order and up to 2 months to install, and

WHEREAS this particular piece of equipment was never added to the Fleet Replacement Fund in 2007 so there are no allocated funds for its replacement, however, the Fleet Replacement Fund can be used for the engine replacement and then the funds expended will be recovered by the Compost Fund through future depreciation payments, in addition to new replacement funds, and

WHEREAS, this 1050 horsepower Caterpillar C27 Tier 4F diesel powered engine is a sole brand procurement due to the fact that the SJVAPCD is much more likely to approve the engine quickly as the original manufacturer tested and approved this engine to work on this equipment, saving countless hours of fabrication time to make another engine that was not specifically designed for this equipment, and

WHEREAS, Holt of California and Caterpillar are territorial so no vendor except the local branch will be able to sell this engine to the City of Modesto, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, however, Section 8-3.204 provides exemptions to the formal bid process. Modesto Municipal Code Section 8-3.204(d) states “Where the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality, such alternatives may include, but are not limited to, a "two-step" procurement process or a procurement based solely on a technical evaluation.” In addition, Section 8-3.204(c) states “Where the Purchasing Manager, in his or her discretion, determines that calling for bids on a competitive basis as set forth in Section 8-3.203 is undesirable due to exigent circumstances”. The purchase of the Caterpillar Tier 4F C27 Engine from Holt of California conforms to the Modesto Municipal Code.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sole brand procurement of a Caterpillar 4F C27 Engine, or

equivalent engine approved by the San Joaquin Valley Air Pollution Control District, to Holt of California, for the repower of the Compost Diamond Z DZH5000 Horizontal Grinder to be in compliance with the SJVAPCD Rule 4702 – Internal Combustion Engines, for a total cost not to exceed \$288, 543.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is authorized to issue the purchase order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-368**

RESOLUTION APPROVING THREE ON-CALL REAL PROPERTY APPRAISAL AND CONSULTANT SERVICES AGREEMENTS WITH ASSOCIATED RIGHT OF WAY SERVICES, INC., OF PLEASANT HILL, CA; BENDER ROSENTHAL INC., OF SACRAMENTO, CA; AND DEAN CHAPMAN & ASSOCIATES, INC. DBA CHAPMAN & PATTON, OF DANVILLE, CA FOR AN ANNUAL AMOUNT NOT TO EXCEED \$45,000 EACH, WITH TWO ONE-YEAR EXTENSION OPTIONS EACH, FOR A TOTAL AMOUNT NOT TO EXCEED \$135,000 PER CONSULTANT AGREEMENT

WHEREAS, real property, construction easements and/or public utility easements are frequently needed as part of Capital Improvement Projects, and

WHEREAS, professional appraisals are required on an “as-needed” basis for these purposes, and

WHEREAS, review of appraisals may be required by Federal and State funding related to City projects, and

WHEREAS, appraisal values establish just compensation, as required by law, for each property acquisition, and

WHEREAS, on May 18, 2018, in compliance with Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural and Engineering Services for Capital Projects, a Request for Qualifications and Proposals was initiated to perform on-call real property appraisal and consultant services, and

WHEREAS, responses were received from eight firms and reviewed by a selection committee who chose three firms as the most qualified to provide real property appraisal and consulting services to the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves agreements with the following three firms: Associated Right of

Way Services, Inc., Bender Rosenthal Inc., and Dean Chapman & Associates, Inc. dba Chapman & Patton for On-Call Real Property Appraisal and Consultant Services for one year each, with two one-year extension options each at the sole discretion of the City in an amount not to exceed \$45,000 per year, with a total cost for three years not to exceed \$135,000 per consultant agreement.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-369**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 219 GARRISON AVENUE, MODESTO, CA (APN 007-042-007), OWNER: PETER A. MENGHETTI AND KATHLEEN MENGHETTI, TRUSTEES OF THE MENGHETTI 2000 REVOCABLE TRUST UNDER INSTRUMENT DATED NOVEMBER 3, 2000

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2;

and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests consisting of a permanent roadway easement and a 24-month temporary construction easement, from property located at 219 Garrison Avenue, Modesto, California (APN 007-042-007), as more particularly described and depicted in

Exhibit A attached hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary;

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

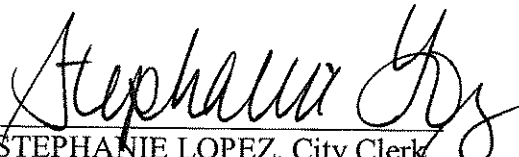
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki,
Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
Road Easement

SR132 Phase 1 Construction Project
Menghetti 2000 Revocable Trust to City of Modesto
APN: 007-042-007

Legal description:

ALL that certain real property, being a portion of Parcel 'A', as shown on that certain map, filed for record on May 21, 1975 in Book 21 of Parcel Maps, at Page 29, Stanislaus County Records, and as described in Grant Deed to Peter A. Menghetti and Kathleen Menghetti, Trustees of the Menghetti 2000 Revocable Trust under instrument dated November 3, 2000, filed for record November 14, 2000 as Document No. 2000-0096445, Stanislaus County Records, and situate in the Northwest quarter of Section 35, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northerly and westerly of course (4) thru (9) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the northwest corner of said Section 35, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of Section 26 of said Township and Range, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence South 53°01'37" West 24.99 feet to a point lying within the right-of-way of Maze Boulevard (State Highway Route 132), said point being the **TRUE POINT OF BEGINNING**;

thence (1), parallel with and 20.00 feet distant at right angles from the West line of said Parcel A South 00°07'35" East 202.98 feet;

thence (2), North 89°55'20" East 20.00 feet to a point on said West line;

thence (3), along said West line North 00°07'35" West 4.47 feet;

thence (4), leaving last said West line and proceeding North 89°52'25" East 5.00 feet;

thence (5), thence parallel with and 5.00 feet distant at right angles from said West line North 00°07'35" West 5.00 feet to the beginning of a non-tangent curve concave to the East having a radius of 187.00 feet, to which beginning a radial line bears South 89°42'36" West;

thence (6), northerly 67.10 feet along the arc of said non-tangent curve through a central angle of 20°33'35" to the beginning of a non-tangent curve concave to the West having a radius of 210.33 feet, to which beginning a radial line bears South 69°35'33" East;

thence (7), northerly 77.62 feet along the arc of last said non-tangent curve through a central angle of 21°08'36";

thence (8), along a non-tangent line North 00°39'49" West 4.74 feet;

thence (9), northeasterly 55.02 feet along the arc of a curve concave to the southeast having a radius of 35.00 feet, through a central angle of 90°03'49" to a point lying within said right-of-way of Maze Boulevard, and the terminal point of this description, said terminal point bears South 67°41'35" East 70.04 feet from aforementioned Northwest corner of Section 35;

Containing (3,864 square feet Grid), 3,865 square feet [0.09 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

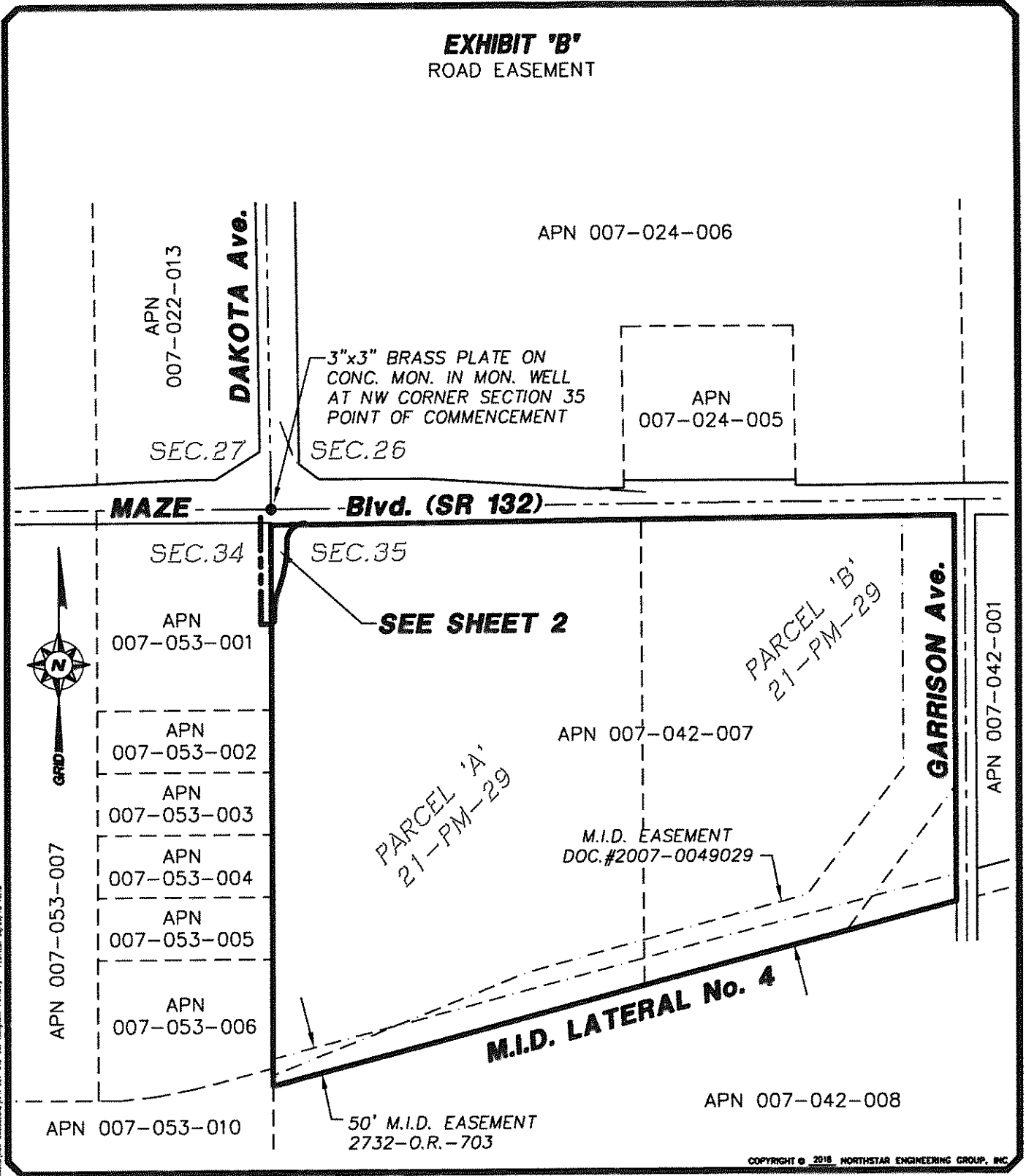


Rien Groenewoud, P.L.S. 6946



4/12/18

EXHIBIT 'B'
ROAD EASEMENT



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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF PARCEL 'A' PER 21-PM-29, S.C.R.,
NW 1/4 OF SEC. 35, T. 3 S., R. 8 E., M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

Dwg. No. 17-1907-SE-122 Expressway An. 11/17/18 (MapInfo) (Enrich) (APN 007-042-007) (Maze Blvd) (Dakota Ave) (Garrison Ave) (M.I.D. Lateral No. 4) (Parcel 'A') (Parcel 'B') (Section 26) (Section 27) (Section 34) (Section 35) (APN 007-022-013) (APN 007-024-006) (APN 007-024-005) (APN 007-053-001) (APN 007-053-002) (APN 007-053-003) (APN 007-053-004) (APN 007-053-005) (APN 007-053-006) (APN 007-053-010) (APN 007-042-007) (APN 007-042-008) (APN 007-042-001) (Maze Blvd) (SR 132) (Dakota Ave) (Garrison Ave) (M.I.D. Lateral No. 4) (3"x3" Brass Plate on Conc. Mon. in Mon. Well at NW Corner Section 35 Point of Commencement) (SEE SHEET 2) (M.I.D. Easement Doc. #2007-0049029) (50' M.I.D. Easement 2732-O.R.-703) (Copyright © 2018 Northstar Engineering Group, Inc.)

EXHIBIT 'B'
ROAD EASEMENT

2" IRON PIPE w/BRASS CAP
IN MON. WELL AT W.1/4
CORNER SECTION 26

KANSAS Ave.

SECTION 27

SECTION 26

DAKOTA Ave.

MAZE

3"x3" BRASS PLATE ON CONC. MON. IN
MON. WELL AT NW CORNER SECTION 35
POINT OF COMMENCEMENT

Blvd. (HWY 132)

S67°41'35"E 70.04'(TIE)

S53°01'37"W 24.99'(TIE)

N00°36'00"W
(RAD)



25'

TRUE POINT OF BEGINNING

20'

3,865 SQ.FT.
0.09 ACRES

$\Delta=90°03'49"$
 $R=35.00'$ $L=55.02'$

N00°39'49"W 4.74'

$\Delta=21°08'36"$
 $R=210.33'$
 $L=77.62'$

S69°35'33"E(RAD)

$\Delta=20°33'35"$
 $R=187.00'$

L=67.10' S89°42'36"W (RAD)

N00°07'35"W 5.00'

APN 007-053-001

N89°55'20"E 20.00'

N89°52'25"E 5.00'

N00°07'35"W 4.47'

APN 007-042-007

SECTION LINE

APN 007-053-007

SECTION 34

SECTION 35

APN 007-053-002

PARCEL 'A'
21-PM-29

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF PARCEL 'A' PER 21-PM-29, S.C.R.,
NW 1/4 OF SEC. 35, T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

02

OF 02

DME: H&C: 01/17-18/07 01:12:33 2018 06/20/18 12:18 [C:\Users\jsh\OneDrive\Documents\2018\06\20\18 12:18] PLOTTED: 06/20/18 12:18

EXHIBIT "A"
Temporary Construction Easement

SR132 Phase 1 Construction Project
Menghetti 2000 Revocable Trust to City of Modesto
APN: 007-042-007

Legal description:

ALL that certain real property, being a portion of Parcel 'A', as shown on that certain map, filed for record on May 21, 1975 in Book 21 of Parcel Maps, at Page 29, Stanislaus County Records, and as described in Grant Deed to Peter A. Menghetti and Kathleen Menghetti, Trustees of the Menghetti 2000 Revocable Trust under instrument dated November 3, 2000, filed for record November 14, 2000 as Document No. 2000-0096445, Stanislaus County Records, and situate in the Northwest quarter of Section 35, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northerly and westerly of course (4) thru (10) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the northwest corner of said Section 35, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of Section 26 of said Township and Range, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence South 53°01'37" West 24.99 feet to a point lying within the right-of-way of Maze Boulevard (State Highway Route 132), said point being the **TRUE POINT OF BEGINNING**;

thence (1), parallel with and 20.00 feet distant at right angles from the West line of said Parcel A South 00°07'35" East 202.98 feet;

thence (2), North 89°55'20" East 20.00 feet to a point on said West line;

thence (3), along said West line South 00°07'35" East 5.53 feet;

thence (4), leaving said West line and proceeding North 89°52'25" East 17.09 feet;

thence (5), North 12°08'34" East 13.76 feet to the beginning of a non-tangent curve concave to the East having a radius of 172.00 feet, to which beginning a radial line bears South 89°10'37" West;

thence (6), northerly 63.30 feet along the arc of said curve through a central angle of 21°05'13" to the beginning of a non-tangent curve concave to the West having a radius of 225.33 feet, to which beginning a radial line bears South 69°35'50" East;

thence (7), northerly 83.12 feet along the arc of said curve through a central angle of 21°08'10";

thence (8), along a non-tangent line North 00°39'49" West 4.73 feet;

thence (9), northeasterly 31.49 feet along the arc of a curve concave to the southeast having a radius of 20.00 feet, through a central angle of 90°12'12";

thence (10), along a non-tangent line North 00°27'37" West 12.26 feet to a point on the North line of said Parcel 'A', being also a point on the South right-of-way line of said Maze Boulevard, and the terminal point of this description, said terminal point bears South 65°41'23" East 71.22 feet from aforementioned Northwest corner of Section 35;

EXCEPTING THEREFROM the real property lying northerly and westerly of course (14) thru (19) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the northwest corner of said Section 35, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of Section 26 of said Township and Range, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence South 53°01'37" West 24.99 feet to a point lying within the right-of-way of Maze Boulevard (State Highway Route 132), said point being the True Point Of Beginning;

thence (11), parallel with and 20.00 feet distant at right angles from the West line of said Parcel A South 00°07'35" East 202.98 feet;

thence (12), North 89°55'20" East 20.00 feet to a point on said West line;

thence (13), along said West line North 00°07'35" West 4.47 feet;

thence (14), leaving last said West line and proceeding North 89°52'25" East 5.00 feet;

thence (15), thence parallel with and 5.00 feet distant at right angles from said West line North 00°07'35" West 5.00 feet to the beginning of a non-tangent curve concave to the East having a radius of 187.00 feet, to which beginning a radial line bears South 89°42'36" West;

thence (16), northerly 67.10 feet along the arc of said non-tangent curve through a central angle of 20°33'35" to the beginning of a non-tangent curve concave to the West having a radius of 210.33 feet, to which beginning a radial line bears South 69°35'33" East;

thence (17), northerly 77.62 feet along the arc of last said non-tangent curve through a central angle of 21°08'36";

thence (18), along a non-tangent line North 00°39'49" West 4.74 feet;

thence (19), northeasterly 55.02 feet along the arc of a curve concave to the southeast having a radius of 35.00 feet, through a central angle of 90°03'49" to a point lying within said right-of-way of Maze Boulevard, and the terminal point of this description, said terminal point bears South 67°41'35" East 70.04 feet from aforementioned Northwest corner of Section 35;


Containing (3,123 square feet Grid), 3,123 square feet [0.07 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

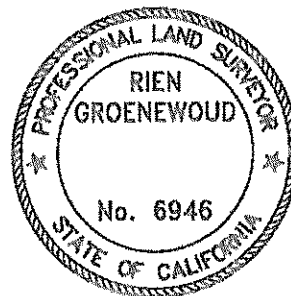
All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.

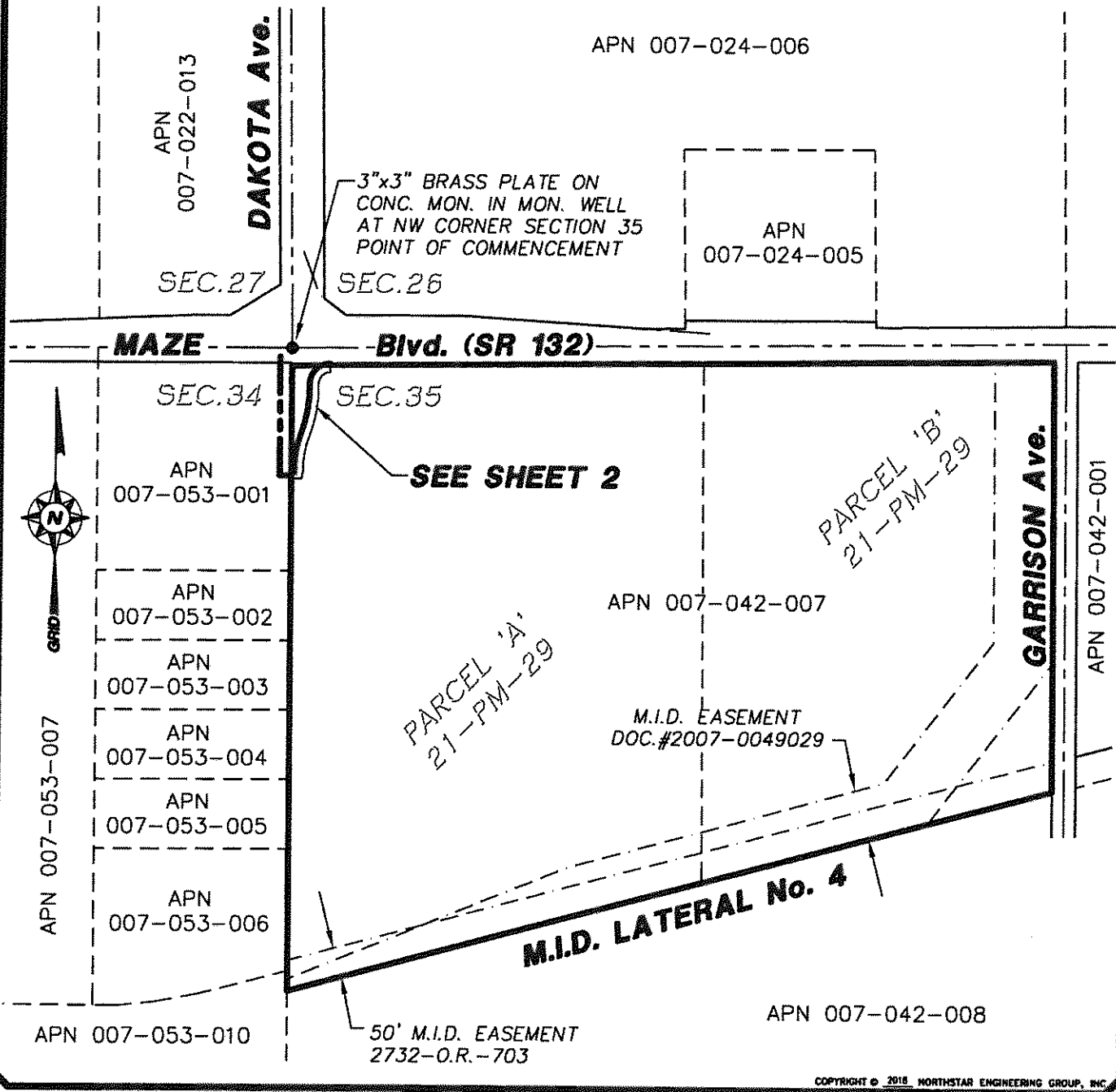


Rien Groenewoud, P.L.S. 6946



3/29/18

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT



DMC M&E 11/17/18 06/20/18 09:12Z Economy Pl. 11 Hwy Highway Exhibit 102 Description APN 007-042-007 Modesto-TCR Hwy PLOTTED: 06/20/18 10:20

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF PARCEL 'A' PER 21-PM-29, S.C.R.,
NW 1/4 OF SEC. 35, T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

EXHIBIT 'B'
TEMPORARY CONSTRUCTION
EASEMENT

2" IRON PIPE w/BRASS CAP
 IN MON. WELL AT W.1/4
 CORNER SECTION 26

KANSAS Ave.

DAKOTA Ave.

MAZE Blvd. (HWY 132)

3"x3" BRASS PLATE ON CONC. MON. IN
 MON. WELL AT NW CORNER SECTION 35
 POINT OF COMMENCEMENT

S53°01'37"W 24.99'(TIE)
 TRUE POINT OF BEGINNING
 S65°41'23"E 71.22'(TIE)
 S67°41'35"E 70.04'(TIE)
 N00°36'00"W (RAD)

$\Delta=90°03'49"$
 R=35.00' L=55.02'
 N00°27'37"W 12.26'

20'
 $\Delta=90°12'12"$
 R=20.00' L=31.49'
 N00°39'49"W 4.74'
 N00°39'49"W 4.73'



$\Delta=21°08'36"$
 R=210.33'
 L=77.62'
 S00°07'35"E 202.98'
 $\Delta=21°08'10"$
 R=225.33'
 L=83.12'
 APN 007-042-007

3,123 SQ.FT.
 0.07 ACRES

APN 007-053-001
 S69°35'33"E (RAD)
 $\Delta=20°33'35"$
 R=187.00'
 L=67.10'
 N00°07'35"W 5.00'
 N89°52'25"E 5.00'
 N00°07'35"W 4.47'
 S69°35'50"E (RAD)
 $\Delta=21°05'13"$
 R=172.00'
 L=63.30'
 S89°42'36"W (RAD)
 S89°10'37"W (RAD)
 N12°08'34"E 13.76'
 N89°55'20"E 20.00'
 S00°07'35"E 5.53'
 N89°52'25"E 17.09'

PARCEL 'A'
 21-PM-29

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PLAT TO ACCOMPANY
LEGAL DESCRIPTION

BEING A PORTION OF PARCEL 'A' PER 21-PM-29, S.C.R.,
 NW 1/4 OF SEC. 35, T. 3 S., R. 8 E., M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 40'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	02 OF 02

DWG NAME: K:\J17-1907_S&L-1D_Engineering\2018\06\20\18\Map\J17-1907_Map\J17-1907_Map\J17-1907_Map.dwg PLOTTED: 06/20/18 10:20

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-370**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: SE CORNER OF KANSAS AVE. AND DAKOTA AVE., MODESTO, CA 95358 (APN 007-024-001), OWNER: DAVID FARIA AND GAIL FARIA, TRUSTEES OF THE DAVID FARIA AND GAIL FARIA REVOCABLE LIVING TRUST

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2;

and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement, from property located at the SE Corner of Kansas Ave. and Dakota Ave., Modesto, CA 95358 (APN 007-024-001), as more particularly described and depicted in **Exhibit A attached** hereto

and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements,

including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true

and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
Right-of-Way

SR132 Phase 1 Construction Project
David A. Faria et ux to City of Modesto
APN: 007-024-001

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to David A. Faria and Gail M. Faria, husband and wife, as community property, filed for record January 4, 1995 as Instrument No. 95-0000350, Stanislaus County Records, and situate in the southwest 1/4 of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying westerly and northerly of courses (8) thru (12) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records, said terminus lying within the right-of-way of Maze Boulevard (State Highway Route 132), and being the **TRUE POINT OF BEGINNING**;

thence (1), along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet;

thence (2), leaving said line labeled "1)N. 86°20'23"W., 130.217 meters" and proceeding North 00°00'00" East 0.03 feet;

thence (3), North 87°58'17" West 160.44 feet;

thence (4), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (5), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (6), North 89°14'21" East 7.05 feet;

thence (7), North 00°43'24" West 75.00 feet, more or less, to a point on the South line of said Faria land;

thence (8), leaving last said South line and proceeding North 00°39'49" West 390.90 feet;

thence (9), North 14°12'55" East 233.96 feet;

thence (10), North 89°19'47" East 1062.37 feet;

thence (11), North 00°43'35" West 52.35 feet to the westerly extension of the future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (12), along said proposed southerly right-of-way line and said westerly extension North 89°21'16" East 3813.99 feet to the easterly terminus of the line labeled "N89°21'00"E 2362.15" as shown on said Sheet 21 and Sheet 22 of State Highway Map STA-132P PM 12.36, and the terminal point of this description, said terminal point bears South 88°38'38" East 5010.03 feet from aforementioned West 1/4 corner of Section 26.

Containing (327,494 square feet Grid), 327,538 square feet [7.52 acres] Ground more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway, excepting therefrom the South 50 feet of course (9).

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



6/20/18



Rien Groenewoud, P.L.S. 6946

EXHIBIT 'B'

RIGHT-OF-WAY

APN 081-031-013

2" IRON PIPE w/BRASS CAP
IN MON. WELL AT W.1/4
CORNER SECTION 26

1/4 SECTION
LINE

KANSAS

AVENUE

S88°38'38"E 5010.03'(TIE)

SEE SHEET 3

N89°19'47"E 1062.37'

N14°12'55"E 233.96'

APN 007-024-001

N00°39'49"W 390.90'

N00°43'35"W 52.35'

PROPOSED STATE
RIGHT-OF-WAY LINE

1/4 SECTION LINE

SEE SHEET 2

DAKOTA Ave.

N00°43'51"W 2639.81'(TIE)

SEE SHEET 3

SECTION LINE

APN 007-024-006

APN 007-024-003

31-S-22



N52°54'59"W 83.49'

N87°58'17"W 160.44'

N00°00'00"E
0.03'

N86°20'32"W 427.22'

EXIST. STATE RIGHT-OF-WAY LINE

TRUE POINT
OF BEGINNING

MAZE BOULEVARD (SR 132)

N87°39'48"E
714.96'(TIE)

3"x3" BRASS PLATE ON CONC. MON. IN
MON. WELL AT SW CORNER SECTION 26

GARRISSON
AVE

SECTION LINE

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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

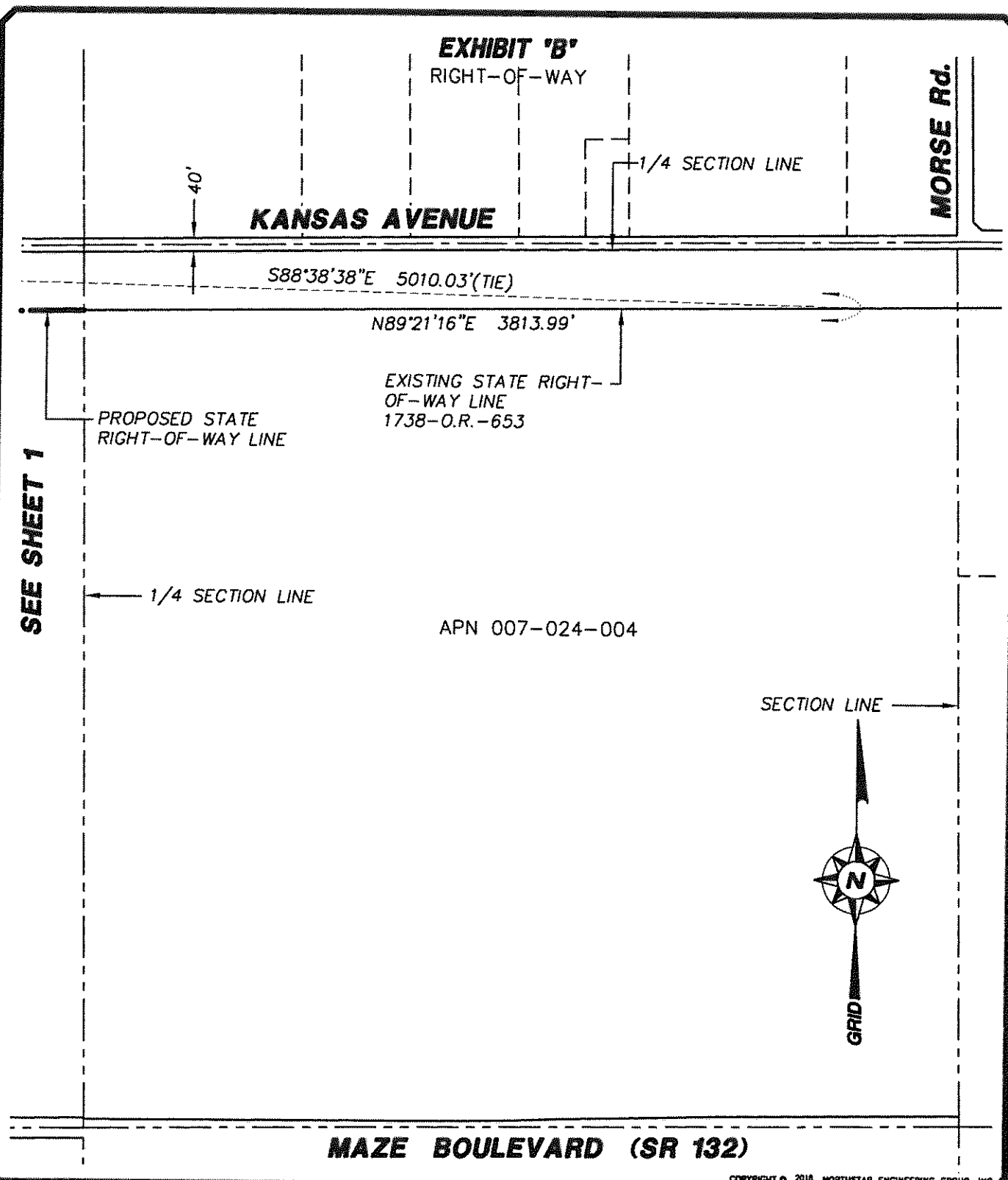
CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

01
OF **03**

DWG NAME: A:\J17-1907_S\123_Expansive_P\1\Survey\Mapings\Exhibit\APN 007-024-001 Exp-RIE.dwg PLOTTED: 06/20/18 11:30

EXHIBIT 'B'
RIGHT-OF-WAY



SEE SHEET 1

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JOB: J17-1907 SR-132 Engineering Pl. (Legal) Mapping Exhibit (New) Stanislaus APN 007-024-001 From-APN.dwg
 PLOTTED: 06/20/18 13:29



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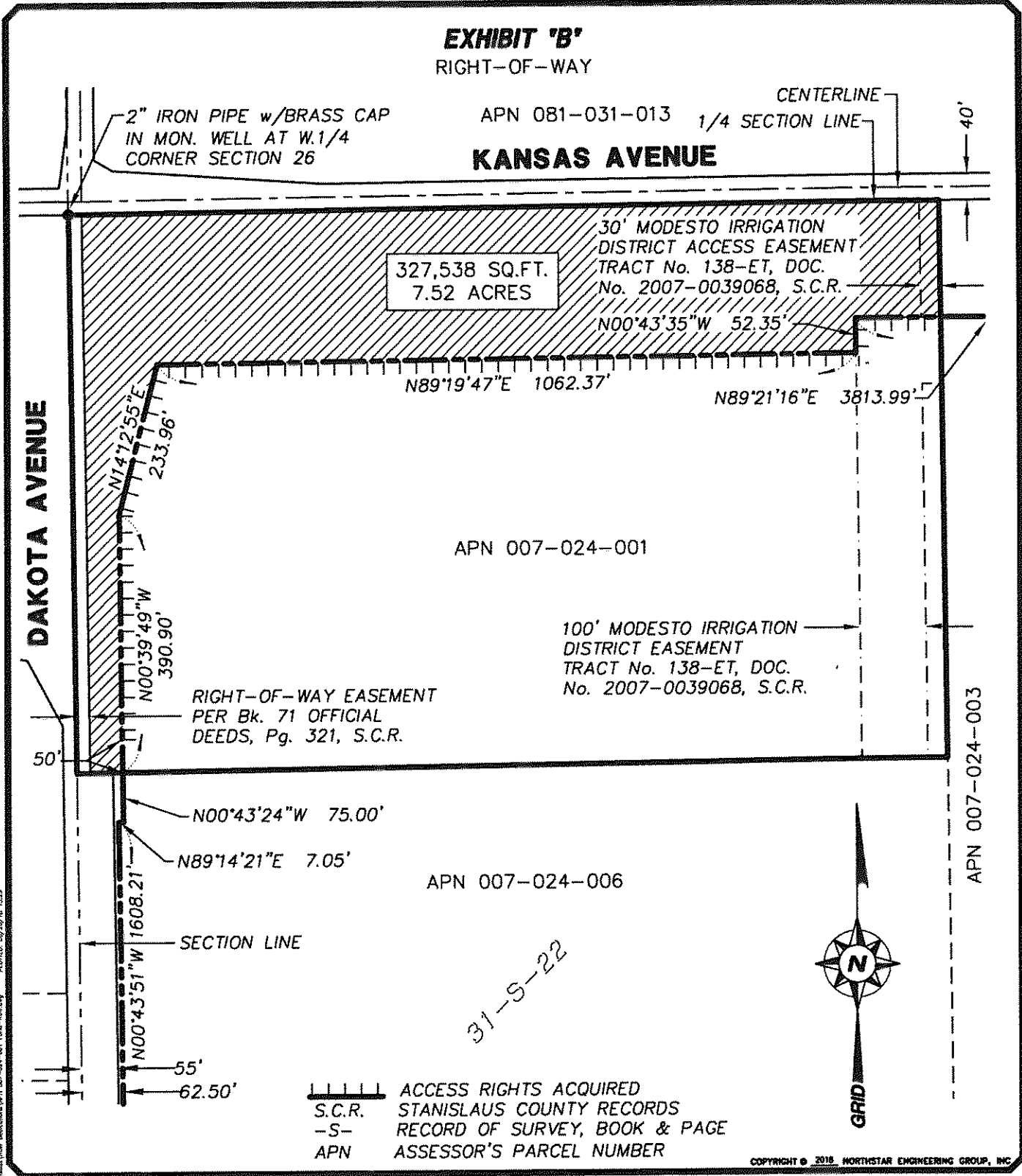
**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	02 OF 03

EXHIBIT 'B'
RIGHT-OF-WAY



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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	03 OF 03

DWG NAME: K17-1907_SW-12_Easement_Pk_110001.dwg
 PLOTTED: 06/20/18 13:29
 C:\Users\rgreg\OneDrive\My Documents\APN 007-024-001\Files-ROW.dwg

Parcel name: DAKOTA-KANSAS

North: 2055358.68 East : 6397400.60
Line Course: N 87-39-48 E Length: 714.96
North: 2055387.83 East : 6398114.97
Line Course: N 86-20-32 W Length: 427.22
North: 2055415.09 East : 6397688.62
Line Course: N 00-00-00 E Length: 0.03
North: 2055415.12 East : 6397688.62
Line Course: N 87-58-17 W Length: 160.44
North: 2055420.79 East : 6397528.28
Line Course: N 52-54-59 W Length: 83.49
North: 2055471.14 East : 6397461.67
Line Course: N 00-43-51 W Length: 1608.21
North: 2057079.22 East : 6397441.16
Line Course: N 89-14-21 E Length: 7.05
North: 2057079.31 East : 6397448.21
Line Course: N 00-43-24 W Length: 75.00
North: 2057154.30 East : 6397447.26
Line Course: N 00-39-49 W Length: 390.90
North: 2057545.18 East : 6397442.74
Line Course: N 14-12-55 E Length: 233.96
North: 2057771.97 East : 6397500.19
Line Course: N 89-19-47 E Length: 1062.37
North: 2057784.40 East : 6398562.49
Line Course: N 00-43-35 W Length: 52.35
North: 2057836.75 East : 6398561.82
Line Course: N 87-29-42 W Length: 0.00
North: 2057836.75 East : 6398561.82
Line Course: N 89-21-16 E Length: 3813.99
North: 2057879.72 East : 6402375.57
Line Course: N 88-38-38 W Length: 5010.03
North: 2057998.29 East : 6397366.94
Line Course: S 00-43-51 E Length: 2639.81
North: 2055358.69 East : 6397400.61

Perimeter: 16279.81 Area: 686,488 sq.ft. 15.76 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.02 Course: N 42-57-38 E
Error North: 0.013 East : 0.012
Precision 1: 813,990.50

Parcel name: APN 007-024-001 ROW

North: 2057998.52	East : 6397387.39
Line Course: N 89-18-40 E	Length: 1302.27
North: 2058014.18	East : 6398689.56
Line Course: S 00-43-35 E	Length: 175.98
North: 2057838.21	East : 6398691.79
Line Course: S 89-21-16 W	Length: 129.99
North: 2057836.75	East : 6398561.81
Line Course: S 00-43-35 E	Length: 52.35
North: 2057784.40	East : 6398562.48
Line Course: S 89-19-47 W	Length: 1062.37
North: 2057771.97	East : 6397500.18
Line Course: S 14-12-55 W	Length: 233.96
North: 2057545.18	East : 6397442.73
Line Course: S 00-39-49 E	Length: 390.90
North: 2057154.30	East : 6397447.25
Line Course: S 89-14-21 W	Length: 49.09
North: 2057153.65	East : 6397398.17
Line Course: N 00-43-51 W	Length: 844.93
North: 2057998.51	East : 6397387.39

Perimeter: 4241.84 Area: 327,494 sq.ft. 7.52 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: S 25-06-27 E
Error North: -0.007 East : 0.003
Precision 1: 424,184.00

EXHIBIT "A"
Temporary Construction Easement

SR132 Phase 1 Construction Project
David A. Faria et ux to City of Modesto
APN: 007-024-001

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to David A. Faria and Gail M. Faria, husband and wife, as community property, filed for record January 4, 1995 as Instrument No. 95-0000350, Stanislaus County Records, and situate in the southwest 1/4 of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, being a strip of land 5.00 feet wide, the westerly, northwesterly and northerly line of which is coincident with courses (8) thru (10) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records, said terminus lying within the right-of-way of Maze Boulevard (State Highway Route 132), and being the **TRUE POINT OF BEGINNING**;

thence (1), along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet;

thence (2), leaving said line labeled "1)N. 86°20'23"W., 130.217 meters" and proceeding North 00°00'00" East 0.03 feet;

thence (3), North 87°58'17" West 160.44 feet;

thence (4), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (5), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (6), North 89°14'21" East 7.05 feet;

thence (7), North 00°43'24" West 75.00 feet, more or less, to a point on the South line of said Faria land;

thence (8), leaving last said South line and proceeding North 00°39'49" West 390.90 feet;

thence (9), North 14°12'55" East 233.96 feet;

thence (10), North 89°19'47" East 1062.37 feet;

thence (11), North 00°43'35" West 52.35 feet to the westerly extension of the future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15'", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (12), along said proposed southerly right-of-way line and said westerly extension North 89°21'16" East 3813.99 feet to the easterly terminus of the line labeled "N89°21'00"E 2362.15'" as shown on said Sheet 21 and Sheet 22 of State Highway Map STA-132P PM 12.36, and the terminal point of this description, said terminal point bears South 88°38'38" East 5010.03 feet from aforementioned West 1/4 corner of Section 26.

TOGETHER WITH the following described property:

BEGINNING at the southerly terminus of course (11) of above-described line:

thence (13), along said course (11) North 00°43'35" West 52.35 feet to the westerly extension of said future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15'", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (14), along said westerly extension North 89°21'16" East 129.99 feet, more or less to a point on the East line of said Faria land;

thence (15), along last said East line South 00°43'35" East 121.99 feet;

thence (16), leaving last said East line and proceeding North 90°00'00" West 130.00 feet to a point on the southerly extension of aforementioned course (11);

thence (17), along last said southerly extension North 00°43'35" West 68.10 feet to the Point of Beginning.

The sidelines of said 5-foot wide strip to be shortened or lengthened to terminate at the South line of said Faria Land and said southerly extension of course (11).

Containing (24,166 square feet Grid), 24,169 square feet [0.55 acres] Ground more or less.

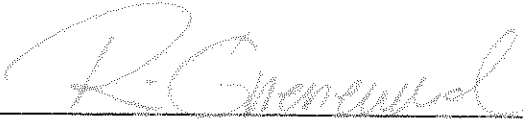
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON"

(PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.



Rien Groenewoud, P.L.S. 6946



5/3/8

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT

2" IRON PIPE w/BRASS CAP
IN MON. WELL AT W.1/4
CORNER SECTION 26

1/4 SECTION
LINE

APN 081-031-013

KANSAS

AVENUE

S88°38'38"E 5010.03'(TIE)

SEE SHEET 3

N89°19'47"E 1062.37'

N14°12'55"E 233.96'

APN 007-024-001

N00°39'49"W 390.90'

N89°21'16"E 3813.99'

N00°43'35"W 52.35'

PROPOSED STATE
RIGHT-OF-WAY LINE

SEE SHEET 3

SECTION LINE

APN 007-024-006

1/4 SECTION LINE

APN 007-024-003

DAKOTA Ave.

N00°43'51"W 2639.81'(TIE)

N00°43'51"W 1608.21'

31-S-22

N52°54'59"W 83.49'

N87°58'17"W 160.44'

N00°00'00"E
0.03'

N86°20'32"W 427.22'

EXIST. STATE RIGHT-OF-WAY LINE

TRUE POINT
OF BEGINNING

MAZE BOULEVARD (SR 132)

N87°39'48"E
714.96'(TIE)

3"x3" BRASS PLATE ON CONC. MON. IN
MON. WELL AT SW CORNER SECTION 26

GARRISSON
AVE

SECTION LINE



SEE SHEET 2

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

JOB: J17-1907
DATE: 06/19/18
SCALE: 1" = 400'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET

01
OF **03**

DWG NAME: E:\17-1907_Sp-1D_Expressway_Pk_1\Map\Mapings\Exhibits\100_Dedication\APN 007-024-001_Fox-102.dwg PLOTTER: 06/29/18 11:37

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT

MORSE Rd.

40'

KANSAS AVENUE

1/4 SECTION LINE

S88°38'38"E 5010.03'(TIE)

N89°21'16"E 3813.99'

EXISTING STATE RIGHT-
OF-WAY LINE
1738-O.R.-653

PROPOSED STATE
RIGHT-OF-WAY LINE

SEE SHEET 1

1/4 SECTION LINE

APN 007-024-004

SECTION LINE



MAZE BOULEVARD (SR 132)

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

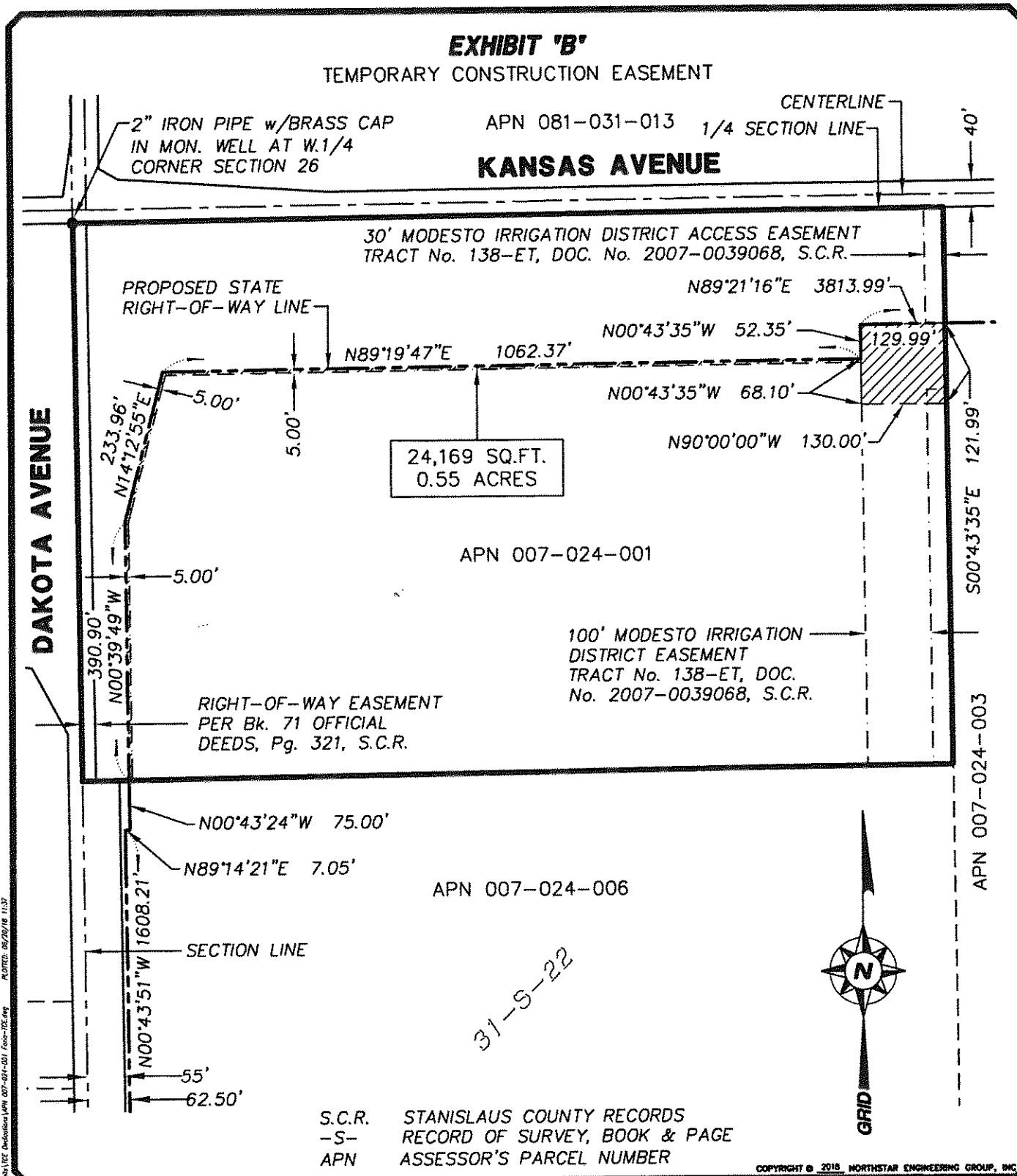
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DATE: 06/20/18
SCALE: 1" = 400'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET
02
OF **03**

DATE PLOTTED: 06/20/18 11:38
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PLOTTER MODEL: HP DesignJet 5000 Series
PLOTTER SERIAL: HP DesignJet 5000 Series
PLOTTER DRIVER: HP DesignJet 5000 Series
PLOTTER LANGUAGE: HP DesignJet 5000 Series
PLOTTER FONT: HP DesignJet 5000 Series
PLOTTER FONT SIZE: HP DesignJet 5000 Series
PLOTTER FONT WEIGHT: HP DesignJet 5000 Series
PLOTTER FONT COLOR: HP DesignJet 5000 Series
PLOTTER FONT STYLE: HP DesignJet 5000 Series
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PLOTTER FONT SIZE: HP DesignJet 5000 Series
PLOTTER FONT WEIGHT: HP DesignJet 5000 Series
PLOTTER FONT COLOR: HP DesignJet 5000 Series
PLOTTER FONT STYLE: HP DesignJet 5000 Series
PLOTTER FONT ORIENTATION: HP DesignJet 5000 Series

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT



24,169 SQ.FT.
0.55 ACRES



31-S-22

S.C.R. STANISLAUS COUNTY RECORDS
 -S- RECORD OF SURVEY, BOOK & PAGE
 APN ASSESSOR'S PARCEL NUMBER

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**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
 T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1"=200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	03 OF 03

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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-371**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 824 DAKOTA AVENUE, MODESTO, CA 95358 (APN 081-031-013), OWNER: ALCAMO FARMS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee from property located at 824 Dakota Avenue, Modesto, CA 95358 (APN 081-031-013), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and

adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to

this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
Alcamo Farms LLC to City of Modesto
APN: 081-031-013

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Alcamo Farms, LLC, filed for record on August 8, 2000 as Document No. 2000-0064879, Stanislaus County Records, and situate in the Northwest quarter of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, and being more particularly described as follows:

COMMENCING at a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, from which a 4" x 4" redwood post at the center 1/4 corner of said Section 26, as shown on that Record of Survey filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, bears North 89°18'40" East 2644.71 feet; thence North 25°46'26" East 91.03 feet to the most northerly point of Parcel No. 2, as described in a Grant Deed to the State of California, filed for record January 19, 1962 in Volume 1736 of Official Records, at Page 387, Stanislaus County Records, last said point being also a point on the easterly right-of-way line of Dakota Avenue (40 feet wide), and the **TRUE POINT OF BEGINNING**;

thence (1), along said easterly right-of-way line North 00°17'27" West 527.16 feet to the most southerly corner of Parcel No. 1 of said Grant Deed to the State of California;

thence (2), along the easterly line of said Parcel No. 1 the following two (2) courses:
North 09°06'41" East 54.70 feet;

thence (3), North 02°01'17" East 55.39 feet;

thence (4), leaving last said easterly line of Parcel No. 1 and proceeding South 01°22'47" West 27.58 feet;

thence (5), South 13°43'04" East 61.84 feet;

thence (6), South 04°50'51" East 123.18 feet;

thence (7), North 89°44'16" East 33.27 feet to the beginning of a curve concave to the southwest having a radius of 151.00 feet;

thence (8), southeasterly 128.70 feet along the arc of said curve through a central angle of 48°50'00";

thence (9), South 41°25'44" East 260.79 feet to the beginning of a curve concave to the northeast having a radius of 573.00 feet;

thence (10), southeasterly 493.24 feet along the arc of said curve through a central angle of 49°19'12";

thence (11), along a non-tangent line South 00°44'56" East 17.87 to a point on the North right-of-way line of Kansas Avenue (40 feet wide);

thence (12), along said North right-of-way line South 89°18'40" West 444.26 feet to the most easterly corner of aforementioned Parcel No. 2;

thence (13), leaving said North right-of-way line and proceeding along the North line of said Parcel No. 2 the following two (2) courses: North 86°12'01" West 318.01 feet;

thence (14), North 59°44'36" West 32.30 feet to the Point of Beginning.

Containing (170,764 square feet Grid) 170,787 square feet [3.92 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



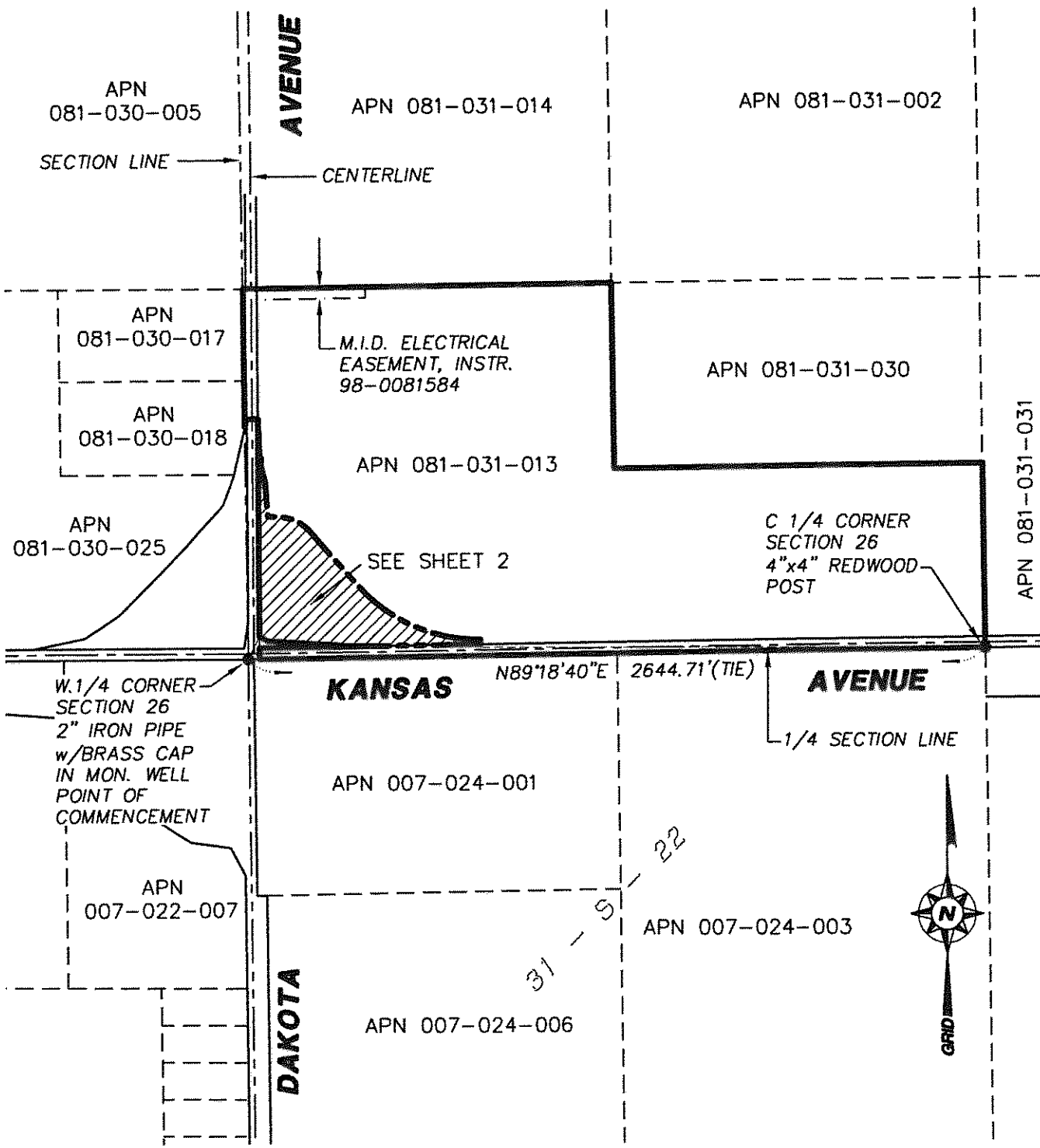
Rien Groenewoud, P.L.S. 6946



1/31/18

EXHIBIT 'B'

RIGHT-OF-WAY



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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE NORTHWEST QUARTER OF
SECTION 26, TOWNSHIP 3 SOUTH, RANGE 8 EAST, M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
DATE: 01/31/18
SCALE: 1"=500'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET
01
OF **02**

DWG NAME: K:\J17-1907-SP-132-Expressway Ph. 11 Hwy Mapping\Exhibits\1208-Definitives\APN 081-031-013-Avenue Forms (15-NOV-18) PLOTTED: 02/16/18 07:24

EXHIBIT 'B'
RIGHT-OF-WAY

APN
081-030-018

SECTION
LINE

N02°01'17"E
55.39'
N09°06'41"E
54.70'

APN
081-030-025

ROAD GRANTED
IN FEE TO STATE
OF CA, Vol. 1736,
Pg.387 O.R.
(PARCEL No. 3)

ROAD EASEMENT
TO STANISLAUS
COUNTY, Vol. 60,
Pg.485 O.R.

N25°46'26"E
91.03'(TIE)

W.1/4 CORNER-
SECTION 26
2" IRON PIPE
w/BRASS CAP IN
MON. WELL
POINT OF
COMMENCEMENT

Ave.

ROAD GRANTED
IN FEE TO STATE
OF CA, Vol. 1736,
Pg.387 O.R.
(PARCEL No. 1)

S01°22'47"W 27.58'

S13°43'04"E 61.84'

S04°50'51"E 123.18'

N89°44'16"E 33.27'

Δ=48°50'00"
R=151.00'
L=128.70'

N00°17'27"W 527.16'

170,787 SQ.FT.
3.92 ACRES

S41°25'44"E
260.79'

Δ=49°19'12"
R=573.00'
L=493.24'

TRUE POINT OF BEGINNING

N59°44'36"W 32.30'

318.01'

N86°12'01"W

APN 081-031-013



KANSAS

AVENUE

SECTION LINE

40'

DAKOTA

ROAD GRANTED
IN FEE TO STATE
OF CA, Vol. 1736,
Pg.387 O.R.
(PARCEL No. 2)

APN 007-024-001

APN ASSESSOR'S PARCEL NUMBER
O.R. OFFICIAL RECORDS

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(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE NORTHWEST QUARTER OF
SECTION 26, TOWNSHIP 3 SOUTH, RANGE 8 EAST, M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
DATE: 01/31/18
SCALE: 1"=150'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET
02
OF 02

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-372**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 3643 AND 3319 MAZE BOULEVARD, AND KANSAS AVENUE, MODESTO, CA (APN 007-024-003, -004 & 007-037-010). OWNER: NITA MARIE WAGNER, AS TRUSTEE OF THE NITA MARIE WAGNER LIVING TRUST; JANE M. ROOS AND RALPH E. ROOS; JOHN SCHALLBERGER AND MARIE SCHALLBERGER, TRUSTEES, REVOCABLE TRUST DATED NOVEMBER 3, 1992; HANS J. WAGNER AND CARLA WAGNER; DONALD WAGNER; JULIA A. WAGNER, AS TRUSTEE OF THE JULIA A. WAGNER 1992 TRUST, AS THEIR INTERESTS APPEAR OF RECORD; HANS J. WAGNER, III, TRUSTEE OF THE HANS J. WAGNER III 2015 TRUST DATED JUNE 10, 2015

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its

authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real

property interests in fee and for a 24-month temporary construction easement, from property located at 3643 and 3319 Maze Boulevard, and Kansas Avenue, Modesto, CA (APN 007-024-003, -004 & 007-037-010), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together

with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said

condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:

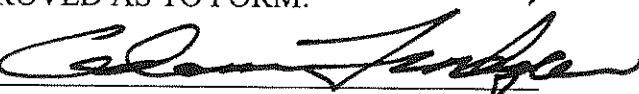

ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
Right-of-Way

SR132 Phase 1 Construction Project
Nita Marie Wagner Living Trust to City of Modesto
APN: 007-024-003

Legal description:

ALL that certain real property, being a portion of Parcel No. 1, as described in Grant Deed to Nita Marie Wagner, as Trustee of the Nita Marie Wagner Living Trust, filed for record November 15, 1979 in Volume 3261 of Official Records, at Page 282, Instrument No. 79-32644, Stanislaus County Records, and situate in the South half of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northerly of course (12) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records, said terminus lying within the right-of-way of Maze Boulevard (State Highway Route 132), and being the **TRUE POINT OF BEGINNING**;

thence (1), along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet;

thence (2), leaving said line labeled "1)N. 86°20'23"W., 130.217 meters" and proceeding North 00°00'00" East 0.03 feet;

thence (3), North 87°58'17" West 160.44 feet;

thence (4), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (5), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (6), North 89°14'21" East 7.05 feet;

thence (7), North 00°43'24" West 75.00 feet, more or less, to a point on the South line of the lands described in Grant Deed to David A. Faria and Gail M. Faria, husband and wife, as community property, filed for record January 4, 1995 as Instrument No. 95-0000350, Stanislaus County Records;

thence (8), leaving last said South line and proceeding North 00°39'49" West 390.90 feet;

thence (9), North 14°12'55" East 233.96 feet;

thence (10), North 89°19'47" East 1062.37 feet;

thence (11), North 00°43'35" West 52.35 feet to the westerly extension of the future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15'", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (12), along said proposed southerly right-of-way line and said westerly extension North 89°21'16" East 3813.99 feet to the easterly terminus of the line labeled "N89°21'00"E 2362.15'" as shown on said Sheet 21 and Sheet 22 of State Highway Map STA-132P PM 12.36, and the terminal point of this description, said terminal point bears South 88°38'38" East 5010.03 feet from aforementioned West 1/4 corner of Section 26.

Containing (233,304 square feet Grid), 233,336 square feet [5.36 acres] Ground more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



6/26/18

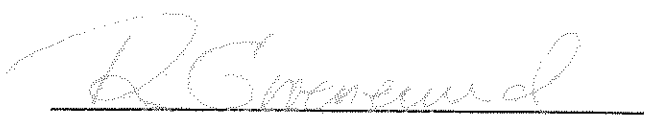
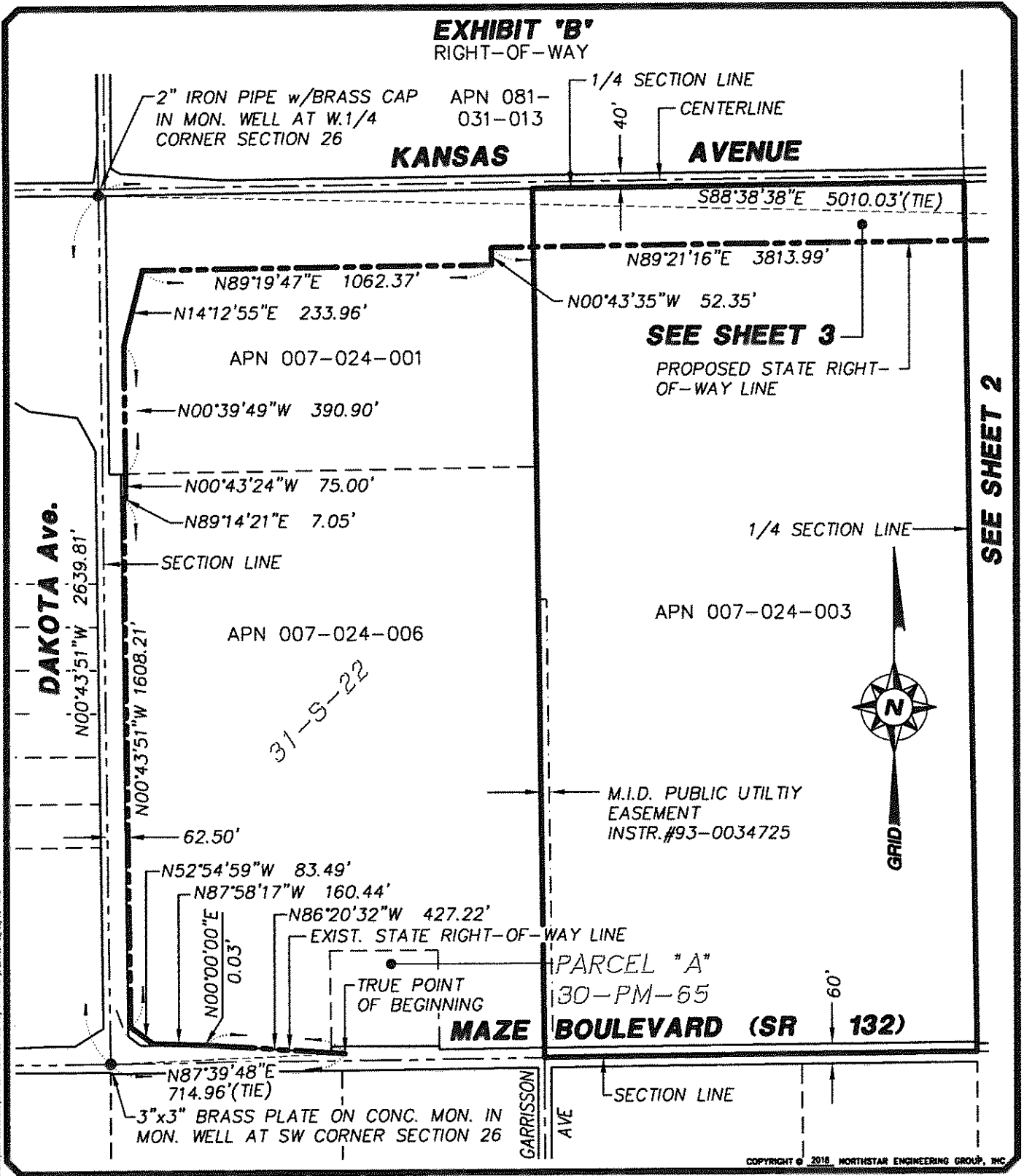

Rien Groenewoud, P.L.S. 6946

EXHIBIT 'B'
RIGHT-OF-WAY



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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SOUTH 1/2 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

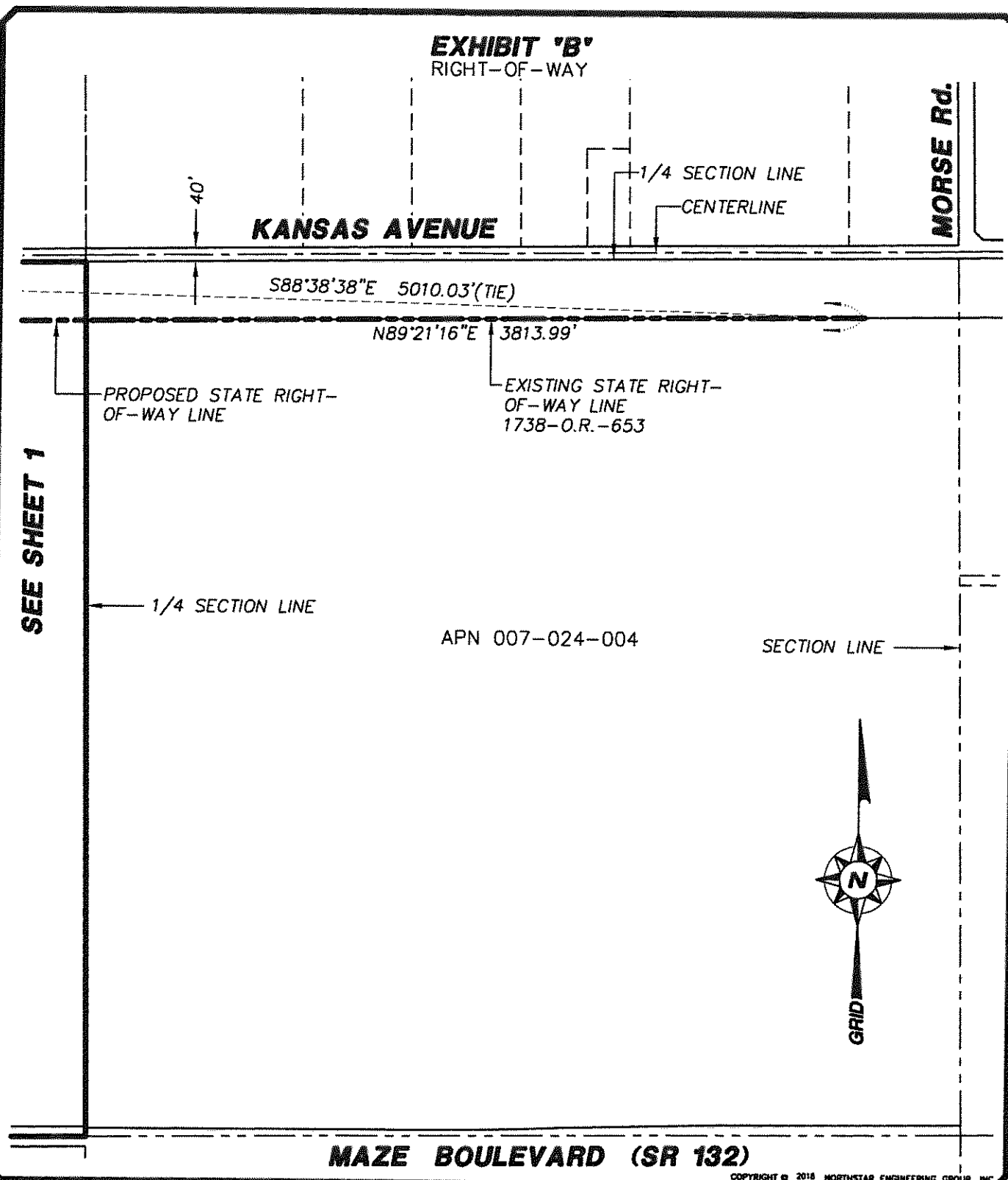
STANISLAUS COUNTY

CALIFORNIA

JOB:	J17-1907
DATE:	06/22/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

01
OF **03**

EXHIBIT 'B'
RIGHT-OF-WAY



SEE SHEET 1



MAZE BOULEVARD (SR 132)

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(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SOUTH 1/2 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

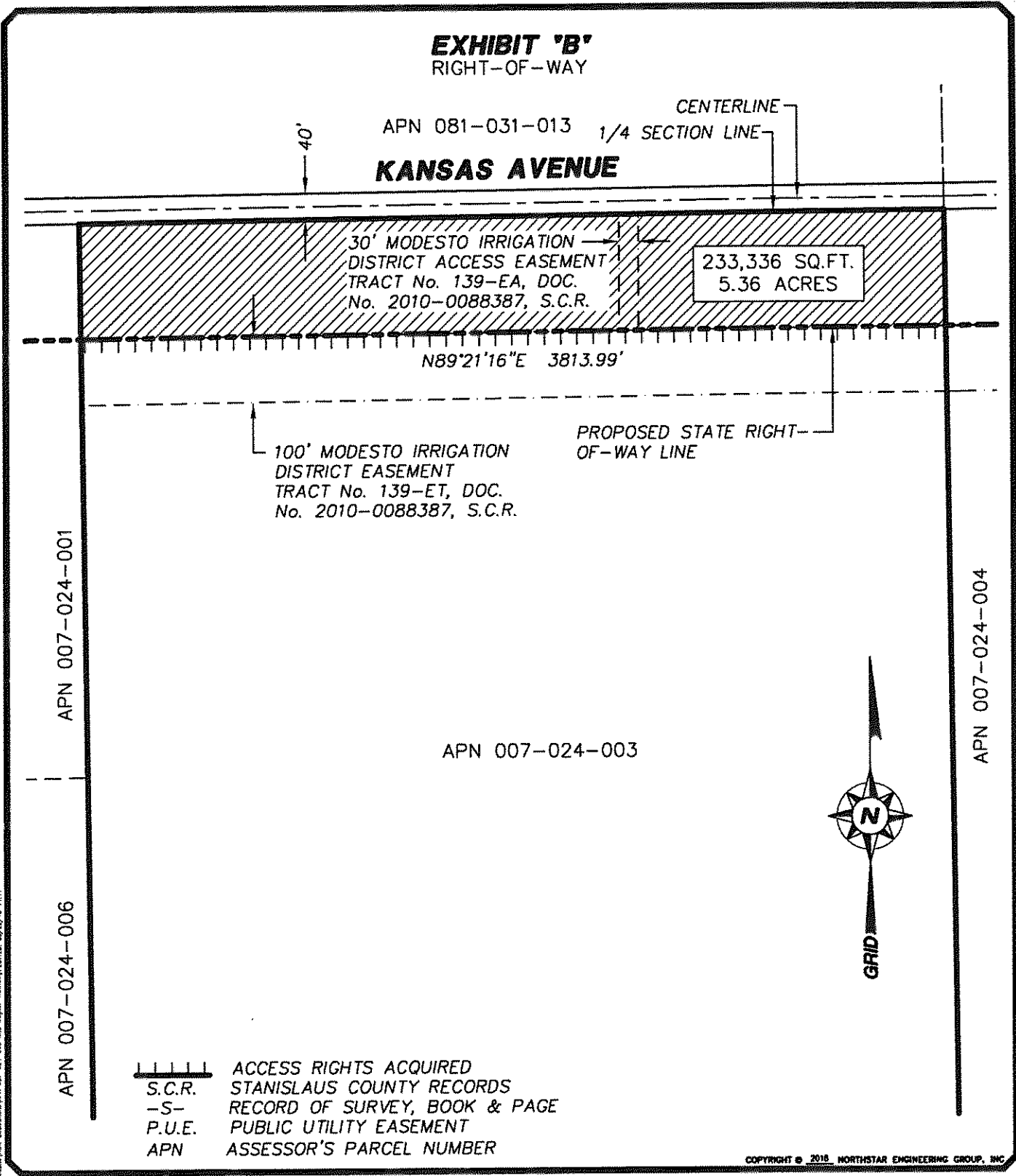
CALIFORNIA

JOB:	J17-1907
DATE:	06/22/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG

SHEET
02
OF **03**

DATE: 06/22/2018 08:13:22 Engineering: Ph. Tuley/Mapcity/Estimate/Plat/Description: APN 007-024-004 File: Register-ARW.dwg/PLAT/06/22/18 11:13

EXHIBIT 'B'
RIGHT-OF-WAY



ACCESS RIGHTS ACQUIRED
 S.C.R. STANISLAUS COUNTY RECORDS
 -S- RECORD OF SURVEY, BOOK & PAGE
 P.U.E. PUBLIC UTILITY EASEMENT
 APN ASSESSOR'S PARCEL NUMBER

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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SOUTH 1/2 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/22/18
SCALE:	1" = 200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	03 OF 03

DMC NAME: K:\J17-1907_S0-112 Expressway Ph 11\exp\laying\Exhibit\Draw Decisions\APN 007-024-003 N06 Regar-2018.dwg PLOTED: 06/22/18 11:14

Parcel name: DAKOTA-KANSAS

North: 2055358.68 East : 6397400.60
Line Course: N 87-39-48 E Length: 714.96
North: 2055387.83 East : 6398114.97
Line Course: N 86-20-32 W Length: 427.22
North: 2055415.09 East : 6397688.62
Line Course: N 00-00-00 E Length: 0.03
North: 2055415.12 East : 6397688.62
Line Course: N 87-58-17 W Length: 160.44
North: 2055420.79 East : 6397528.28
Line Course: N 52-54-59 W Length: 83.49
North: 2055471.14 East : 6397461.67
Line Course: N 00-43-51 W Length: 1608.21
North: 2057079.22 East : 6397441.16
Line Course: N 89-14-21 E Length: 7.05
North: 2057079.31 East : 6397448.21
Line Course: N 00-43-24 W Length: 75.00
North: 2057154.30 East : 6397447.26
Line Course: N 00-39-49 W Length: 390.90
North: 2057545.18 East : 6397442.74
Line Course: N 14-12-55 E Length: 233.96
North: 2057771.97 East : 6397500.19
Line Course: N 89-19-47 E Length: 1062.37
North: 2057784.40 East : 6398562.49
Line Course: N 00-43-35 W Length: 52.35
North: 2057836.75 East : 6398561.82
Line Course: N 87-29-42 W Length: 0.00
North: 2057836.75 East : 6398561.82
Line Course: N 89-21-16 E Length: 3813.99
North: 2057879.72 East : 6402375.57
Line Course: N 88-38-36 W Length: 5010.03
North: 2057998.29 East : 6397366.94
Line Course: S 00-43-51 E Length: 2639.81
North: 2055358.69 East : 6397400.61

Perimeter: 16279.81 Area: 686,488 sq.ft. 15.76 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.02 Course: N 42-57-38 E
Error North: 0.013 East : 0.012
Precision 1: 813,990.50

Parcel name: APN 007-024-003 Area

North:	2058030.08	East :	6400011.45
Line Course:	S 00-44-17 E	Length:	176.98
North:	2057853.11	East :	6400013.73
Line Course:	S 89-21-16 W	Length:	1322.02
North:	2057838.22	East :	6398691.80
Line Course:	N 00-43-35 W	Length:	175.98
North:	2058014.18	East :	6398689.56
Line Course:	N 89-18-40 E	Length:	1321.98
North:	2058030.08	East :	6400011.45

Perimeter: 2996.96 Area: 233,304 sq.ft. 5.36 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 87-02-01 W
Error North: -0.000 East : -0.003
Precision 1: 2,996,960,000.00

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project

Nita Marie Wagner Living Trust to City of Modesto

APN: 007-024-003

Legal description:

ALL that certain real property, being a portion of Parcel No. 1, as described in Grant Deed to Nita Marie Wagner, as Trustee of the Nita Marie Wagner Living Trust, filed for record November 15, 1979 in Volume 3261 of Official Records, at Page 282, Instrument No. 79-32644, Stanislaus County Records, and situate in the South half of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, and being more particularly described as follows:

A strip of land 20.00 feet wide, coincident with and lying South of course (12) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records, said terminus lying within the right-of-way of Maze Boulevard (State Highway Route 132), and being the **TRUE POINT OF BEGINNING**;

thence (1), along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet;

thence (2), leaving said line labeled "1)N. 86°20'23"W., 130.217 meters" and proceeding North 00°00'00" East 0.03 feet;

thence (3), North 87°58'17" West 160.44 feet;

thence (4), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (5), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (6), North 89°14'21" East 7.05 feet;

thence (7), North 00°43'24" West 75.00 feet, more or less, to a point on the South line of the lands described in Grant Deed to David A. Faria and Gail M. Faria, husband and wife, as community property, filed for record January 4, 1995 as Instrument No. 95-0000350, Stanislaus County Records;

thence (8), leaving last said South line and proceeding North 00°39'49" West 390.90 feet;

thence (9), North 14°12'55" East 233.96 feet;

thence (10), North 89°19'47" East 1062.37 feet;

thence (11), North 00°43'35" West 52.35 feet to the westerly extension of the future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15'", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (12), along said proposed southerly right-of-way line and said westerly extension North 89°21'16" East 3813.99 feet to the easterly terminus of the line labeled "N89°21'00"E 2362.15'" as shown on said Sheet 21 and Sheet 22 of State Highway Map STA-132P PM 12.36, and the terminal point of this description, said terminal point bears South 88°38'38" East 5010.03 feet from aforementioned West 1/4 corner of Section 26.

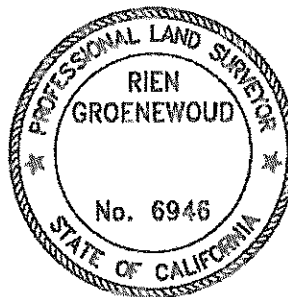
Containing (26,441 square feet Grid), 26,445 square feet [0.61 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.



6/22/18


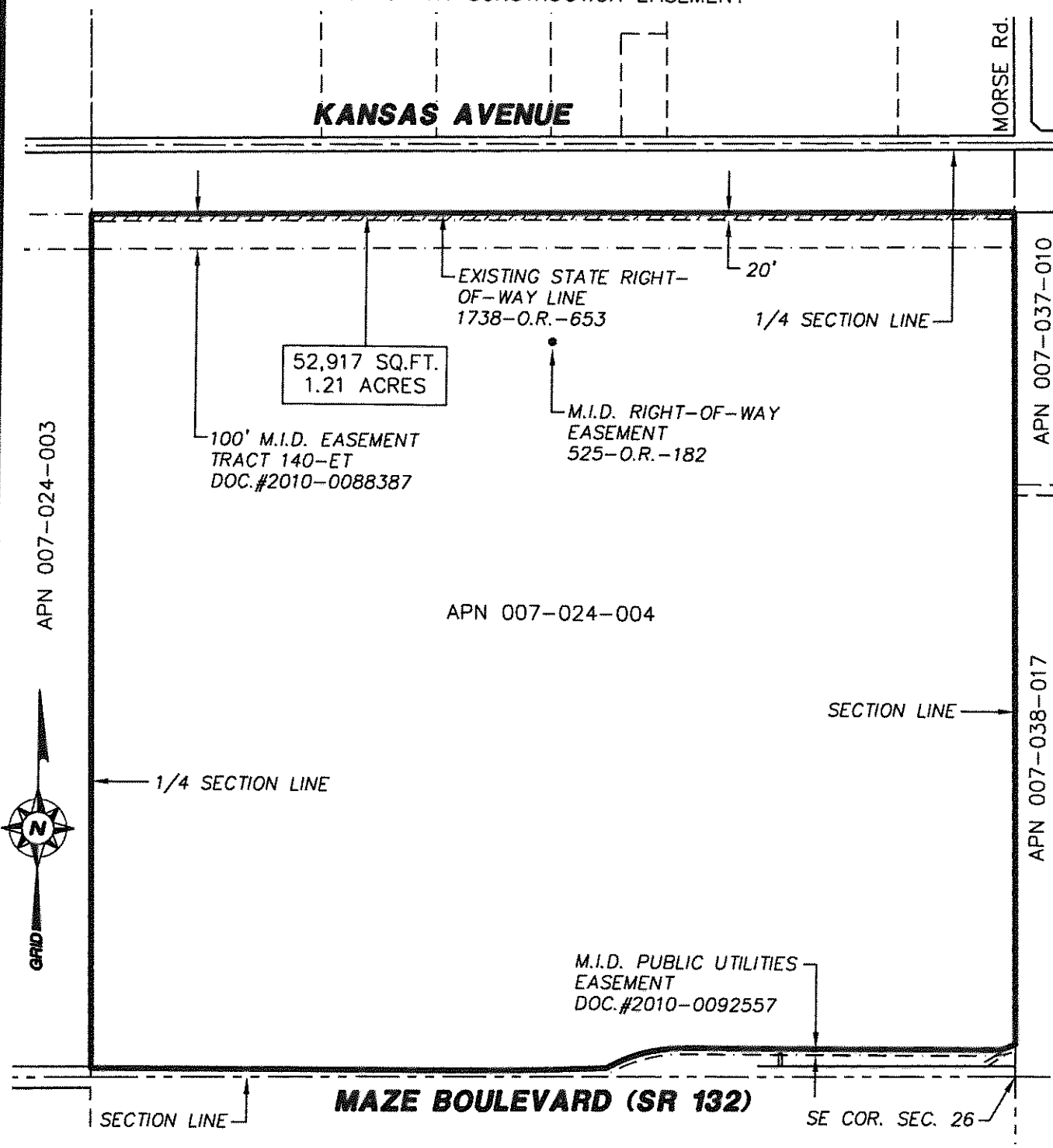


Rien Groenewoud, P.L.S. 6946

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT



DATE PLOTTED: 06/26/18 09:32:44
DRAWN BY: J17-1907
CHECKED BY: RG
DESIGNED BY: RG
JOB: J17-1907
DATE: 06/26/18
SCALE: 1"=400'
DRAWN: RG
DESIGN: RG
CHK'D: RG
SHEET: 01 OF 01

 *NorthStar*
Engineering Group, Inc.
• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SOUTHEAST QUARTER OF
SECTION 26, TOWNSHIP 3 SOUTH, RANGE 8 EAST, M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1"=400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	01
	OF 01

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EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project

Nita Marie Wagner Living Trust et al to City of Modesto

APN: 007-024-004

Legal description:

ALL that certain real property, being a portion of Parcel No. 6, as described in Grant Deed to Nita Marie Wagner, as Trustee of the Nita Marie Wagner Living Trust, filed for record November 15, 1979 in Volume 3261 of Official Records, at Page 282, Instrument No. 79-32644, Stanislaus County Records, and situate in the southeast 1/4 of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, and being more particularly described as follows:

The North 20 feet of said Wagner land.

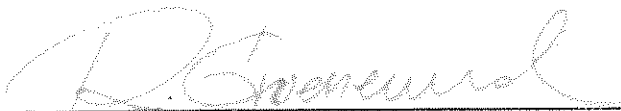
Containing (52,910 square feet Grid), 52,917 square feet [1.21 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.

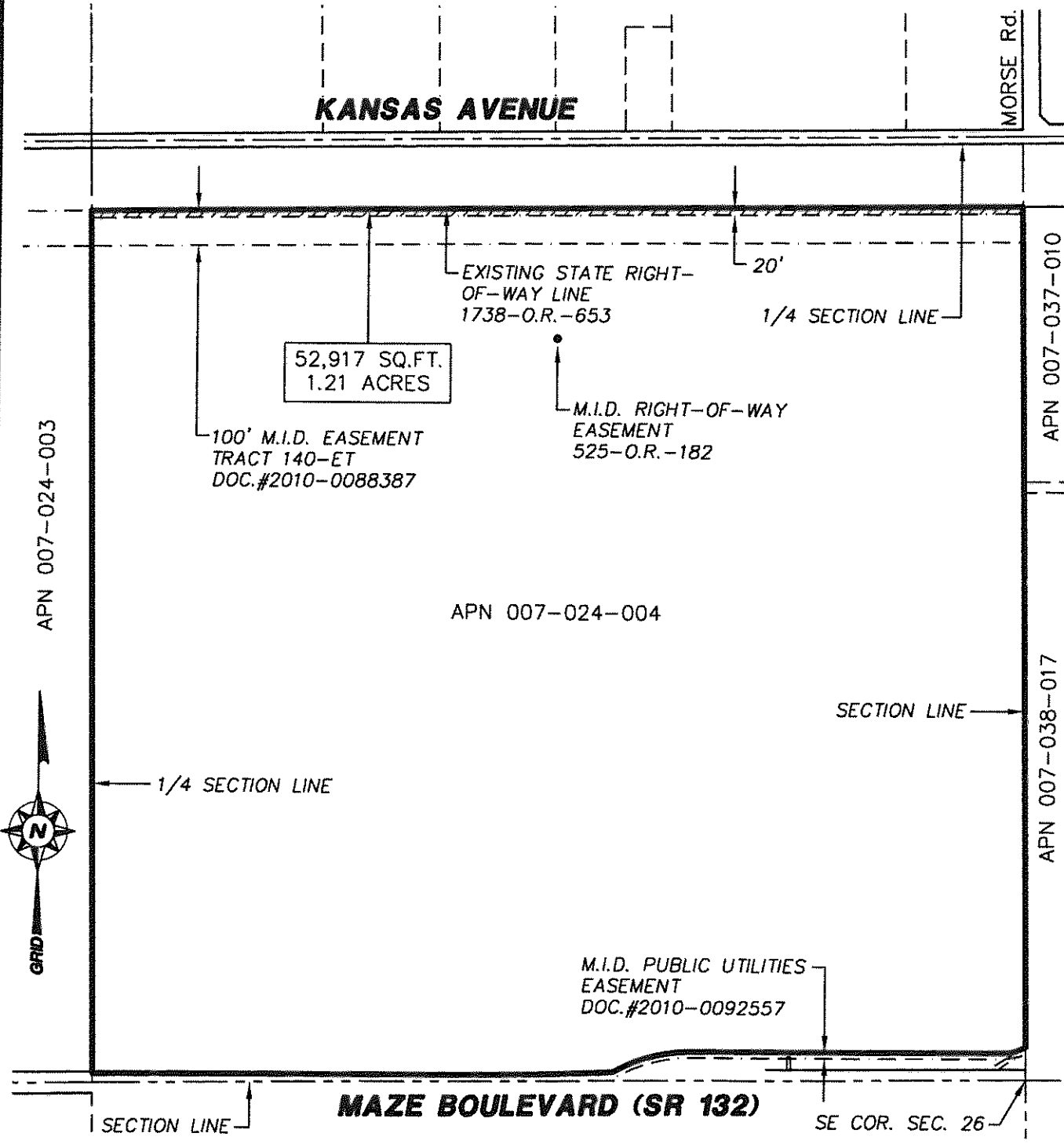


Rien Groenewoud, P.L.S. 6946



3/16/18

EXHIBIT 'B'
 TEMPORARY CONSTRUCTION EASEMENT



ONE INCH = 400 FEET
 DATE: 06/26/18
 DRAWN: RG
 DESIGN: RG
 CHK'D: RG
 SHEET: 01 OF 01
 NORTHSTAR ENGINEERING GROUP, INC.
 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax
 PLATED: 06/26/18 06:39
 REGISTERED: 06/26/18 06:39

NorthStar
Engineering Group, Inc.
 • CIVIL ENGINEERING • SURVEYING • PLANNING •
 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF THE SOUTHEAST QUARTER OF
 SECTION 26, TOWNSHIP 3 SOUTH, RANGE 8 EAST, M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/26/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	01 OF 01

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project
Hans J. Wagner III 2015 Trust to City of Modesto
APN: 007-037-010

Legal description:

ALL that certain real property, being a portion of Parcel "A", as shown on that certain map, filed for record in Book 52 of Parcel Maps, at Page 48, Stanislaus County Records, and as described in Grant Deed to Hans J. Wagner III, Trustee of the Hans J. Wagner III 2015 Trust dated June 10, 2015, filed for record December 17, 2015 as Document No. 2015-0097363, Stanislaus County Records, situate in the southwest 1/4 of Section 25, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, and being more particularly described as follows:

The North 20 feet of said Parcel "A".

Containing (17,670 square feet Grid), 17,672 square feet [0.41 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

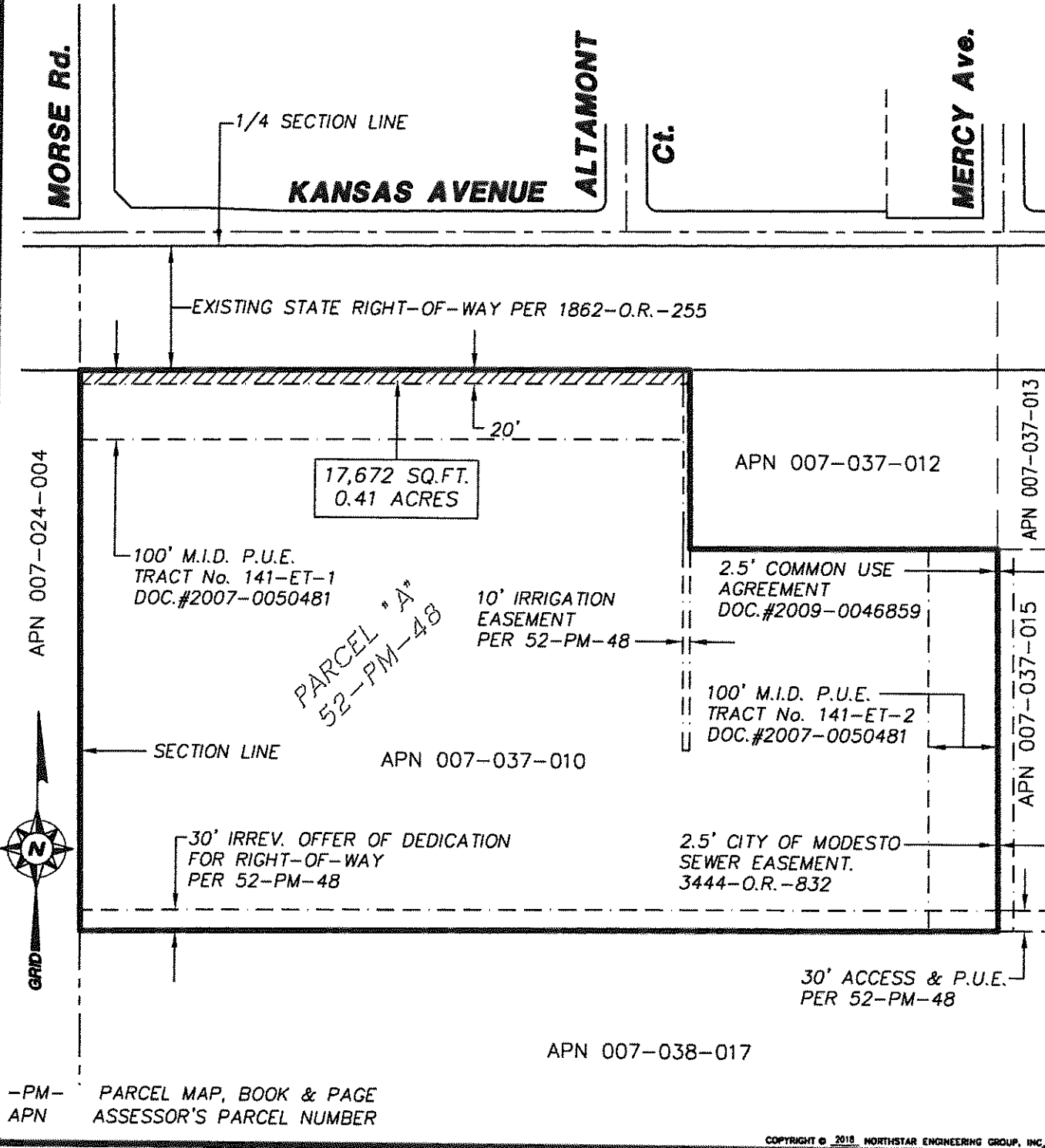
Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.


Rien Groenewoud, P.L.S. 6946



3/19/18

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT



-PM- PARCEL MAP, BOOK & PAGE
APN ASSESSOR'S PARCEL NUMBER

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(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF PARCEL "A" PER 52-PM-48, SW
1/4 SEC. 25, TOWNSHIP 3 SOUTH, RANGE 8 EAST, M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/20/18
SCALE:	1" = 200'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 01

DME M&C, P117-1907, 06-12, Engineering, Pl. 11/17/18, Modesto, CA 95354, (209) 524-3525, (209) 524-3526, Fax, 06/20/18, 11:13

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-373**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 216 LINDEN ST., MODESTO, CA 95351 (APN 101-004-063), OWNER: CRYSTAL D. MATTHEWS

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue;

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto;

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project;

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project;

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2;

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”);

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement;

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760;

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement, from property located at 216 Linden St., Modesto, CA 95351 (APN 101-004-063), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project;

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary;

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein.

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:

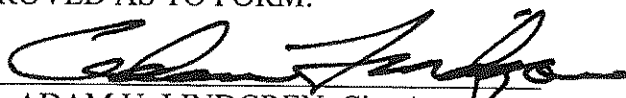

ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
Crystal D. Matthews to City of Modesto
APN: 101-004-063

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Crystal D. Matthews, a single woman, filed for record on March 25, 2002 as Document No. 2002-0038359, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northeasterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;

thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;

thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

Containing (159 square feet Grid), 159 square feet [0.004 acres] Ground, more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

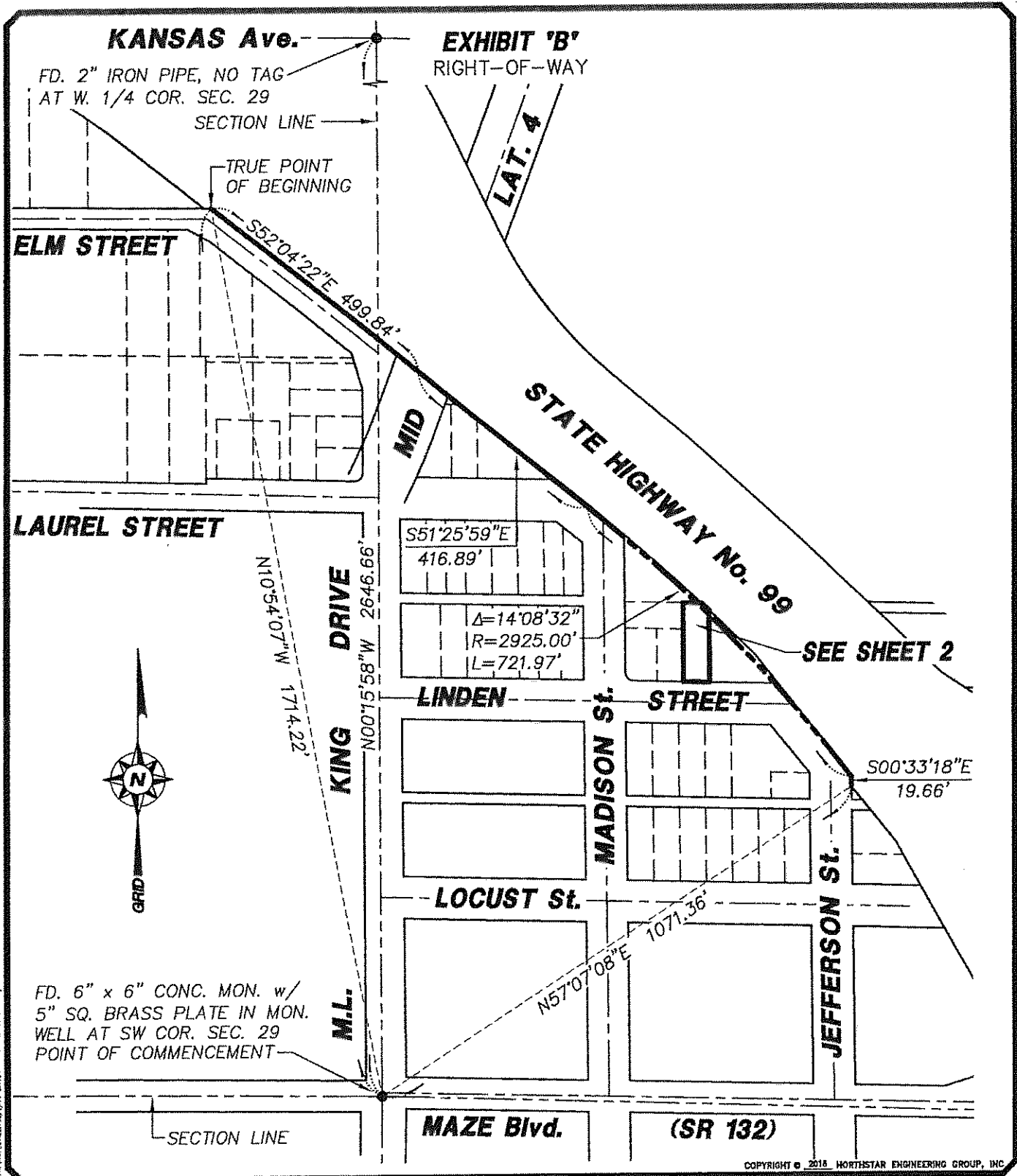
All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



Rien Groenewoud, P.L.S. 6946



2/8/18



ONE MAP: K117-1907 SR-132 Easement, Ph. 1/25/17 Map - 1/25/17/18/19/20/21/22/23/24/25/26/27/28/29/30/31/32/33/34/35/36/37/38/39/40/41/42/43/44/45/46/47/48/49/50/51/52/53/54/55/56/57/58/59/60/61/62/63/64/65/66/67/68/69/70/71/72/73/74/75/76/77/78/79/80/81/82/83/84/85/86/87/88/89/90/91/92/93/94/95/96/97/98/99/100
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North Star
Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •

620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF LOT 33 OF "ADOBE ABODE SUBDIVISION", Bk.
34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

EXHIBIT 'B'
RIGHT-OF-WAY

STATE HIGHWAY No. 99

EXIST. STATE
RIGHT-OF-WAY LINE



MADISON STREET

29
APN 101-004-059
R=2925.00'

159 SQ.FT.
0.004 ACRES

30
APN 101-004-067

34-M-6

EXIST. 20' P.U.E.
PER 34-M-6

80'

31 APN 101-004-061 | 32 APN 101-004-068 | 33 APN 101-004-063 | 34 APN 101-004-064

EXIST. 10' P.U.E.
PER 34-M-6

LINDEN STREET

PROPOSED STATE
RIGHT-OF-WAY LINE

79.881'

ACCESS RIGHTS ACQUIRED
S.C.R. STANISLAUS COUNTY RECORDS
-M- SUBDIVISION, BOOK & PAGE
P.U.E. PUBLIC UTILITY EASEMENT
APN ASSESSOR'S PARCEL NUMBER

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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF LOT 33 OF "ADOBE ABODE SUBDIVISION", Bk.
34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
DATE: 02/07/18
SCALE: 1"=60'
DRAWN: RG
DESIGN: RG
CHK'D: RG

SHEET

02
OF 02

C:\Users\PL17-1907\Desktop\18-02-07\MapInfo\18-02-07\18-02-07.dwg

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 362.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
RP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 25-11-02 W
Error North: -0.004 East : -0.002
Precision 1: 4,443,940,000.00

Parcel name: APN 101-004-063 Area

North:	2056340.74	East :	6414074.17
Line Course:	S 46-47-16 E	Length:	19.60
	North: 2056327.32	East :	6414088.46
Line Course:	S 00-33-01 E	Length:	8.93
	North: 2056318.39	East :	6414088.54
Line Course:	N 45-40-50 W	Length:	32.30
	North: 2056340.96	East :	6414065.43
Line Course:	S 88-37-01 E	Length:	8.74
	North: 2056340.74	East :	6414074.17

Perimeter: 69.57 Area: 159 sq.ft. 0.00 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 10-16-35 W
Error North: 0.006 East : -0.001
Precision 1: 6,957.00

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project
Crystal D. Matthews to City of Modesto
APN: 101-004-063

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Crystal D. Matthews, a single woman, filed for record on March 25, 2002 as Document No. 2002-0038359, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, more particularly described as follows:

A strip of land 5.00 feet wide, coincident with and lying southwesterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;

thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;

thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

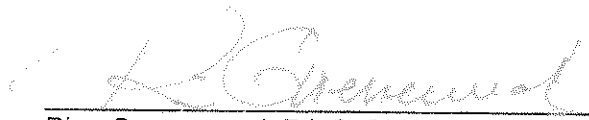
Containing (188 square feet Grid), 188 square feet [0.004 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

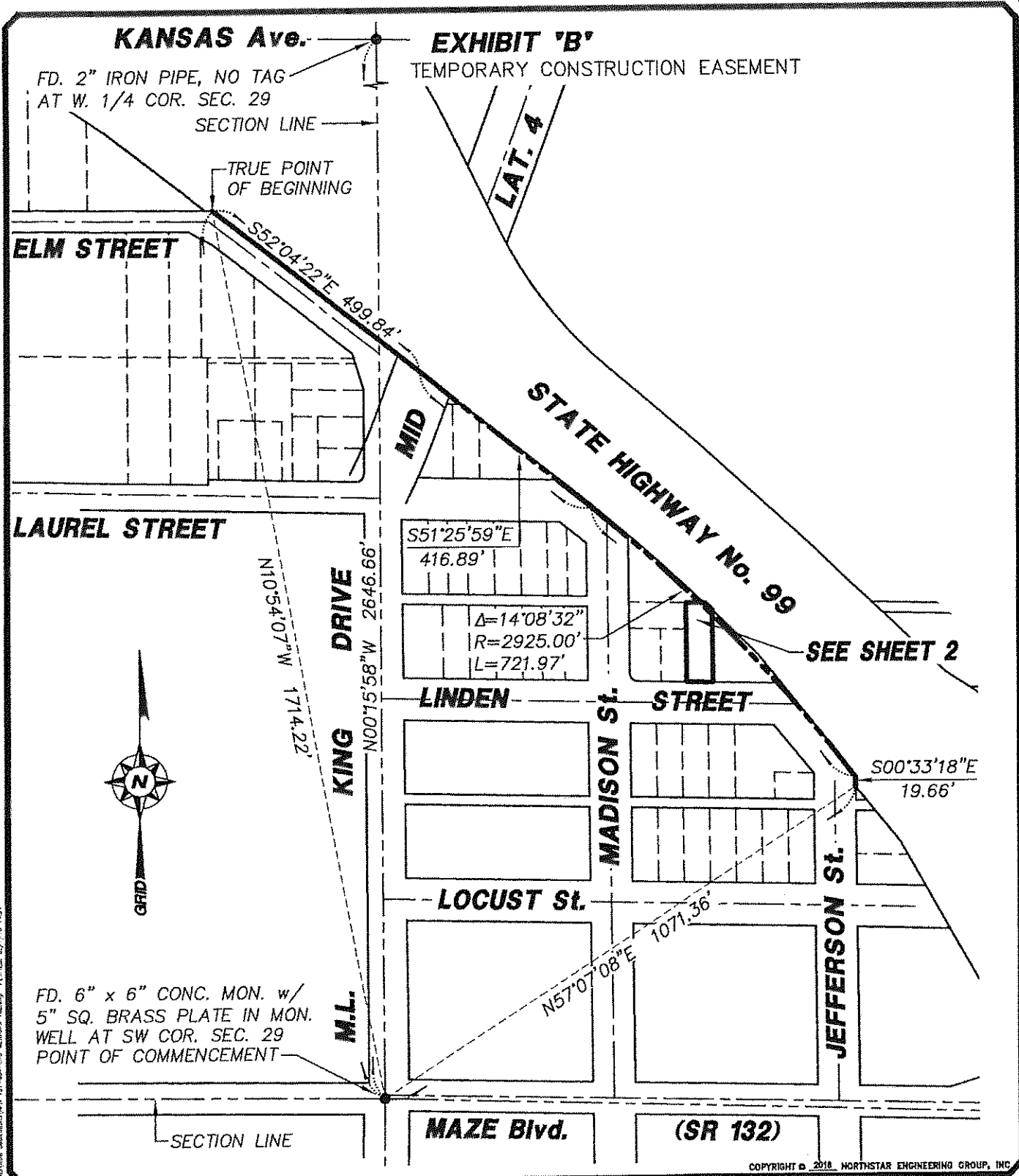
Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.


Rien Groenewoud, P.L.S. 6946



2/13/18

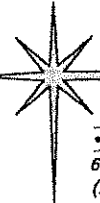


Job No. J17-1907, Scale 1/4" = 250', Date 02/07/18, Drawn by RG, Design by RG, Checked by RG, Northstar Engineering Group, Inc.

FD. 6" x 6" CONC. MON. w/
 5" SQ. BRASS PLATE IN MON.
 WELL AT SW COR. SEC. 29
 POINT OF COMMENCEMENT



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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF LOT 33 OF "ADOBE ABODE SUBDIVISION", Bk.
 34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1" = 250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01
	OF 02

EXHIBIT 'B'
 TEMPORARY CONSTRUCTION EASEMENT

STATE HIGHWAY No. 99

EXIST. STATE
 RIGHT-OF-WAY LINE

EXIST. STATE
 RIGHT-OF-WAY LINE



MADISON STREET

29
 APN 101-004-059

30
 APN 101-004-067

31
 APN 101-004-061

32
 APN 101-004-068

33
 APN 101-004-063

34
 APN 101-004-064

188 SQ.FT.
 0.004 ACRES

$\Delta=14^{\circ}08'32''$ $R=2925.00'$

$L=721.97'$

EXIST. 20' P.U.E
 PER 34-M-6

EXIST. 10' P.U.E
 PER 34-M-6

LINDEN STREET

PROPOSED STATE
 RIGHT-OF-WAY LINE

S.C.R. STANISLAUS COUNTY RECORDS
 -M- SUBDIVISION, BOOK & PAGE
 P.U.E. PUBLIC UTILITY EASEMENT
 APN ASSESSOR'S PARCEL NUMBER

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**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF LOT 33 OF "ADOBE ABODE SUBDIVISION", Bk.
 34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB: J17-1907
 DATE: 02/07/18
 SCALE: 1"=60'
 DRAWN: RG
 DESIGN: RG
 CHR'D: RG

SHEET
02
 OF 02

DATE MADE: 01/17/18 09:32 Company: PG: 1/1 Job: 1717-1907 Description: [REDACTED] APN: 101-004-063 Modesto-2018-02-07-18 14:49

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 352.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
BP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 25-11-02 W
Error North: -0.004 East : -0.002
Precision 1: 4,443,940,000.00

Parcel name: APN 101-004-063 TCE

North: 2056341.13 East : 6414058.05
Line Course: S 88-37-01 E Length: 7.39
 North: 2056340.95 East : 6414085.43
Curve Length: 32.29 Radius: 2925.00
 Delta: 0-37-57 Tangent: 16.15
 Chord: 32.29 Course: S 45-40-50 E
 Course In: S 44-00-11 W Course Out: N 44-38-08 E
 RP North: 2054236.99 East : 6412033.45
 End North: 2056318.39 East : 6414088.54
Line Course: S 00-33-01 E Length: 7.10
 North: 2056311.29 East : 6414088.60
Curve Length: 42.71 Radius: 2920.00
 Delta: 0-50-17 Tangent: 21.36
 Chord: 42.71 Course: N 45-41-05 W
 Course In: S 44-44-04 W Course Out: N 43-53-47 E
 RP North: 2054236.99 East : 6412033.45
 End North: 2056341.13 East : 6414058.05

Perimeter: 89.51 Area: 188 sq.ft. 0.00 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: N 82-01-00 W
 Error North: 0.000 East : -0.001
Precision 1: 89,490,000.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-374**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 301 N. WASHINGTON STREET, MODESTO, CA 95354 (APN 101-004-057), OWNER: F9 PROPERTIES LLC, WHICH ACQUIRED TITLE AS ANO, LLC, A NEW HAMPSHIRE LIMITED LIABILITY COMPANY

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2;

and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement from property located at 301 N. Washington Street, Modesto, CA 95354 (APN 101-004-057), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof

by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements,

including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true

and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
ANO, LLC to City of Modesto
APN: 101-004-057

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to ANO, LLC, a New Hampshire Limited Liability Company, filed for record on January 12, 2011 as Document No. 2011-0002813, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying southwesterly and southerly of the following described line:

COMMENCING at a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29, from which a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29 bears South 00°15'58" East 2646.66 feet; thence South 27°14'16" East 1799.31 feet to a point on the northeast right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 46°45'24" W. 358.18'", as shown on State Highway Map Route 99, Post Mile 16.3, sheet 16 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along said northeast right-of-way line, South 46°27'01" East 272.60 feet to the beginning of a non-tangent curve concave to the northeast having a radius of 2784.13 feet, to which beginning a radial line bears South 39°38'17" West;

thence (2), leaving said northeasterly right-of-way line and proceeding southeasterly 163.34 feet along the arc of said curve through a central angle of 03°21'41" to a point lying within the right-of-way of Linden Street, and the terminal point of this description, said terminal point bears North 56°18'13" East 1367.29 feet from aforementioned southwest corner of Section 29.


Containing (504 square feet Grid), 504 square feet [0.01 acres] Ground, more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256),

"PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

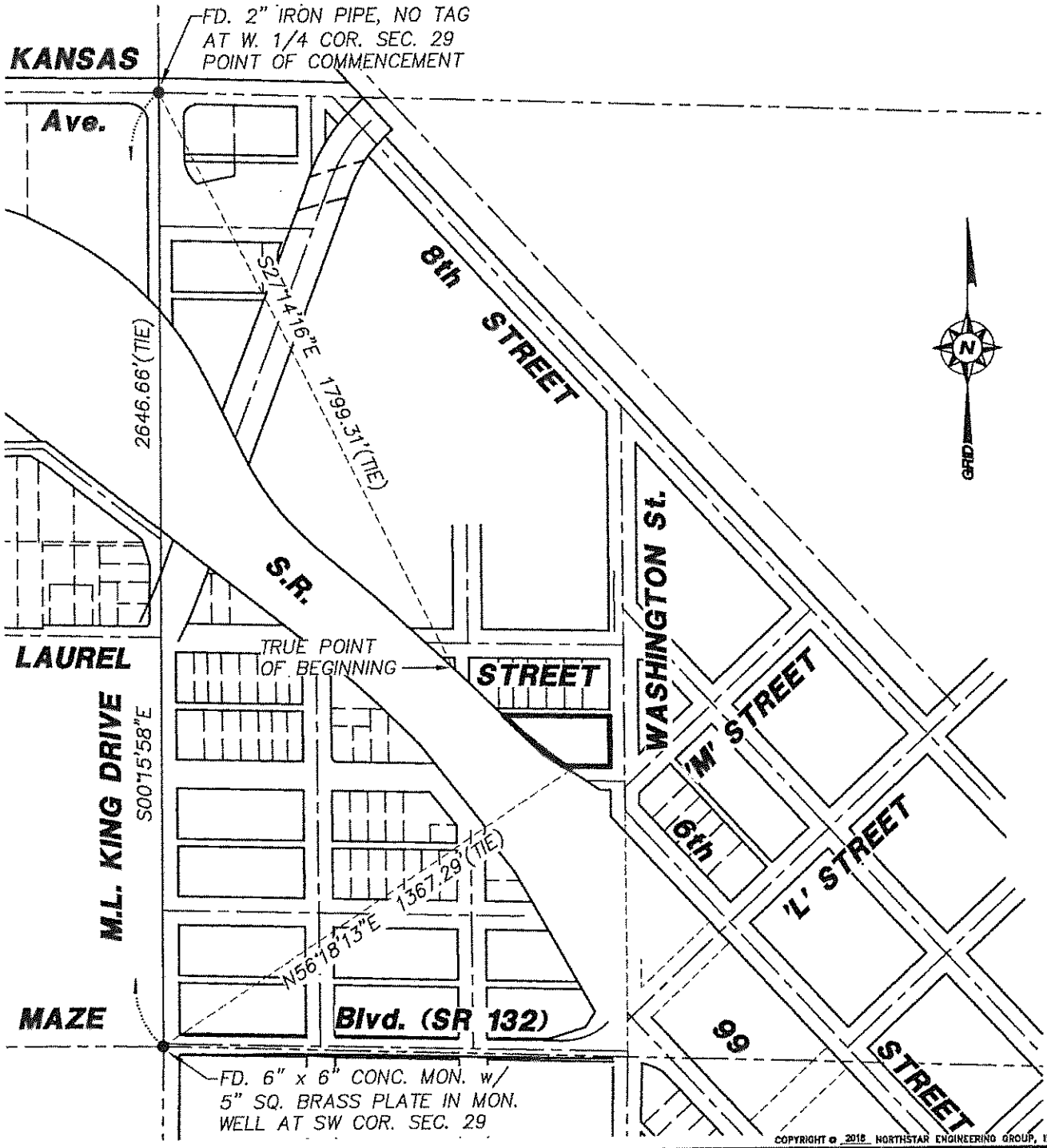
All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



5/23/18

EXHIBIT 'B'
RIGHT-OF-WAY



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JOB NO. J17-1907 SHEET 01 OF 02 DATE 05/23/18 SCALE 1"=400' DRAWN BY RG DESIGN BY RG CHECKED BY RG
 PROJECT: 05/23/18 2:00 PM
 620 12th Street Modesto, CA 95354 (209) 524-3525 Phone (209) 524-3526 Fax

NorthStar
Engineering Group, Inc.
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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

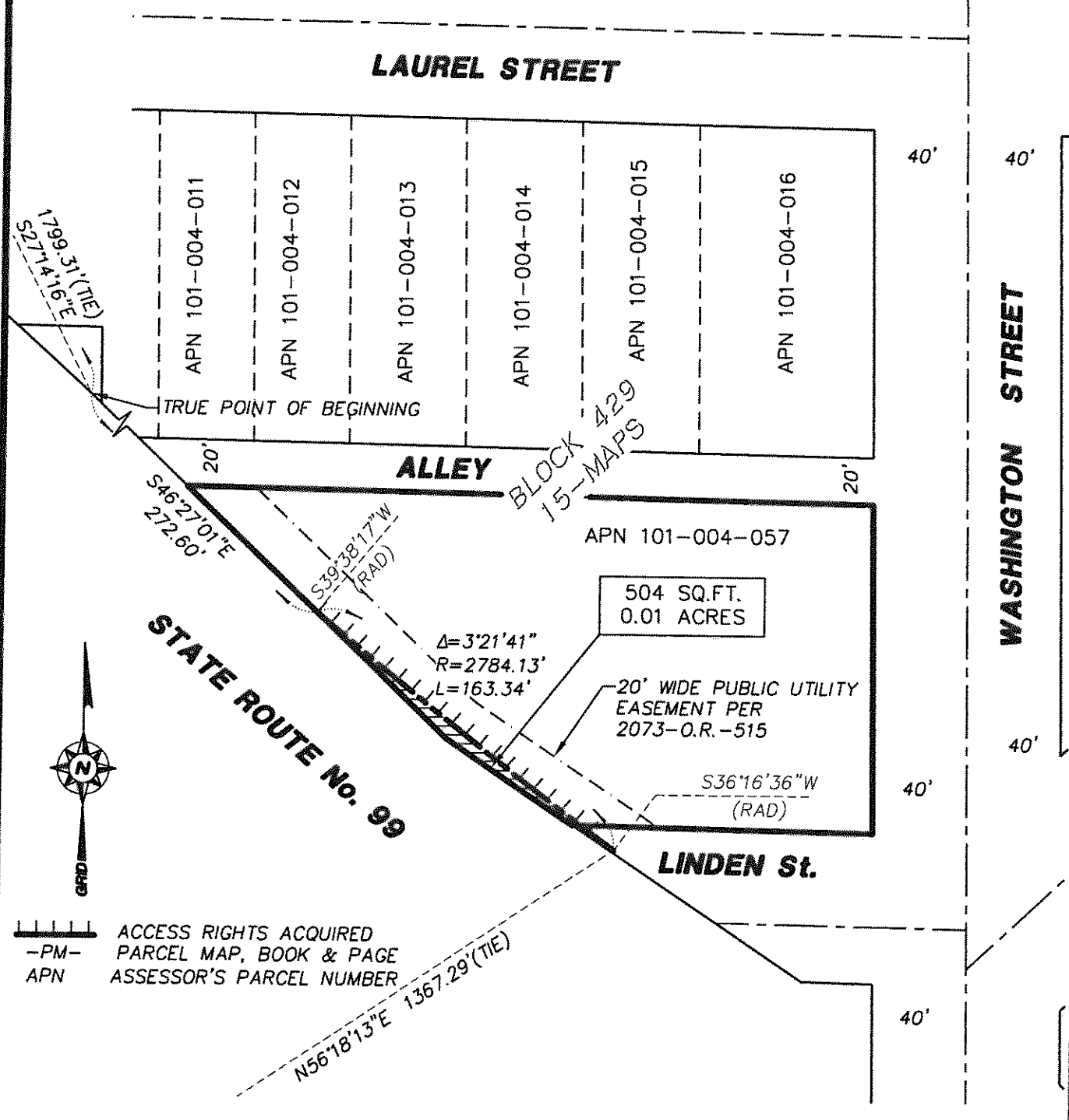
**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF BLOCK 429 OF THE CITY OF MODESTO PER
 VOL. 15 OF MAPS, S.C.R., SW 1/4 OF SEC. 29,
 T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	05/23/18
SCALE:	1"=400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01
	OF 02

EXHIBIT 'B'
RIGHT-OF-WAY



ACCESS RIGHTS ACQUIRED
-PM- PARCEL MAP, BOOK & PAGE
APN ASSESSOR'S PARCEL NUMBER

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(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF BLOCK 429 OF THE CITY OF MODESTO PER
VOL. 15 OF MAPS, S.C.R., SW 1/4 OF SEC. 29,
T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	05/23/18
SCALE:	1"=60'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	02
	OF 02

DATE: 05/23/18 08:11
 PLOT: 05/23/18 08:11
 C:\Users\jgarcia\OneDrive\Documents\APN 101-004-007 Map-004.dwg
 DWG NAME: K:\17-1907_Sc-132_Engineering\01-15\Maping\Exhibits\APN 101-004-007 Map-004.dwg

Parcel name: MLK-SR99-MAZEL

North: 2055407.84 East : 6413460.96
Line Course: N 00-15-58 W Length: 2646.66
 North: 2058054.47 East : 6413448.67
Line Course: S 27-14-16 E Length: 1799.31
 North: 2056454.68 East : 6414272.18
Line Course: S 46-27-01 E Length: 272.60
 North: 2056266.86 East : 6414469.76
Curve Length: 163.34 Radius: 2784.13
 Delta: 3-21-41 Tangent: 81.69
 Chord: 163.32 Course: S 52-02-33 E
 Course In: N 39-38-17 E Course Out: S 36-16-36 W
 RP North: 2058410.89 East : 6416245.85
 End North: 2056166.41 East : 6414598.53
Line Course: S 56-18-13 W Length: 1367.29
 North: 2055407.85 East : 6413460.95

Perimeter: 6249.19 Area: 1,365,373 sq.ft. 31.34 acres

Mapcheck Closure ~ (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 26-55-43 W
 Error North: 0.009 East : -0.005
Precision 1: 624,920.00

Parcel name: APN 101-004-057 ROW

North: 2056177.00 East : 6414580.63
Line Course: N 56-19-31 W Length: 65.74
North: 2056213.46 East : 6414525.92
Line Course: N 46-27-01 W Length: 77.50
North: 2056266.85 East : 6414469.75
Curve Length: 145.60 Radius: 2784.13
Delta: 2-59-47 Tangent: 72.82
Chord: 145.59 Course: S 51-51-36 E
Course In: N 39-38-17 E Course Out: S 36-38-30 W
RP North: 2056410.88 East : 6416245.85
End North: 2056176.94 East : 6414584.26
Line Course: N 88-57-45 W Length: 3.63
North: 2056177.01 East : 6414580.63
Line Course: N 88-57-41 W Length: 0.00
North: 2056177.01 East : 6414580.63

Perimeter: 292.48 Area: 504 sq.ft. 0.01 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 62-48-35 W
Error North: 0.003 East : -0.005
Precision 1: 29,247.00

EXHIBIT "A"
TEMPORARY CONSTRUCTION EASEMENT

SR132 Phase 1 Construction Project
ANO, LLC to City of Modesto
APN: 101-004-057

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to ANO, LLC, a New Hampshire Limited Liability Company, filed for record on January 12, 2011 as Document No. 2011-0002813, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying southwesterly of course (2) of the following described line:

COMMENCING at a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29, from which a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29 bears South 00°15'58" East 2646.66 feet; thence South 27°14'16" East 1799.31 feet to a point on the northeast right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 46°45'24" W. 358.18'", as shown on State Highway Map Route 99, Post Mile 16.3, sheet 16 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along said northeast right-of-way line, South 46°27'01" East 187.72 feet to the beginning of a non-tangent curve concave to the northeast having a radius of 2779.63 feet, to which beginning a radial line bears South 41°23'02" West;

thence (2), leaving said northeasterly right-of-way line and proceeding southeasterly 360.09 feet along the arc of said curve through a central angle of 07°25'21" to the terminal point of this description, said terminal point bears North 60°28'58" East 1415.86 feet from aforementioned southwest corner of Section 29.

EXCEPTING THEREFROM that certain real property, lying southwesterly of course (4) of the following described line:

COMMENCING at a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29, from which a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29 bears South 00°15'58" East 2646.66 feet; thence South 27°14'16" East 1799.31 feet to a point on the northeast right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 46°45'24" W. 358.18'", as shown on State Highway Map Route 99, Post Mile 16.3, sheet 16 of 23 sheets, on file at the

Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the True Point Of Beginning;

thence (3), along said northeast right-of-way line, South 46°27'01" East 272.60 feet to the beginning of a non-tangent curve concave to the northeast having a radius of 2784.13 feet, to which beginning a radial line bears South 39°38'17" West;

thence (4), leaving said northeasterly right-of-way line and proceeding southeasterly 163.34 feet along the arc of said curve through a central angle of 03°21'41" to a point lying within the right-of-way of Linden Street, and the terminal point of this description, said terminal point bears North 56°18'13" East 1367.29 feet from aforementioned southwest corner of Section 29.

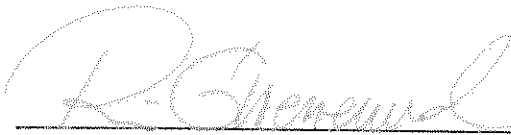
Containing (840 square feet Grid), 840 square feet [0.02 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

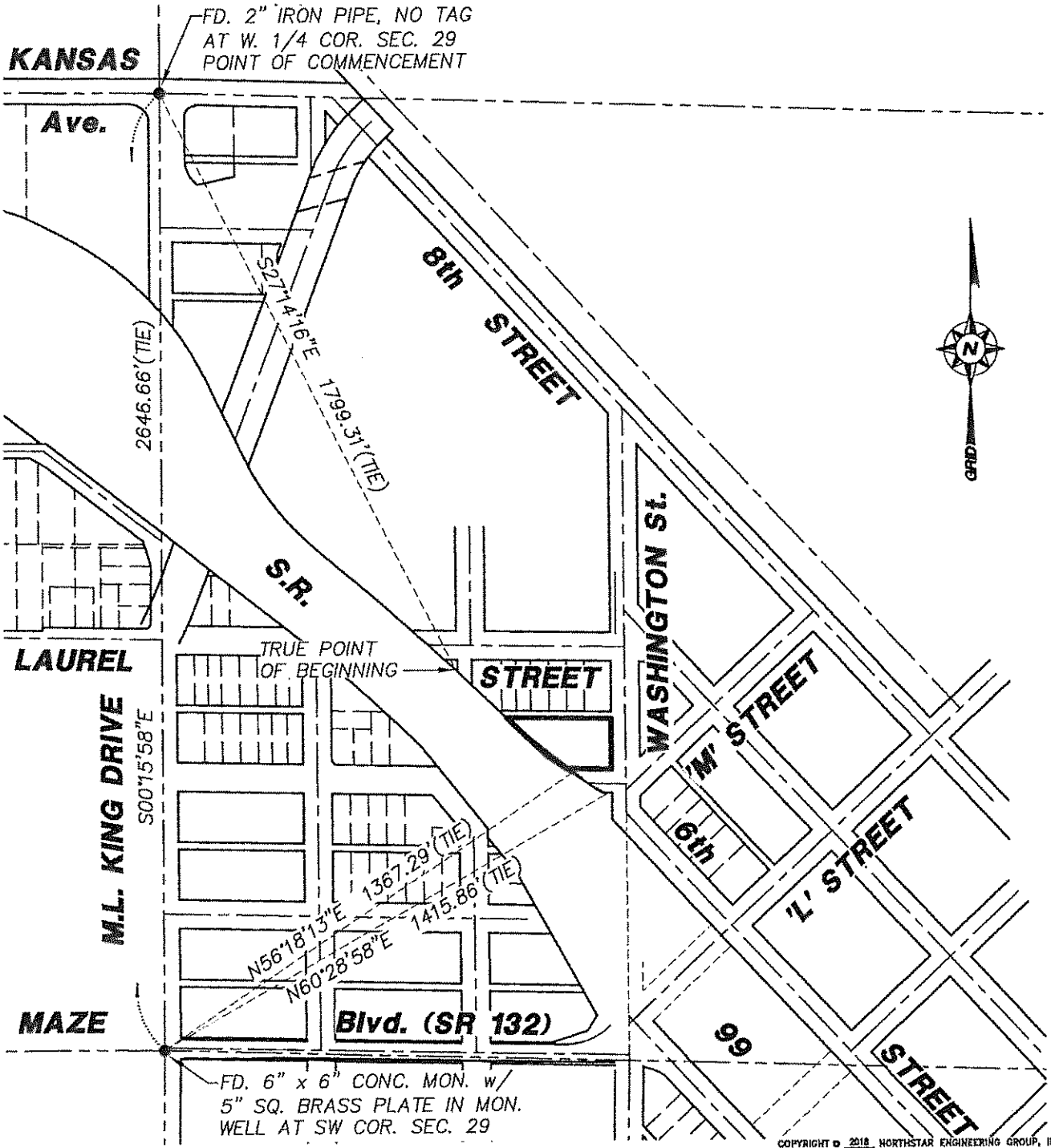
Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.


Rien Groenewoud, P.L.S. 6946



5/23/18

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT



2018 NMAC 01/17/18-187 SR-132 Expressway No. 11 (Map/layplan) (Printable) (Public Use) (Modesto) (Vol. 15 of Maps, S.C.R., SW 1/4 of Sec. 29, T.3 S., R.9 E., M.D.M.)
 PLOTED: 05/23/18 09:51

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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

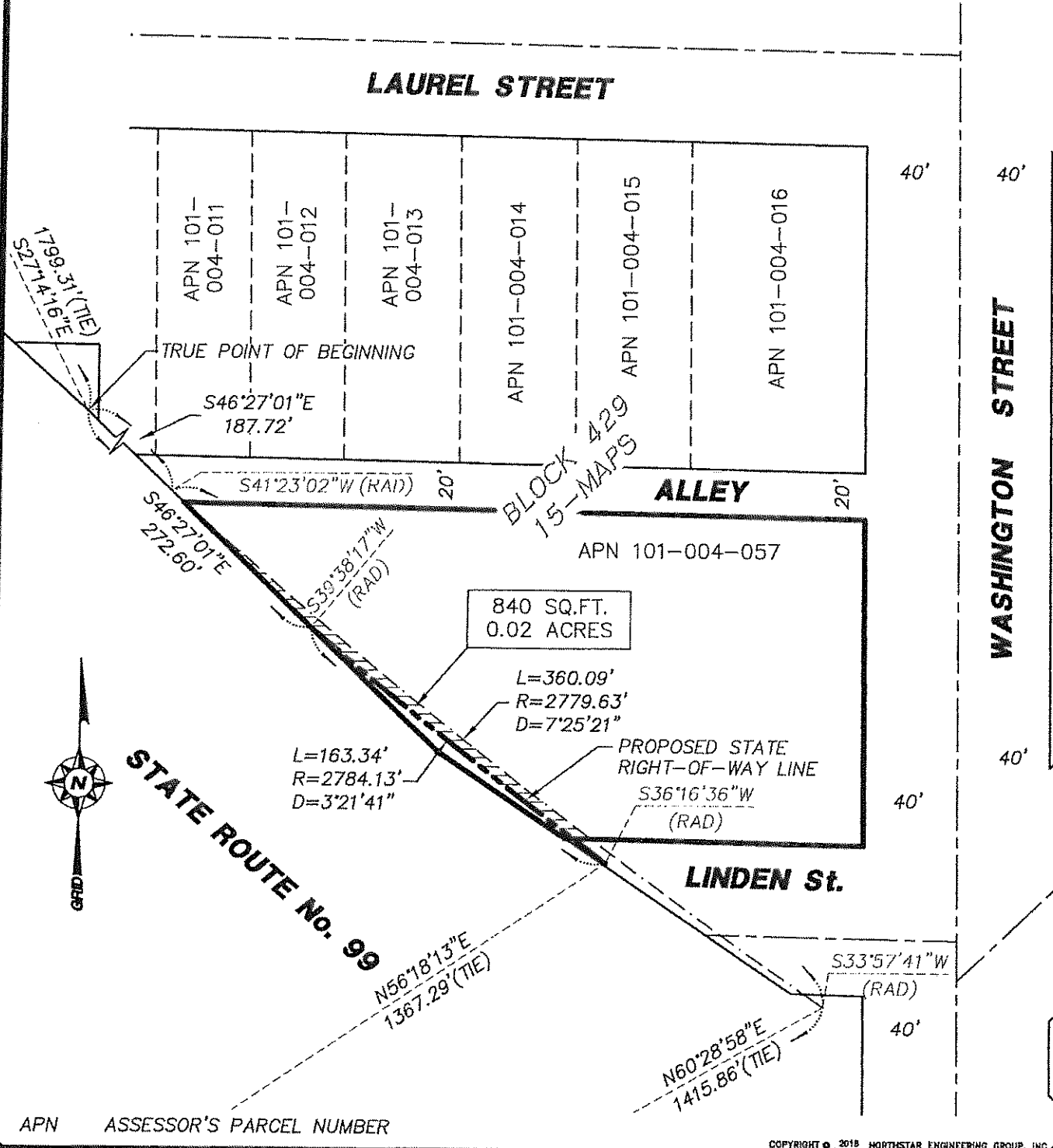
BEING A PORTION OF BLOCK 429 OF THE CITY OF MODESTO PER
 VOL. 15 OF MAPS, S.C.R., SW 1/4 OF SEC. 29,
 T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	05/23/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT



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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF BLOCK 429 OF THE CITY OF MODESTO PER
VOL. 15 OF MAPS, S.C.R., SW 1/4 OF SEC. 29,
T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	05/23/18
SCALE:	1"=60'
DRAWN:	RG
DESIGN:	RG
CHECK:	RG
SHEET	02 OF 02

DATE: 05/23/18 08:12:12
 PLOTTED: 05/23/18 08:12:12
 19-004-057 A01-02E.dwg

Parcel name: MLK-SR95-MAZEL

North: 2055407.84 East : 6413460.96
Line Course: N 00-15-58 W Length: 2646.66
North: 2058054.47 East : 6413448.67
Line Course: S 27-14-16 E Length: 1799.31
North: 2056484.68 East : 6414272.18
Line Course: S 46-27-01 E Length: 272.60
North: 2056266.86 East : 6414469.76
Curve Length: 163.34 Radius: 2784.13
Delta: 3-21-41 Tangent: 81.69
Chord: 163.32 Course: S 52-02-33 E
Course In: N 39-38-17 E Course Out: S 36-16-36 W
RP North: 2058410.89 East : 6416245.85
End North: 2056166.41 East : 6414598.53
Line Course: S 56-18-13 W Length: 1367.29
North: 2055407.85 East : 6413460.95

Perimeter: 6249.19 Area: 1,365,373 sq.ft. 31.34 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 26-55-43 W
Error North: 0.009 East : -0.005
Precision 1: 624,920.00

Parcel name: MLK-SR99-MAZE2

North: 2058054.47 East : 6413448.66
Line Course: S 27-14-16 E Length: 1799.31
 North: 2056454.67 East : 6414272.18
Line Course: S 46-27-01 E Length: 187.72
 North: 2056325.34 East : 6414408.24
Curve Length: 360.09 Radius: 2779.63
 Delta: 7-25-21 Tangent: 180.30
 Chord: 359.84 Course: S 52-19-38 E
 Course In: N 41-23-02 E Course Out: S 33-57-41 W
 RP North: 2058410.88 East : 6416245.85
 End North: 2056105.42 East : 6414693.06
Line Course: S 60-28-58 W Length: 1415.86
 North: 2055407.85 East : 6413460.96
Line Course: N 00-15-58 W Length: 2646.66
 North: 2058054.48 East : 6413448.67

Perimeter: 6409.64 Area: 1,437,029 sq.ft. 32.99 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: N 26-26-45 E
 Error North: 0.012 East : 0.006
Precision 1: 640,964.00

Parcel name: APN 101-004-057 TCE

North: 2056320.31 East : 6414413.52
Line Course: S 88-57-45 E Length: 0.44
North: 2056320.30 East : 6414413.96
Curve Length: 228.74 Radius: 2779.63
Delta: 4-42-54 Tangent: 114.44
Chord: 228.58 Course: S 51-07-50 E
Course In: N 41-13-37 E Course Out: S 36-30-43 W
RP North: 2058410.88 East : 6416245.85
End North: 2056176.80 East : 6414592.00
Line Course: N 88-57-45 W Length: 7.74
North: 2056176.94 East : 6414584.26
Curve Length: 145.60 Radius: 2784.13
Delta: 2-59-47 Tangent: 72.82
Chord: 145.59 Course: N 51-51-36 W
Course In: N 36-38-30 E Course Out: S 39-38-17 W
RP North: 2058410.88 East : 6416245.85
End North: 2056266.85 East : 6414469.76
Line Course: N 46-27-01 W Length: 77.59
North: 2056320.31 East : 6414413.52

Perimeter: 460.12 Area: 840 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.01 Course: S 49-31-51 E
Error North: -0.005 East : 0.006
Precision 1: 46,011.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-375**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 611 NORTH FRANKLIN, MODESTO, CA 95351 (APN 029-015-008), OWNER: MELTON & OLMSTED ENTERPRISES, INC., A CALIFORNIA CORPORATION

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement from property located at 611 North Franklin, Modesto, CA 95351 (APN 029-015-008), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and

adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to

this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki,
Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
Melton & Olmsted Enterprises, Inc. to City of Modesto
APN: 029-015-008

Legal description:

ALL that certain real property, being a portion of the lands described in Individual Grant Deed to Melton & Olmsted Enterprises, Inc., a California corporation, filed for record on November 17, 1986 as Instrument No. 86-035639, Stanislaus County Records, and situate in the southeast quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying southerly of course (2) thru course (4) of the following described line:

COMMENCING at a 2" iron pipe, no tag, at the East 1/4 corner of said Section 30, from which a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southeast corner of said Section 30 bears South 00°15'58" East 2646.66 feet; thence South 48°08'14" West 505.43 feet to a point on the northeast right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled " N. 63°42'20" W. 107.99' ", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along said northeast right-of-way line, South 63°23'55" East 17.86 feet;

thence (2), leaving said northeast right-of-way line and proceeding South 90°00'00" East 73.61 feet;

thence (3), easterly 219.78 feet along the arc of a non-tangent curve concave to the North having a radius of 750.00 feet, to which beginning a radial line bears South 03°55'59" West, through a central angle of 16°47'23";

thence (4), along a non-tangent line North 61°32'04" East 56.98 feet to a point lying within the right-of-way of Franklin Street, and the terminal point of this description, said terminal point bears South 03°30'07" West 301.67 feet from aforementioned East 1/4 corner of Section 30.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

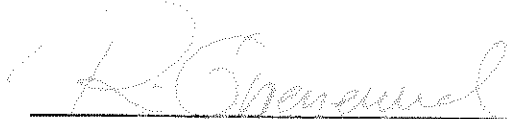
TOGETHER WITH the release and relinquishment of all abutter's rights of access over and across the following described line:

Beginning at the intersection of the above-described course (4) with the easterly line of said Melton & Olmsted Enterprises real property;
thence northerly along said easterly line 100.00 feet to the point of termination.

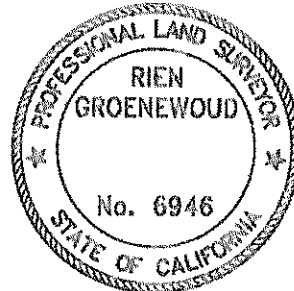
Containing (33,953 square feet Grid), 33,958 square feet [0.78 acres] Ground, more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.



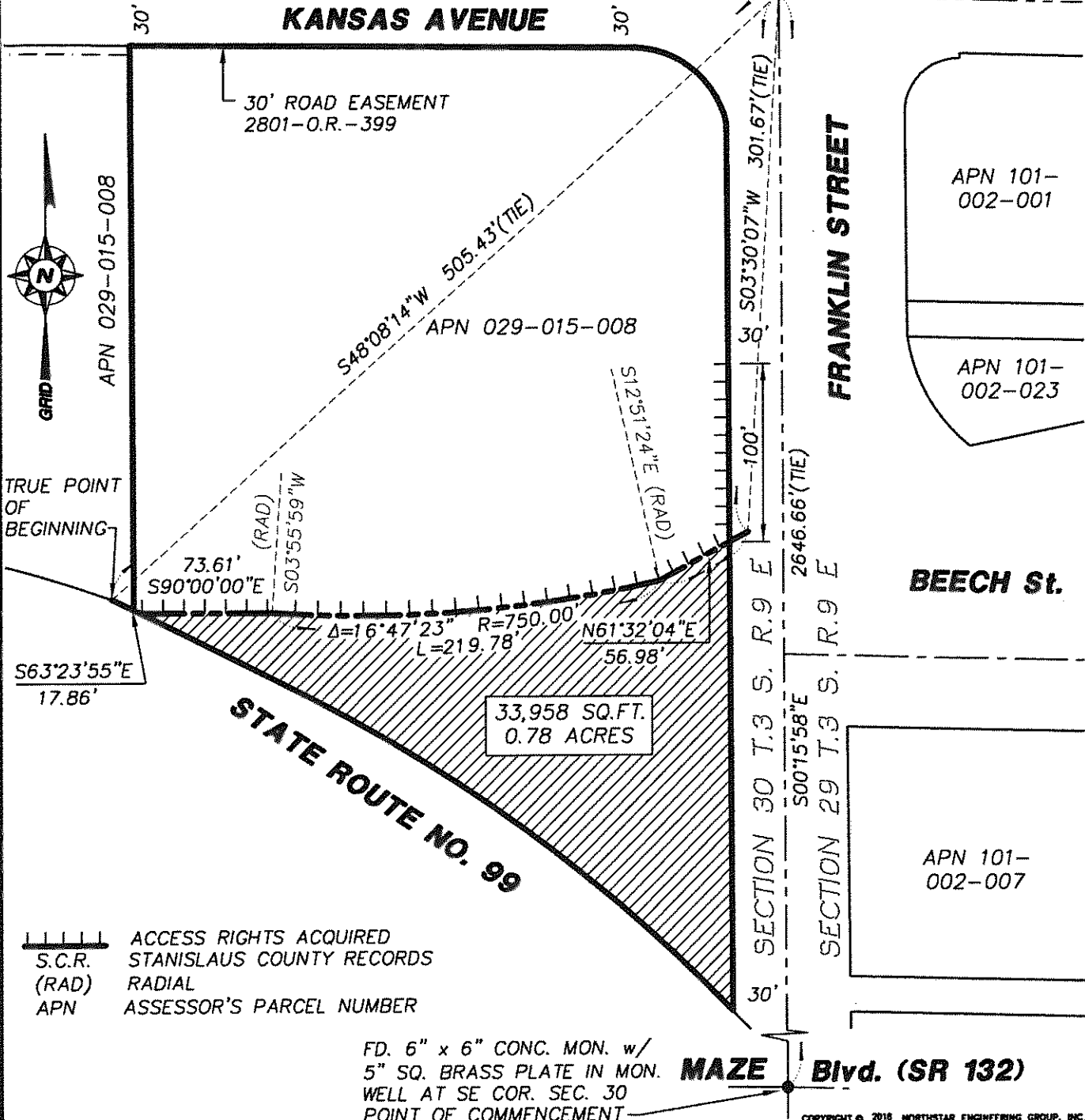
Rien Groenewoud, P.L.S. 6946



6/27/18

EXHIBIT 'B'
RIGHT-OF-WAY

FD. 2" IRON PIPE, NO TAG
AT E. 1/4 COR. SEC. 30
POINT OF COMMENCEMENT



ACCESS RIGHTS ACQUIRED
S.C.R. STANISLAUS COUNTY RECORDS
(RAD) RADIAL
APN ASSESSOR'S PARCEL NUMBER

FD. 6" x 6" CONC. MON. w/
5" SQ. BRASS PLATE IN MON. **MAZE Blvd. (SR 132)**
WELL AT SE COR. SEC. 30
POINT OF COMMENCEMENT

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NorthStar
Engineering Group, Inc.
• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE NORTH 1/2 OF LOT 1, "MAZE RANCH SUBDIVISION", Vol. 4 OF MAPS, Pg. 18, S.C.R., SE 1/4 SECTION 30, T. 3 S., R. 9 E., M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	07/05/2018
SCALE:	1" = 80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 01

FILE NAME: P:\J17-1907_S&L12_Conveyance_Pk_11\proj\delop\1\Drawn\1\2018\07\05\18_06.12
 PLOT DATE: 07/05/18 06:12
 PLOT TIME: 07/05/18 06:12

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project
Melton & Olmsted Enterprises, Inc. to City of Modesto
APN: 029-015-008

Legal description:

ALL that certain real property, being a portion of the lands described in Individual Grant Deed to Melton & Olmsted Enterprises, Inc., a California corporation, filed for record on November 17, 1986 as Instrument No. 86-035639, Stanislaus County Records, and situate in the southeast quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, being more particularly described as follows:

COMMENCING at a 2" iron pipe, no tag, at the East 1/4 corner of said Section 30, from which a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southeast corner of said Section 30 bears South 00°15'58" East 2646.66 feet; thence South 48°08'14" West 505.43 feet to a point on the northeast right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 63°42'20" W. 107.99' ", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32; thence along said line labeled "N. 63°42'20" W. 107.99' " South 63°23'55" East 13.11 feet to its intersection with the West line of said Melton & Olmsted land, and the **TRUE POINT OF BEGINNING**;

thence (1), along said West line North 00°15'58" West 42.20 feet;

thence (2), leaving said West line and proceeding South 90°00'00" East 194.33 feet;

thence (3), South 89°10'56" East 125.47 feet;

thence (4), North 00°50'56" East 84.25 feet;

thence (5), North 00°00'00" East 61.60 feet;

thence (6), South 90°00'00" East 14.58 feet, more or less, to the East line of said Melton & Olmsted land, said East line being also the West right-of-way line of Franklin Street (variable width);

thence (7), along said East line, parallel with and 30.00 feet distant at right angles from the East line of said Section 30, South 00°15'58" East 149.69 feet;

thence (8), leaving said East line and proceeding South 61°32'04" West 45.43 feet;

thence (9), westerly 219.78 feet along the arc of a non-tangent curve concave to the North having a radius of 750.00 feet, to which beginning a radial line bears South 12°51'24" East, through a central angle of 16°47'23";

thence (10), along a non-tangent line North 90°00'00" West 73.61 feet to a point on aforementioned line labeled "N. 63°42'20" W. 107.99'";

thence (11), along said line labeled "N. 63°42'20" W. 107.99' " North 63°23'55" West 4.75 feet to the Point of Beginning.

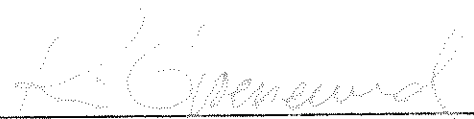
Containing (15,189 square feet Grid), 15,191 square feet [0.35 acres] Ground, more or less.

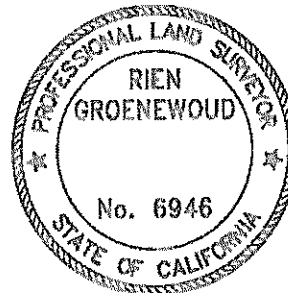
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

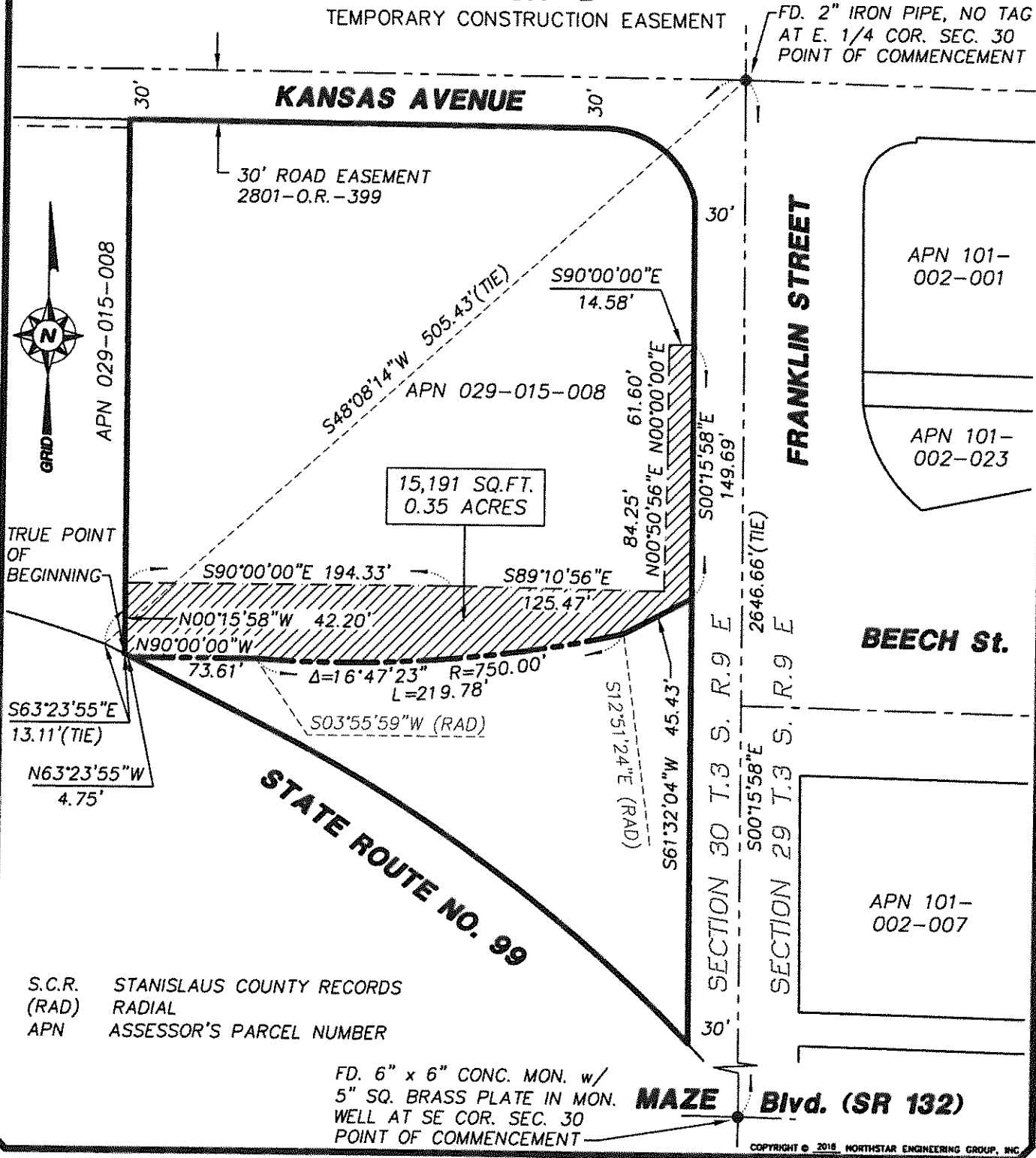
Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.


Rien Groenewoud, P.L.S. 6946



6/27/18

EXHIBIT 'B'
 TEMPORARY CONSTRUCTION EASEMENT



FD. 2" IRON PIPE, NO TAG AT E. 1/4 COR. SEC. 30 POINT OF COMMENCEMENT

30' ROAD EASEMENT 2801-O.R.-399



15,191 SQ.FT.
 0.35 ACRES

TRUE POINT OF BEGINNING

S63°23'55"E
 13.11'(TIE)
 N63°23'55"W
 4.75'

STATE ROUTE NO. 99

S.C.R. STANISLAUS COUNTY RECORDS
 (RAD) RADIAL
 APN ASSESSOR'S PARCEL NUMBER

FD. 6" x 6" CONC. MON. w/ 5" SQ. BRASS PLATE IN MON. MAZE Blvd. (SR 132)
 WELL AT SE COR. SEC. 30 POINT OF COMMENCEMENT

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 • CIVIL ENGINEERING • SURVEYING • PLANNING •
 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF THE NORTH 1/2 OF LOT 1, "MAZE RANCH SUBDIVISION", Vol. 4 OF MAPS, Pg. 18, S.C.R., SE 1/4 SECTION 30, T. 3 S., R. 9 E., M.D.M.
STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	07/05/18
SCALE:	1"=80'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	01 OF 01

PLAT 07/05/18 08.31
 2018-07-05 11:00 AM
 2018-07-05 11:00 AM

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-376**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: 350 DAKOTA AVENUE, MODESTO, CA 95358 (APN 007-024-006 & 007-024-005), OWNER: SALIDA HULLING ASSOCIATION, A NON-PROFIT COOPERATIVE ASSOCIATION

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement from property located at 350 Dakota Avenue, Modesto, CA 95358 (APN 007-024-006 & 007-024-005), as more particularly described and depicted in **Exhibit A attached** hereto and made a part hereof by this reference, for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, IT IS FOUND AND DETERMINED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit A** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.
5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and

adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit A** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to

this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Ridenour, Zoslocki,
Mayor Brandvold

NOES: Councilmembers: Madrigal

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

EXHIBIT A

EXHIBIT "A"
Right-of-Way

SR132 Phase 1 Construction Project
Salida Hulling Association to City of Modesto
APN: 007-024-006

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Salida Hulling Association, a Non-Profit Cooperative Association, filed for record August 9, 2002 as Document No. 2002-0102435, Stanislaus County Records, and situate in the southwest 1/4 of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying southerly, southwesterly and westerly of courses (2) thru (7) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records, said terminus lying within the right-of-way of Maze Boulevard (State Highway Route 132), and being the **TRUE POINT OF BEGINNING**;

thence (1), along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet;

thence (2), leaving said line labeled "1)N. 86°20'23"W., 130.217 meters" and proceeding North 00°00'00" East 0.03 feet;

thence (3), North 87°58'17" West 160.44 feet;

thence (4), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (5), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (6), North 89°14'21" East 7.05 feet;

thence (7), North 00°43'24" West 75.00 feet, more or less, to a point on the North line of said Salida Hulling Association land;

thence (8), leaving last said North line and proceeding North 00°39'49" West 390.90 feet;

thence (9), North 14°12'55" East 233.96 feet;

thence (10), North 89°19'47" East 1062.37 feet;

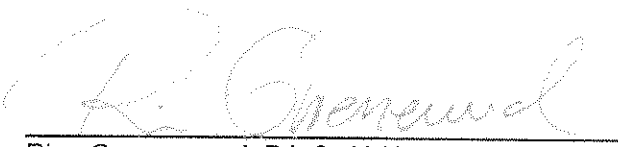
thence (11), North 00°43'35" West 52.35 feet to the westerly extension of the future southerly right-of-way line of State Highway Route 132 labeled as "N89°21'00"E 2362.15'", as said right-of-way line is shown on sheet 21 of State Highway map STA-132P PM 12.00;

thence (12), along said proposed southerly right-of-way line and said westerly extension North 89°21'16" East 3813.99 feet to the easterly terminus of the line labeled "N89°21'00"E 2362.15'" as shown on said Sheet 21 and Sheet 22 of State Highway Map STA-132P PM 12.36, and the terminal point of this description, said terminal point bears South 88°38'38" East 5010.03 feet from aforementioned West 1/4 corner of Section 26.

Containing (15,600 square feet Grid), 15,602 square feet [0.36 acres] Ground more or less.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



5/2/18

EXHIBIT 'B'

RIGHT-OF-WAY

2" IRON PIPE w/BRASS CAP
IN MON. WELL AT W.1/4
CORNER SECTION 26

1/4 SECTION
LINE

APN 081-031-013

KANSAS

AVENUE

S88°38'38"E 5010.03'(TIE)

N89°19'47"E 1062.37'

N14°12'55"E 233.96'

APN 007-024-001

N89°21'16"E 3813.99'

N00°43'35"W 52.35'

PROPOSED STATE RIGHT-
OF-WAY LINE

N00°39'49"W 390.90'

M.I.D. PIPE LINE EASEMENT
DOC.#2008-0007447

DAKOTA Ave.

N00°43'51"W 2639.81'(TIE)

SEE SHEET 3

SECTION LINE

APN 007-024-006

1/4 SECTION LINE

APN 007-024-003

M.I.D. PIPE LINE EASEMENT
DOC.#2008-0007447

SEE SHEET 3

31-S-22

M.I.D. ELECTRICAL EASEMENT
DOC.#2007-0056826

N52°54'59"W 83.49'

N87°58'17"W 160.44'

N86°20'32"W 427.22'

EXIST. STATE RIGHT-OF-WAY LINE

N00°00'00"E
0.03'

TRUE POINT
OF BEGINNING

MAZE BOULEVARD (SR 132)

N87°39'48"E
714.96'(TIE)

3"x3" BRASS PLATE ON CONC. MON. IN
MON. WELL AT SW CORNER SECTION 26

GARRISSON
AVE

SECTION LINE



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620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

JOB:	J17-1907
DATE:	06/18/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	

01
of **03**

DWG: PL17-1907-01-112.dwg; PLOT: 06/18/18 11:41 AM; PLOTTER: HP DesignJet 2400; PLOT SCALE: 1"=400'; PLOT SHEET: 01 OF 03

EXHIBIT 'B'
RIGHT-OF-WAY

MORSE Rd.

KANSAS AVENUE

1/4 SECTION LINE

40'

S88°38'38"E 5010.03'(TIE)

N89°21'16"E

3813.99'

PROPOSED STATE RIGHT-OF-WAY LINE

EXISTING STATE RIGHT-OF-WAY LINE
1738-O.R.-653

SEE SHEET 1

1/4 SECTION LINE

APN 007-024-004

SECTION LINE



MAZE BOULEVARD (SR 132)

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

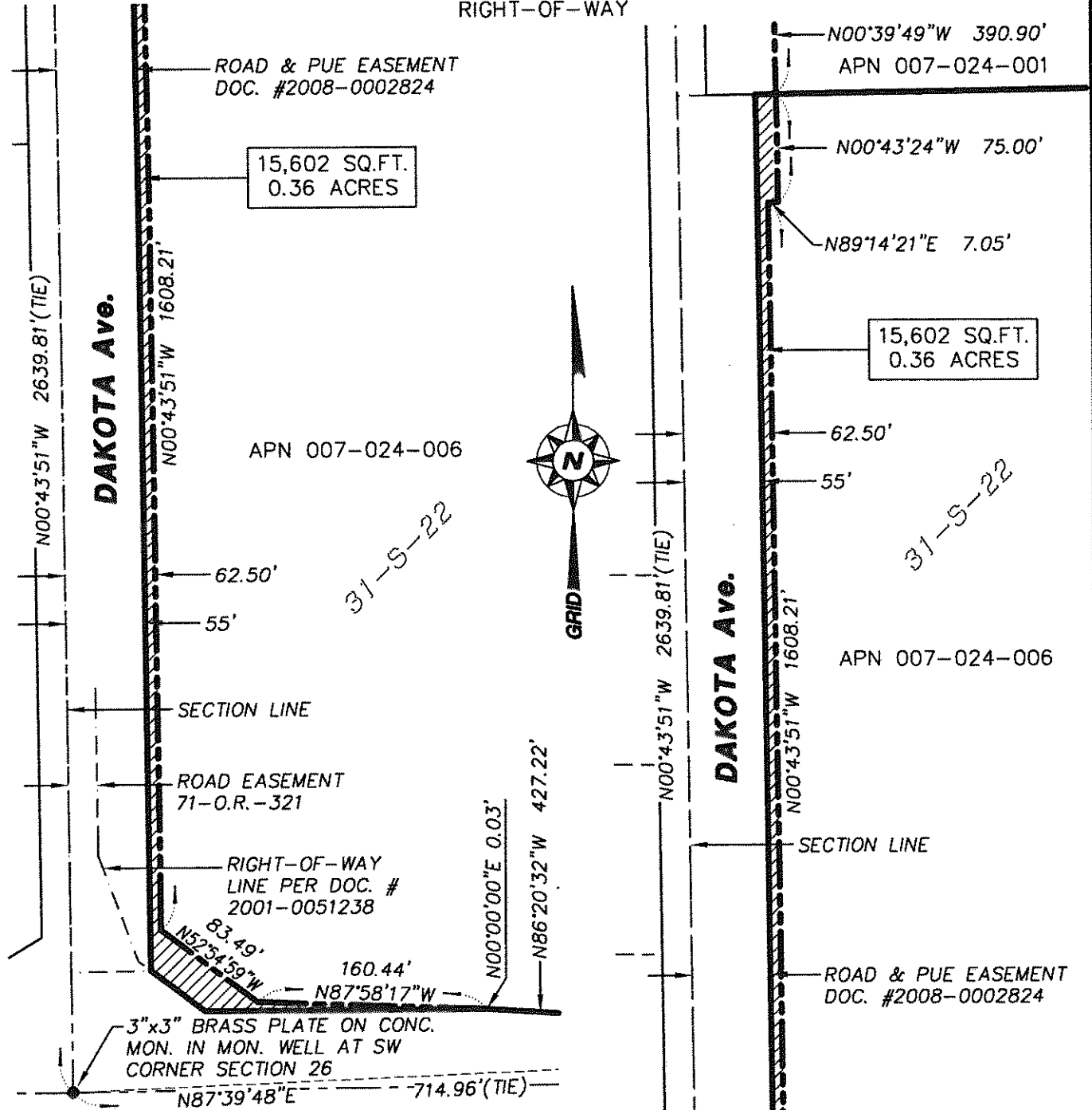
JOB:	J17-1907
DATE:	06/18/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG

SHEET
02
CF 03

DWC DATE: 6/17/18 SR-132 Expressway Ph: 1 (909) 939-9393 (Central) ROW Database APN: 007-024-004 Scale: 400' Date: 06/18/18 11:42

SEE BELOW RIGHT

EXHIBIT 'B'
RIGHT-OF-WAY



S.C.R. STANISLAUS COUNTY RECORDS
 -S- RECORD OF SURVEY, BOOK & PAGE
 APN ASSESSOR'S PARCEL NUMBER

SEE UPPER LEFT

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
 T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY

CALIFORNIA

JOB:	J17-1907
DATE:	06/18/18
SCALE:	1" = 100'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG

SHEET
03
 OF 03

DWG. NO. E117-1907-01-112 Copyright © 2018 NorthStar Engineering Group, Inc. All Rights Reserved. 06/18/18 13:47

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project
Salida Hulling Association to City of Modesto
APN: 007-024-006

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Salida Hulling Association, a Non-Profit Cooperative Association, filed for record August 9, 2002 as Document No. 2002-0102435, Stanislaus County Records, and situate in the southwest 1/4 of Section 26, Township 3 South, Range 8 East, Mount Diablo Meridian, County of Stanislaus, State of California, being a strip of land 2.00 feet wide, the southerly, southwesterly and westerly line of which is coincident with courses (1) thru (5) of the following described line:

COMMENCING at a concrete monument with a 3" square brass plate in a monument well at the southwest corner of said Section 26, as shown on that certain Record of Survey, filed for record in Book 31 of Surveys, at Page 22, Stanislaus County Records, from which a 2" iron pipe with brass cap in a monument well at the West 1/4 corner of said Section 26, as shown on said Record of Survey, bears North 00°43'51" West 2639.81 feet; thence North 87°39'48" East 714.96 feet to the easterly terminus of the line labeled "1)N. 86°20'23"W., 130.217 meters" as shown in that certain Grant Deed to the State of California, filed for record May 16, 2001 as Document no. 2001-0051238, Stanislaus County Records; thence along said line labeled "1)N. 86°20'23"W., 130.217 meters" North 86°20'32" West 427.22 feet; thence leaving last said line and proceeding North 00°00'00" East 0.03 feet to **TRUE POINT OF BEGINNING**;

thence (1), North 87°58'17" West 160.44 feet;

thence (2), North 52°54'59" West 83.49 feet to a point which is 62.50 feet distant at right angles from the West line of said southwest quarter of Section 26;

thence (3), thence parallel with said West line North 00°43'51" West 1608.21 feet;

thence (4), North 89°14'21" East 7.05 feet;

thence (5), North 00°43'24" West 75.00 feet, more or less, to a point on the North line of said Salida Hulling Association land;

thence (6), leaving last said North line and proceeding North 00°39'49" West 390.90 feet to the terminal point of this description, said terminal point bears South 09°29'50" East 459.39 feet from aforementioned West 1/4 corner of Section 26.

TOGETHER WITH the following described real property:

BEGINNING at a point which is 64.50 feet distant at right angles from the West line of said southwest quarter, and bears North 01°53'23" East 1410.67 feet from said southwest corner of Section 26;

thence (7), parallel with said West line, North 00°43'51" West 139.56 feet;

thence (8), leaving last said parallel line and proceeding North 89°16'36" East 6.56 feet to the beginning of a curve concave to the Northeast having a radius of 40.00 feet, to which beginning a radial line bears South 89°16'36" West;

thence (9), southeasterly 62.62 feet along the arc of said curve through a central angle of 89°42'10";

thence (10), North 89°34'26" East 9.92 feet;

thence (11), South 00°52'42" East 59.48 feet;

thence (12), South 89°07'18" West 13.93 feet;

thence (13), southwesterly 62.72 feet along the arc of a curve concave to the southeast having a radius of 40.00 feet, through a central angle of 89°50'15";

thence (14), along a non-tangent line South 89°16'09" West 2.60 feet to the Point of Beginning.

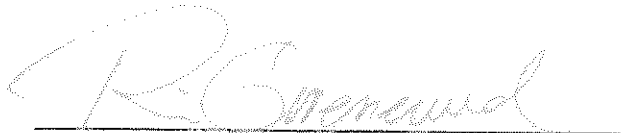
Containing (8,274 square feet Grid), 8,275 square feet [0.19 acres] Ground more or less.

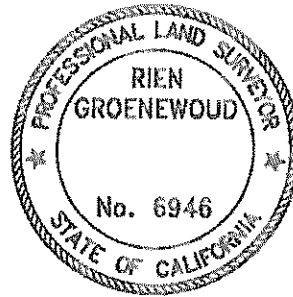
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.

Rights to the above described temporary easement shall cease and terminate on December 31, 2020.

Said rights may also be terminated prior to the above date by (GRANTEE) upon notice to GRANTOR.

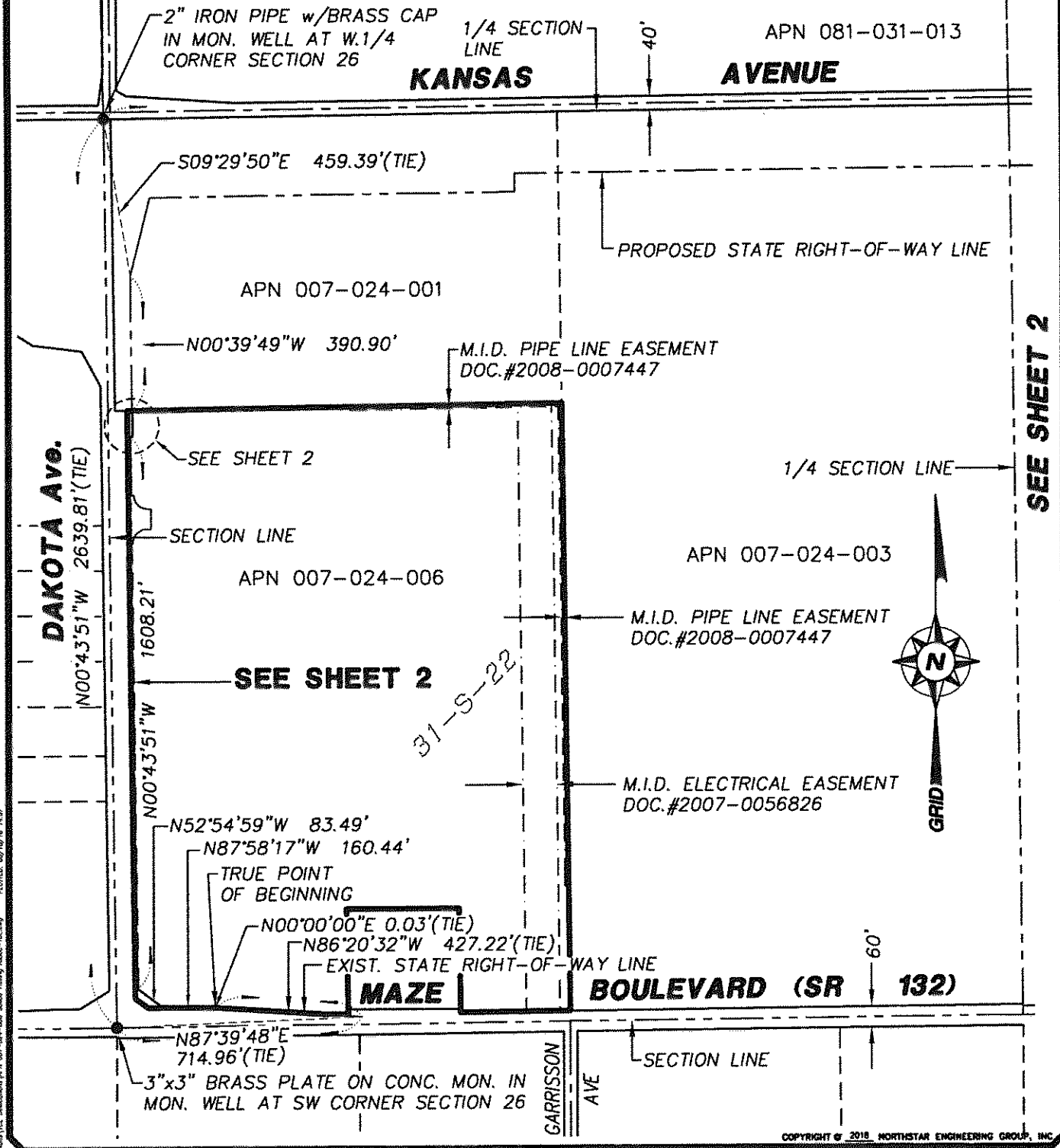

Rien Groenewoud, P.L.S. 6946



5/2/18

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT



ONE HOUR, 15:17, 18:37, 09:12, Eyringway, Ph. (187)1608 [A] 10/10/18 [A] 10/10/18 [A] 10/10/18 [A] 10/10/18
 REVISION: 06/18/18 14:37
 DATE: 06/18/18 14:37
 SCALE: 1" = 400'
 DRAWN: RG
 DESIGN: RG
 CHK'D: RG
 SHEET: 01 OF 03

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PLAT TO ACCOMPANY LEGAL DESCRIPTION

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
 T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/18/18
SCALE:	1" = 400'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET:	01 OF 03

SEE SHEET 2

SEE SHEET 2

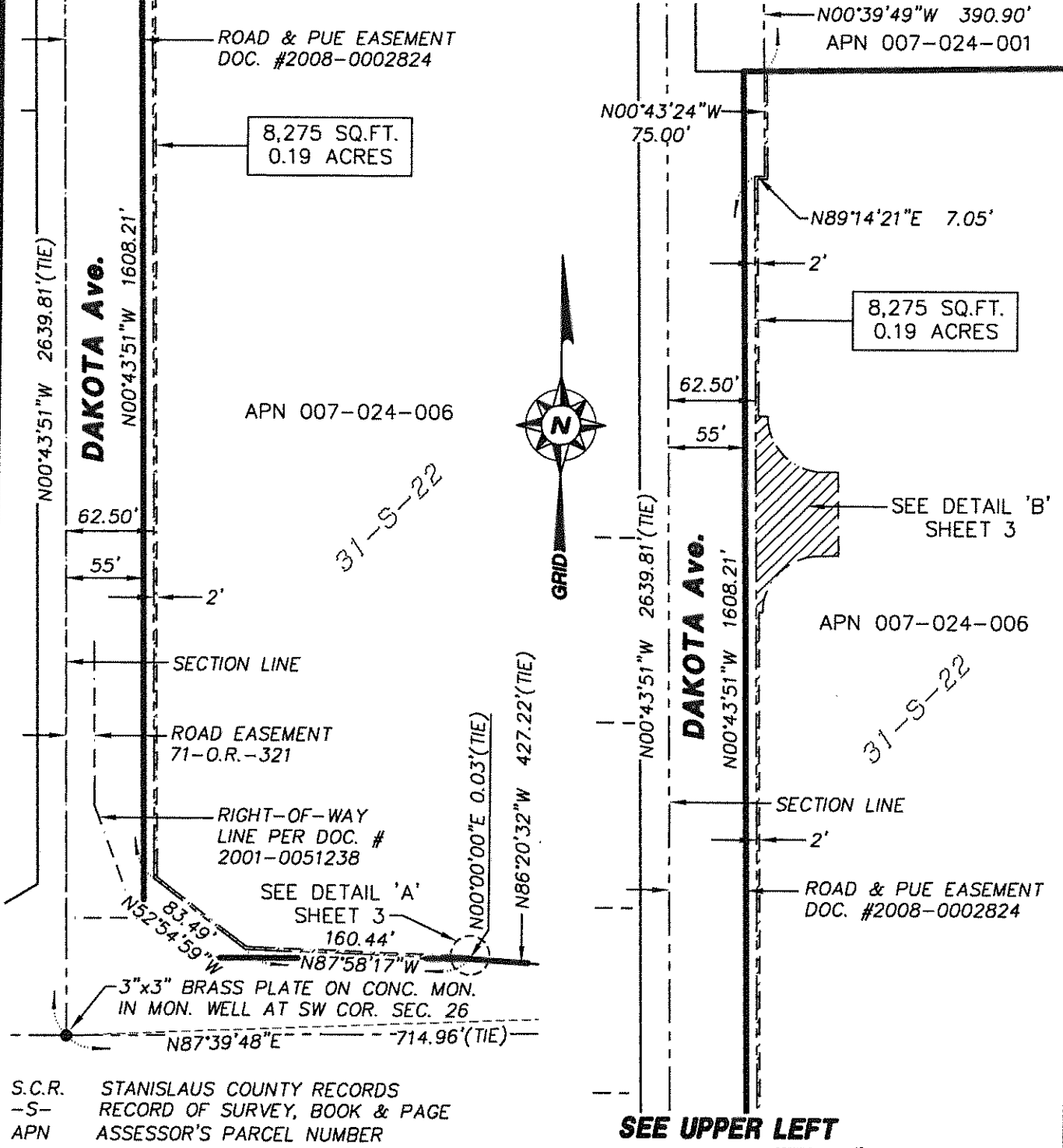
SEE SHEET 2

31-S-22

SEE BELOW RIGHT

EXHIBIT 'B'

TEMPORARY CONSTRUCTION EASEMENT



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PLAT TO ACCOMPANY
LEGAL DESCRIPTION

BEING A PORTION OF THE SW 1/4 OF SECTION 26,
T. 3 S., R. 8 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/18/18
SCALE:	1"=100'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	02 OF 03

DNR MAPS, K:\17-1907_S&L_1D_Expressway_Ph_1\envy\mapings\Calhoun\02_California\1907-024-006_S&L_S&L_S&L_1907.dwg PLOTTED: 06/18/18 1:07 PM

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-377**

RESOLUTION APPROVING AN INCREASE IN GOLF GREEN FEES AT THE CITY OF MODESTO GOLF COURSES BY \$2/ROUND EFFECTIVE SEPTEMBER 20, 2018, WITH AN ANNUAL INFLATOR OF \$1/ROUND EACH YEAR FOR THE NEXT FOUR YEARS, SUBJECT TO ANNUAL REVIEW, AND RESCINDING RESOLUTION NO. 2011-178

WHEREAS, the City owns, operates, and manages the Municipal Golf Course, Dryden Park Municipal Golf Course, and Creekside Municipal Golf Course (collectively “Municipal Golf Courses”, and

WHEREAS, on June 2, 2009, the City Council, by Resolution No. 2009-236, established new green fee rates at all three Municipal Golf Courses, and

WHEREAS, on May 24, 2011, the City Council, by Resolution No. 2011-178, granted the Director of the Parks, Recreation and Neighborhoods Department the authority to offer or approve golf specials at the Municipal Golf Courses, restated the 2009 green fee rates, and rescinded Resolution No. 2009-236, and

WHEREAS, in May 2016, the Mayor’s 100 Day Budget Review Committee recommended reducing or eliminating General Fund support to the golf fund and appoint two committee members to work with staff, and

WHEREAS, on September 5, 2017, at a City Council Workshop, staff was directed to conduct a workshop to receive public input and feedback on ways to reduce the General Fund subsidy to the golf fund, and

WHEREAS, in January 2018, two public workshops were conducted, and identified strong support for keeping the courses open, introducing new uses for the courses, increasing marketing and promotions, and increasing green fees, and

WHEREAS, in April 2018, the Golf Courses Advisory Committee presented the public workshop information to the City Council, and

WHEREAS, one of the Golf Courses Advisory Committee's recommendations was to increase green fees by \$1/round each year for the next five years pending annual review, and

WHEREAS, at the Workshop, the Council expressed interest in seeing higher green fees in the first year, and

WHEREAS, on June 25, 2018, the Finance Committee considered the Golf Advisory Committee's recommendation of a \$1 per round increase with annual \$1 per round increases, subject to annual review, over the next four years as well as \$2 and \$3 per round increases, and

WHEREAS, the Finance Committee unanimously recommended a \$2/round increase the first year with \$1 per round increases, subject to annual review, over the next four years, and

WHEREAS, the first increase shall commence on September 5, 2018, with subsequent increases, pending review, commencing on July 1st of each year 2019, 2020, 2021, and 2022, and

WHEREAS, said matter was set for public hearing of the City Council to be held at 5:30 p.m. on September 4, 2018, in the Tenth Street Place Chambers, located at 1010 10th Street, Modesto, California, at which date and time said duly noticed public hearing of the Council was held for the purpose of receiving public comment on the proposed golf green fees, and

WHEREAS, the Council of the City of Modesto finds that the new increased fees for play need to be established at the Municipal Golf Courses to help offset the rising cost of operating the golf courses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. RATES. The rates for players for Modesto Municipal Golf Course, Dryden Park Municipal Golf Course, and Creekside Municipal Golf Course are hereby established as set forth in **Exhibit "A" attached** hereto and effective September 20, 2018.

Subsequent annual \$1/round fee increases, pending review, shall be effective on July 1st 2019, 2020, 2021, and 2022.

2. DISCOUNTS & SPECIAL RATES. The Parks, Recreation and Neighborhoods Director, or designee, may provide discounts of the established green fees and/or offer green fee packages to encourage rounds of golf at all the municipal golf courses. Annual Pass, Special Play, Play Day, Tournament, School Team, Holiday, League, or other special or promotional rates shall be established by the Contractor, with the written approval of the Parks, Recreation and Neighborhoods Director, or his or her designee.

3. COMPLIMENTARY TICKETS. Complimentary tickets without fee may be issued by or under the direction of the Golf Course Professional to visiting professionals or others, for services rendered to the golf course. Free play must be approved by the Parks, Recreation and Neighborhoods Director or designee.

4. HOLIDAYS. "Holidays", as used herein, shall mean New Year's Day (January 1st), Martin Luther King's Birthday (the third Monday in January), Washington's Birthday (the third Monday in February), Memorial Day (the last Monday in May), Independence Day (July 4th), Labor Day (the first Monday in September), Veteran's Day (November 11th), Thanksgiving Day (the fourth Thursday in November), and the day after Thanksgiving. When a holiday falls on a Sunday, the following Monday shall be observed as a holiday. When a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday.

5. EFFECTIVE DATE. This resolution goes into effect and be in full force and operation on and after September 20, 2018.

BE IT FURTHER RESOLVED, Resolution No. 2011-178 is hereby rescinded effective September 20, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



**CITY OF MODESTO GOLF COURSES
GREEN FEE SCHEDULES
EFFECTIVE: September 20, 2018 - June 30, 2019**

DRYDEN PARK MUNICIPAL GOLF COURSE	
Weekdays, 9-holes	\$18
Weekdays, 9-holes (seniors/juniors/disabled)	\$16
Weekdays, 18-holes	\$24
Weekdays, 18-holes (seniors/juniors/disabled)	\$21
Weekdays, 18-holes (juniors, after noon)	\$17
Weekdays, Mid-day, 18-holes	\$20
Weekdays, Super-Twilight, 18-holes	\$14
Weekdays, Replay	\$13
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Weekends/Holidays, 9-holes	\$20
Weekends/Holidays, 18-holes	\$30
Weekends/Holidays, 18-holes (juniors, after noon)	\$19
Weekends/Holidays, Mid-day, 18-holes	\$23
Weekends/Holidays, Super-Twilight, 18-holes	\$17
Weekends/Holidays, Replay	\$16
<hr/>	
Punch Card, 20/40 Rounds - 18/9-holes	\$380
Punch Card, 20/40 Rounds - 18/9-holes (seniors)	\$340
Punch Card, 10/20 Rounds - 18/9-holes	\$210
Punch Card, 10/20 Rounds - 18/9-holes (seniors)	\$190

CREEKSIDE MUNICIPAL GOLF COURSE	
Weekdays, 9-holes	\$19
Weekdays, 9-holes (seniors/juniors/disabled)	\$17
Weekdays, 18-holes	\$26
Weekdays, 18-holes (seniors/juniors/disabled)	\$22
Weekdays, 18-holes (juniors, after noon)	\$18
Weekdays, Mid-day, 18-holes	\$21
Weekdays, Super-Twilight, 18-holes	\$15
Weekdays, Replay	\$14
<hr/>	
Weekends/Holidays, 9-holes	\$22
Weekends/Holidays, 18-holes	\$33
Weekends/Holidays, 18-holes (juniors, after noon)	\$21
Weekends/Holidays, Mid-day, 18-holes	\$25
Weekends/Holidays, Super-Twilight, 18-holes	\$19
Weekends/Holidays, Replay	\$17
<hr/>	
Punch Card, 20/40 Rounds - 18/9-holes	\$380
Punch Card, 20/40 Rounds - 18/9-holes (seniors)	\$340
Punch Card, 10/20 Rounds - 18/9-holes	\$210
Punch Card, 10/20 Rounds - 18/9-holes (seniors)	\$190

MODESTO NINE-HOLE MUNICIPAL GOLF COURSE (MUNI)	
Weekdays, 9-holes	\$14
Weekdays, 9-holes (seniors/disabled)	\$12
Weekdays, 9 holes (juniors)	\$9
Weekdays, Mid-day, 9-holes	\$12
Weekdays, Mid-day, 9-holes (juniors)	\$9
Weekdays, After 3PM, 9-holes	\$9
Weekdays, 6-holes	\$9
Weekdays, Replay	\$9
<hr/>	
Weekends/Holidays, 9-holes	\$16
Weekends/Holidays, 9-holes (juniors)	\$10
Weekends/Holidays, After 1 PM, 9-holes	\$13
Weekends/Holidays, After 1 PM, 9-holes (juniors)	\$10
Weekends/Holidays, After 3 PM, 9-holes	\$10
Weekends, 6-holes	\$10
Weekends/Holidays, Replay	\$10
<hr/>	
Punch Card, 20/40 Rounds - 18/9-holes	\$380
Punch Card, 20/40 Rounds - 18/9-holes (seniors)	\$340
Punch Card, 10/20 Rounds - 18/9-holes	\$210
Punch Card, 10/20 Rounds - 18/9-holes (seniors)	\$190

ANNUAL PASS (All Courses)
\$1,500 / Year
(Restrictions Apply)

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-378**

**RESOLUTION APPROVING AN AGREEMENT WITH PROTERRA INC.,
GREENVILLE, SC, IN AN AMOUNT NOT TO EXCEED \$5,278,559 FOR FIVE
PROTERRA BATTERY-ELECTRIC ZERO-EMISSION TRANSIT BUSES AND
THE INSTALLATION AND DEPLOYMENT OF EIGHT PROTERRA DEPOT
CHARGERS, AND AUTHORIZING THE CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE THE AGREEMENT**

WHEREAS, in October 2015, the California Air Resources Board (CARB) released a notice to grantees to implement and administer Zero-Emission Truck and Bus Pilot Commercial Deployment Projects under the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments, and

WHEREAS, on January 26, 2016, by Resolution 2016-23, Council approved joining a multi-agency partnership to apply for grant funds under the CARB's Zero-Emission Bus Deployment Project, and

WHEREAS, on June 28, 2016, by Resolution 2016-278, Council accepted the grant award from the San Joaquin Valley Air Pollution Control District (SJVAPCD), and

WHEREAS, on June 26, 2018, by Resolution 2018-273, Council approved a grant agreement with the San Joaquin Valley Air Pollution Control District for \$4,016,188, and

WHEREAS, the total cost for the agreement is \$5,278,559, and

WHEREAS, funding for this project is available through existing transit grants with the San Joaquin Valley Air Pollution Control District, Federal Transit Administration, the Public Modernization, Improvement and Service Enhancement Account grant program (PTMISEA), and the Transportation Development Act (TDA), and

WHEREAS, the battery electric buses will provide a cleaner fuel for providing public transportation around Modesto.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves an agreement with Proterra Inc., Greenville, SC, in an amount not to exceed \$5,278,559, for five Proterra battery-electric zero-emission transit buses and the installation and deployment of eight Proterra depot chargers.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

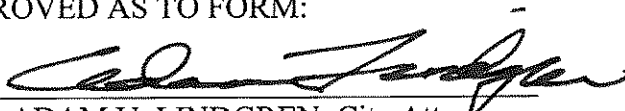
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-379**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR BUDGET IN THE AMOUNT OF \$2,751,908 TO FUND THE PURCHASE OF FIVE PROTERRA BATTERY-ELECTRIC TRANSIT BUS AND THE INSTALLAION AND DEPLOYMENT OF EIGHT PROTERRA DEPOT CHARGERS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, in October 2015, the California Air Resources Board (CARB) released a notice to grantees to implement and administer Zero-Emission Truck and Bus Pilot Commercial Deployment Projects under the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Greenhouse Gas Reduction Fund (GGRF) Investments, and

WHEREAS, on January 26, 2016, by Resolution 2016-23, Council approved joining a multi-agency partnership to apply for grant funds under the CARB's Zero-Emission Bus Deployment Project, and

WHEREAS, on June 28, 2016, by Resolution 2016-278, Council accepted the grant award from the San Joaquin Valley Air Pollution Control District (SJVAPCD), and

WHEREAS, on June 26, 2018, by Resolution 2018-273, Council approved a grant agreement with the San Joaquin Valley Air Pollution Control District for \$4,016,188, and

WHEREAS, the total cost for the project is \$7,388,908 and

WHEREAS, a multi-year project budget adjustment to project 101132 is necessary in the amount of \$2,751,908 to fund the purchase and operations of the electric buses and charging stations, and

WHEREAS, funding for this project is available through existing transit grants with the San Joaquin Valley Air Pollution Control District, Federal Transit

Administration, the Public Modernization, Improvement and Service Enhancement Account grant program (PTMISEA), and the Transportation Development Act (TDA).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-19 Budget as shown in **Exhibit A, attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**Request for Budget Adjustment
(Projects and Grants)**

Contact Person: Maria Garnica
 Telephone: 577-5249
 Submitting Department: PW

Council Action Date: _____
 Resolution Number: _____
 Date Submitted by Dept: 3/13/2019

Project Name: PW - Electric Bus Purchase FY19
 Project Fund: 4510

Fiscal Year being Adjusted: FY18/19

FY	Fund	Cost Center	Account	Project	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
Revenues								
FROM								
							\$0	
							\$0	
TO								
19	4510	59998	42014	101132	\$552,000	\$195,000	\$747,000	intergov- Federal - FTA - Capital related
19	4510	59998	42090	101132	\$4,085,000	(\$68,812)	\$4,016,188	Interog- Federal - Miscellaneous
19	4510	59998	42116	101132		\$2,453,590	\$2,453,590	intergov - State - LTF - Capital-related
19	4510	59998	42117	101132		\$172,130	\$172,130	Interog- State- Prop 1B -Capital related
						\$2,751,908	\$7,388,908	

FY	Project	Task	Expenditure Type	Current Budget	Increase/ (Decrease)	Revised Budget	Project Organization
Expenses							
FROM							
TO							
19	101132	Appr Unt C	Vehicles - \$5000	\$4,637,000	\$155,915	\$4,792,915	PW-Transit Services
19	101132	Appr Unt C	Tools and Equipment		\$918,005	\$918,005	PW-Transit Services
19	101132	Appr Unt C	Utilities - electricity		\$60,775	\$60,775	PW-Transit Services
19	101132	Appr Unt C	Contractor - Reimbursed Services		\$1,262,613	\$1,262,613	PW-Transit Services
19	101132	Appr Unt C	Business Expense		\$10,000	\$10,000	PW-Transit Services
19	101132	Appr Unt C	Repair and Maint - Vehicles		\$121,600	\$121,600	PW-Transit Services
19	101132	Appr Unt C	Sves City Forces - Intrafund		\$223,000	\$223,000	PW-Transit Services

Justification for Budget Adjustment \$4,637,000 \$2,751,908 \$7,388,908

Authorization	Signature	Date
Administrative Services Officer (if needed)		
Deputy Director (if needed)		
Department Director or Authorized Designee		
Financial Analyst		
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: _____ Completed By: _____

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-380**

**RESOLUTION APPROVING A LIST OF PROJECTS TO BE FUNDED WITH
MEASURE L TAX PROCEEDS IN FISCAL YEAR 2018-2019, INCLUDING
PROJECTS IN THE FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENT
PROGRAM, APPROVING THE BUDGET ADJUSTMENT FOR EACH
PROJECT AND EARMARKING FUTURE MEASURE L FUNDS IN THE
AMOUNT OF \$1,658,925 FOR A FUTURE MEASURE L-ELIGIBLE J STREET
PROJECT**

WHEREAS, in November, 2016, Stanislaus County voters approved a county-wide, 25-year, half-cent sales tax increase for transportation and pavement rehabilitation projects known as Measure L, and

WHEREAS, the City of Modesto's estimated share of Measure L funds is approximately \$8.9 Million, and

WHEREAS, on October 4, 2016, the City Council approved Ordinance No. 3656-C.S. adding Chapter 10 to Title 8 of the Modesto Municipal Code to establish a Citizens' Transportation Sales Tax Commission ("Commission"). The Commission will consist of eleven members appointed by the City Council, and

WHEREAS, the Commission has reviewed and approved the list of proposed projects to be funded with Measure L funds, staff is seeking City Council approval of a list of proposed projects and the necessary budget adjustments, and

WHEREAS, the local Measure L funds that the City will receive are divided into three categories, and

WHEREAS, the City anticipates receiving \$6.87 Million annually for the Local Streets and Roads category which is to be used exclusively for repair and maintenance of our City streets, and

WHEREAS, the City anticipates receiving \$1.37 Million annually for the Traffic Management category which is to be used to upgrade intersections, widen roads, signalize intersections, install traffic calming devices, etc., and

WHEREAS, the City anticipates receiving \$687,000 annually for the Bike and Pedestrian Improvement category which is to be used for local connectivity between communities, local schools, trails and recreation facilities, and

WHEREAS, on May 24, 2016, by Resolution 2016-220 the City Council approved a list of proposed projects to be funded upon the successful passage of Measure L within the first 5 years, which is shown in **Exhibit A, attached** hereto, and

WHEREAS, staff reviewed the list and is recommending a more specific and expanded list of projects, which is shown in **Exhibit C, attached** hereto, to be funded with Measure L funds in Fiscal Year 2018-2019, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget must be amended as shown in **Exhibit B, attached** hereto,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the list of projects to be funded with Measure L tax proceeds in Fiscal Year 2018-2019, including the projects in the Fiscal Year 2018-2019 Capital Improvement Program shown in **Exhibit C, attached** hereto.

BE IT FURTHER RESOLVED that Council hereby approves the amendment of the Fiscal Year 2018-2019 Capital Improvement Program Budget as shown in **Exhibit B** in order to fund the various Capital Improvement Projects with Measure L proceeds.

BE IT FURTHER RESOLVED that Council hereby approves earmarking \$1,658,925 of future Measure L funding for a future Measure L-eligible J Street Project.

BE IT FURTHER RESOLVED that the Director of Finance, or her designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

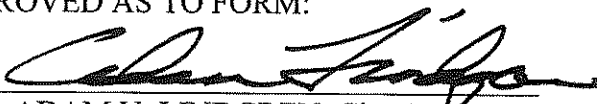
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A
Local Streets and Roads (50%)

StanCOG Expenditure Plan Project List
Agency: City of Modesto

Type	Project	Description	Budget	Start	Complete
Local Streets and Roads (50%)					
Pavement Rehabilitation	Carpenter Rd.	1.75 CL miles of Overlay, Mill/Fill or Reconstruction	\$2.9 M	July 2017	November 2018
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	100 lane miles of Slurry or 24 lane-miles of Rubber Cape Seal	\$3.9 M	July 2017	November 2018
Pavement Rehabilitation	Claus Rd., La Loma Ave., Tully Rd.	3.5 CL miles of Overlay, Mill/Fill or Reconstruction	\$3.4 M	July 2018	November 2019
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	87 lane miles of Slurry or 15 lane-miles of Mill/Fill	\$3.4 M	July 2018	November 2019
Pavement Rehabilitation	Oakdale Rd, Orangeburg Ave	3.25 CL miles of Overlay, Mill/Fill or Reconstruction	\$3.1M	July 2019	November 2020
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	90 lane miles of Slurry or 21 lane-miles of Rubber Cape Seal or 14 lane-miles of Mill/Fill	\$3.5M	July 2019	November 2020
Pavement Rehabilitation	Prescott Rd	1.7 CL miles of Overlay and Mill/Fill	\$2.1M	July 2020	November 2021
Pavement Maintenance and/or Rehabilitation	Various Residential and/or Collector Streets	120 lane miles of Slurry or 29 lane-miles of Rubber Cape Seal or 19 lane-miles of Mill/Fill	\$4.7M	July 2020	November 2021
Pavement Maintenance and/or Rehabilitation	Various Residential, Collector and Arterial Streets	175 lane miles of Slurry or 42 lane-miles of Rubber Cape Seal or 27 lane-miles of Mill/Fill or 9 lane-miles of Reconstruction or some combination thereof	\$6.8M annually until 2041	Annually	Annually
Total			\$171,868,971		

Traffic Management (10%)

StanCOG Expenditure Plan Project List

Agency: City of Modesto

Project	Description	Start	End	Amount
Traffic Management (10%)				
Traffic Management - Safety	Improve traffic flow and safety around schools	Improve traffic flow and safety around schools (i.e. Modesto High School, Garrison Elementary, Johansen High, Orchard Elementary, Burbank Elementary, Orville Wright Elementary, etc)	July 2017	June 2044
Traffic Management - Safety	Intersection Improvements for Traffic Safety and Traffic Flow	Intersection improvements for traffic safety and flow at various intersections (i.e. Orangeburg/Coffee, Standiford/Hahn, etc)	July 2017	June 2044
Traffic Management - Congestion	Expansion of Existing Advanced Traffic Management System (ATMS)	Expansion of existing Advanced Traffic Management System (ATMS) to allow for communication from the Traffic Operations Center (TOC) to traffic signal locations.	July 2017	June 2044
Traffic Management - Safety	Safety Improvements at High Collision Locations	Safety Improvements at locations where collision history shows a pattern or at high collision frequency locations	July 2017	June 2044
Traffic Management - Safety	Installation and Upgrade to EVP - for Fire and Police	Installation and Upgrades to the Emergency Vehicle Pre-emption equipment for the Fire Department and Police Department	July 2017	June 2044
Traffic Management - Safety and Congestion	Installation and Maintenance of Intersection Control Devices	Installation and maintenance of traffic control devices at various locations (i.e. traffic signals, roundabouts, etc)	July 2017	June 2044
Traffic Management - Safety and Congestion	Collision Database software program	Purchase and implementation of a Collision Database software program to provide trends and track collision patterns throughout the City of Modesto	July 2017	June 2044
Traffic Management - Safety and Congestion	Traffic Adaptive	Upgrade to Traffic Adaptive communications	July 2025	June 2044
TOTAL			\$34,373,800	

Bike/Pedestrian (5%)

**StanCOG Expenditure Plan Project List
Agency: City of Modesto**

Line	Project	Description	Budget	Start	Complete
Bike/Pedestrian (5%)					
Bike/Pedestrian	Bike/Pedestrian (Non-motorized) Master Plan	Bike/Pedestrian (Non-motorized) Master Plan		July 2017	June 2019
Bike/Pedestrian	MJC Class 1 Bike Path -Phase 3	Complete MJC East and West cycle track to Virginia Corridor		July 2018	June 2019
Bike/Pedestrian	Dry Creek Trail Maintenance	Ongoing trail maintenance		Ongoing	
Bike/Pedestrian	G St Bicycle Facility	Improve from Paradise to Burney		July 2019	June 2020
Bike/Pedestrian	H St Bicycle Facility	Improve from Paradise to 19th		July 2020	June 2021
Bike/Pedestrian	Virginia Corridor Trail Maintenance	Ongoing trail maintenance		Ongoing	
Bike/Pedestrian	Projects to be determined following approval of the Bike/Pedestrian Master Plan	TBD		TBD	
TOTAL:			\$17,186,897		

Exhibit B
Measure L funding request FY 18/19

CIP #	Project Name	Task	Amount	From Measure L Cost Center
101118	Claus Road Pavement Rehabilitation	EDA	\$125,000	
		CA		
		CON	<u>\$1,318,773</u>	
		Total	\$1,443,773	14625(Local Streets & Roads)
101119	Downtown Master Plan	EDA	\$210,000	
		CA		
		CON		
		Total	<u>\$210,000</u>	14625(Local Streets & Roads)
101038	Portions of Wylie Dr., Floyd Ave., and Carver St. Improvements	EDA		
		CA		
		CON	<u>\$1,700,000</u>	
		Total	\$1,700,000	14625(Local Streets & Roads)
101120	Village One Slurry Seal	EDA	\$135,000	
		CA		
		CON	<u>\$1,727,060</u>	
		Total	\$1,862,060	14625(Local Streets & Roads)
101122	Installation of Rectangular Rapid Flashing Beacon	EDA	\$10,000	
		CA		
		CON	<u>\$190,000</u>	
		Total	\$200,000	14626(Traffic Management)
101123	Fiber Drop into Traffic Signal Cabinet	EDA	\$25,000	
		CA		
		CON	<u>\$535,000</u>	
		Total	\$560,000	14626(Traffic Management)
101124	Replace 35 Obsolete Traffic Signal Controllers	EDA	\$178,250	
		CA		
		CON		
		Total	<u>\$178,250</u>	14626(Traffic Management)
101125	Traffic Signal Analysis Study Sytem Wide	Appr. Unit C	\$250,000	
		Total	<u>\$250,000</u>	14626(Traffic Management)
101040	Improve Traffic Flow and Safety @ Orville Wright Elementary School	EDA		
		CA		
		CON	<u>\$186,702</u>	
		Total	\$186,702	14626(Traffic Management)
101126	Dry Creek Trail Maintenance	EDA	\$91,333	
		CA		
		CON	<u>\$593,667</u>	
		Total	\$685,000	14627(Bike and Pedestrian)
			Subtotal of request	
			\$5,215,833	14625(Local Streets & Roads)
			\$1,374,952	14626(Traffic Management)
			<u>\$685,000</u>	14627(Bike and Pedestrian)
			\$7,275,785	

Exhibit C
City of Modesto
 Community & Economic Development Dept.
Proposed Fiscal Year 2018/19 Measure L Projects
 page 1 of 3



Local Streets & Roads (Annual Budget - \$6,874,758/yr.)

Type of Work	Project	Design	Construction	Total Budget	City Dept.
Pvmt. Rehab.	Claus Road Pavement Rehabilitation Project Description: Pavement rehabilitation project starting approximately 600' north of Briggsmore Avenue and proceeding north to approximately 800' north of Sylvan Avenue. The length of the project is 1.57 miles. Anticipated project improvements include roadway resurfacing, new striping, ADA upgrades and vehicle detection cameras at Sylvan Avenue and Claus Road.	\$125,000	\$1,318,773	\$1,443,773	C&EDD
Pvmt. Rehab.	Downtown Master Plan Project Description: Prepare a Master Plan for the Downtown.	\$210,000		\$210,000	C&EDD
Pvmt. Rehab.	Portions of Wylie Dr., Floyd Ave., and Carver Ave. Street Impv. (Collector Streets) Project Description: Pavement Rehabilitation and ADA ramp upgrades to portions of Wylie Drive, Floyd Avenue and Carver Avenue.		\$1,700,000	\$1,700,000	C&EDD
Pvmt. Rehab.	Village One Slurry Seal Project Description: Slurry seal project on residential streets within the following boundary area of Sylvan Avenue, Roselle Avenue, Merle Avenue and Claus Road. Anticipated project improvements include 56 lane miles of Type 2 slurry seal, new striping and ADA upgrades at request locations.			\$1,862,060	C&EDD
			Unallocated Funds	\$1,658,925	
			TOTAL: \$6,874,758		

Exhibit C
City of Modesto
 Community & Economic Development Dept.
Proposed Fiscal Year 2018/19 Measure L Projects
 page 2 of 3



Traffic Management (Annual Budget - \$1,374,952/yr.)

Type of Work	Project	Design	Construction	Total Budget	City Dept.
Traffic Mgt. - Safety	Installation of Rectangular Rapid Flashing Beacon Project Description: Installation of two Rectangular Rapid Flashing Beacons at: • Carver Road at Teresa Street • Emerald Avenue south of Maze Boulevard Mid-Block	\$10,000	\$190,000	\$200,000	Public Works
Traffic Mgt. - Safety	Fiber Drop into Traffic Signal Cabinet Project Description: Cut and splice into existing fiber optic back bone bringing fiber optic cable into traffic signal cabinets along Briggsmore Avenue, Standiford/Sylvan Avenues, and Oakdale Road.	\$25,000	\$535,000	\$560,000	Public Works
Traffic Mgt. - Safety	Replace 35 Obsolete Traffic Controllers Project Description: Order and install needed traffic controllers, cards to upgrade existing 2070s to 2070LX, and ethernet switches.	\$178,250		\$178,250	Public Works
Traffic Mgt. - Safety	Traffic Signal Analyst Study System Wide Project Description: Hire outside consultant to analyze the City of Modesto's traffic signal operation and proposed modifications for future system wide.	\$250,000		\$250,000	Public Works
Traffic Mgt. - Safety	Improve Traffic Flow and Safety @ Orville Wright Elementary School Project Description: Improve pedestrian safety and traffic flow around Orville Wright Elementary School.		\$186,702	\$186,702	C&EDD
TOTAL:				\$1,374,952	

Exhibit C
City of Modesto
 Community & Economic Development Dept.
Proposed Fiscal Year 2018/19 Measure L Projects
 page 3 of 3



Bike/Pedestrian (Annual Budget - \$687,000/yr.)

Type of Work	Project	Design	Construction	Total Budget	City Dept.
Bike /Ped.	Dry Creek Trail Maintenance				C&EDD
	Project Description: Pavement rehabilitation project on Dry Creek Bike Path from La Loma Avenue to El Vista Avenue. The length of the project is 1.6 miles. Anticipated project improvements include bike path resurfacing, new striping, new signage, shoulder improvements and ADA upgrades.	\$91,333	593667	\$685,000	

TOTAL:	\$685,000
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**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-381**

RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH NOSSAMAN LLP OF LOS ANGELES, CALIFORNIA FOR EMINENT DOMAIN LEGAL SERVICES FOR STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT IN AN AMOUNT NOT TO EXCEED \$2,000,000 FOR THE IDENTIFIED SCOPE OF SERVICES; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, on October 10, 2017, by Resolution 2017-403, Council approved a Measure L Cooperative Agreement with StanCOG (StanCOG Cooperative Agreement) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project, through which StanCOG has agreed to reimburse the City up to \$10 million for costs relating to the PS&E Phase of the Project; and

WHEREAS, on October 24, 2017, by Resolution 2017-424 Council approved a Joint Powers Agreement with Stanislaus County (County) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of acquisition services in support of the construction of the Project; and

WHEREAS, on February 27, 2018, by Resolution 2018-85, Council authorized early acquisition of real property prior to Environmental Document approval, and delegated to Staff authority to acquire property up to certain specified amounts; and

WHEREAS, on June 12, 2018, by Resolution 2018-237, Council approved increases in the amounts of delegated authority to acquire property for the Project; and

WHEREAS, Council has authorized a total of \$11,935,081 for right of way acquisitions, utilizing City of Modesto Capital Facilities Fees (CFF) funds, Federal Demonstration Program (DEMO) grant funds, and Stanislaus County Public Facility Fees (PFF) funds; and

WHEREAS, on March 2, 2018, the California Department of Transportation (Caltrans) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, by Resolution 2018-315, Council approved a Cooperative Agreement between the City and Caltrans, which sets forth the roles and responsibilities of the City and Caltrans with respect to the Project; and

WHEREAS, on July 27, 2018, staff solicited proposals from law firms for Eminent Domain Legal Services for the State Route 132 West Freeway/Expressway Phase 1 Project in accordance with state and federal requirements; and

WHEREAS, proposals were received, evaluated and ranked; and

WHEREAS, the City selected Nossaman LLP as the top ranked firm; and

WHEREAS, Nossaman LLP has agreed to a contract for eminent domain legal services in an amount not to exceed \$2,000,000 for the State Route 132 West Freeway/Expressway Phase 1 Project; and

WHEREAS, the City Manager and Staff recommend approval of the contract for eminent domain legal services for the State Route 132 West Freeway/Expressway Phase 1 Project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Professional Services Agreement with Nossaman LLP for Eminent Domain Legal Services for the State Route 132 West Freeway/Expressway – Phase 1 Project in an amount not to exceed \$2,000,000, as provided in **Exhibit A** attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager or his designee, are hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

CONTRACT NO. _____

BY AND BETWEEN

CITY OF MODESTO

AND

NOSSAMAN LLP

FOR

**EMINENT DOMAIN LEGAL SERVICES FOR THE STATE ROUTE 132 WEST
FREEWAY/EXPRESSWAY PROJECT**

This contract (referred to as "Contract"), is made and entered into on the ___ day of _____, 2018 ("Effective Date"), by and between the City of Modesto ("CITY"), whose address is: 1010 10th Street, Suite 6300, Modesto, CA 95354; and Nossamon, LLP ("ATTORNEY"), whose address is: 777 South Figueroa Street, 34th Floor, Los Angeles, CA 90017. CITY and ATTORNEY are each a "Party" and collectively the "Parties".

RECITALS

- A. CITY requires certain legal services as described in Exhibit A to this Contract; and
- B. ATTORNEY has confirmed that ATTORNEY has the requisite personnel and experience and is fully capable and qualified to perform the legal services described; and
- C. ATTORNEY desires to perform the legal services for the compensation and in accordance with the terms and conditions set forth in this Contract.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE 1. DESCRIPTION OF WORK

- 1.1 ATTORNEY agrees to perform the work and services set forth in Exhibit A "Scope of Work" ("Work" or "Services"), in accordance with all applicable professional standards which are generally accepted in the State of California, in accordance with the terms and conditions expressed herein and in the sequence, time, and manner defined herein, but only upon CITY's issuance of and in accordance with the terms and instructions contained in one or more written Contract Task Orders ("CTO") executed by both parties. The word "Work" includes without limitation, the performance, fulfillment and discharge by ATTORNEY of all obligations, duties, tasks, and services imposed upon or assumed by ATTORNEY hereunder; and the Work performed hereunder shall be completed to the satisfaction of CITY, with CITY's satisfaction being based on prevailing applicable professional standards.
- 1.2 The Project Manager for this Contract is John Rawles, or such other designee as shall be designated in written notice to ATTORNEY from time to time by the City Manager of CITY or his or her designee. The Project Manager shall have authority to act on behalf of CITY in administering this Contract, including giving notices (including without limitation, notices of default and/or termination), technical directions and approvals; issuing, executing and amending CTO's; demanding performance and accepting work performed, but is not authorized to receive or issue payments or execute amendments to the Contract itself.

ARTICLE 2. PERIOD OF PERFORMANCE

- 2.1 The Period of Performance by ATTORNEY under this Contract shall commence upon the Effective Date, unless agreed otherwise, and shall continue in full force and effect through December 31, 2021, or until otherwise terminated as provided in Article 16, or unless extended as hereinafter provided by written amendment, except that all indemnity and defense obligations hereunder shall survive termination of this Contract. ATTORNEY shall not be compensated for any work performed or costs incurred prior to issuance of the Effective Date.
- 2.2 CITY at its sole discretion may extend the original term of the Contract for two

one- year option(s). The maximum term of this Contract, including the Option Term(s), if exercised, will not exceed December 31, 2023.

ARTICLE 3. COMPENSATION

- 3.1 Total compensation to ATTORNEY for full and complete performance of the Work set forth in Article 1, in compliance with all the terms and conditions of this Contract, and any CTO's issued, payment by ATTORNEY of all obligations incurred in, or application to, ATTORNEY'S performance of the Services, and for which ATTORNEY shall furnish all personnel, facilities, equipment, materials, supplies, and the Services (except as may be explicitly set forth in this Contract as furnished by CITY), shall not exceed the amount set forth in 3.2 below.
- 3.2 The total Not-To-Exceed Amount for all CTOs issued to ATTORNEY is \$2,000,000.
- 3.3 All Services shall be reimbursed pursuant to the hourly labor rates identified in Attachment B "Attorney's Fees and Charges" and the executed CTO. The hourly labor rates identified in Attachment B, shall remain fixed for the term of this Contract and shall include ATTORNEY's direct labor costs, indirect costs, and profit. All expenses shall be reimbursed for the amount identified in Attachment B. CITY will not reimburse for any expenses not shown in Attachment B.
- 3.4 As the need for legal services are required, CITY will issue a request for CTO based on services and cost identified in 3.2 above. CITY does not guarantee any certain number of CTOs will be issued during the term of this Contract. Award of CTOs is at the sole-discretion of the CITY.
- 3.5 The Cost Principles and Procedures set forth in 48 CFR, Ch. 1, subch. E, Part 31, as constituted on the Effective Date of this Contract shall be utilized to determine allowability of costs under this Contract and may be modified from time to time by written amendment of the Contract.
 - 3.5.1 ATTORNEY agrees to comply with Federal Department of Transportation procedures in accordance with 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
 - 3.5.2 Any costs for which payment has been made to ATTORNEY that are determined by subsequent audit to be unallowable under 48 CFR, Ch. 1, subch. E, Part 31, or 2 CFR, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, shall be repaid by ATTORNEY to CITY.
- 3.6 Any Work provided by ATTORNEY not specifically covered by the Scope of Work shall not be compensated without prior written authorization from CITY. It shall be ATTORNEY's responsibility to recognize and notify CITY in writing when services not covered by the Scope of Work have been requested or are required. All changes and/or modifications to the Scope of Work shall be made in

accordance with the "CHANGES" Article in this Contract. Any additional services agreed to in accordance with this Contract shall become part of the Work.

- 3.7 CITY shall reimburse ATTORNEY for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. ATTORNEY will not charge CITY for the cost of telephone calls. Litigation costs and expenses for statutory fees, witness fees, reporters' per diem and stenographic transcriptions, jury fees, and the expenses of serving process shall be advanced by ATTORNEY and reimbursed by CITY. Expert consultants and witnesses may be retained by ATTORNEY on terms acceptable to CITY, approved in advance by email or letter by the Project Manager, in which case CITY shall reimburse ATTORNEY or pay such consultants or experts directly.

ARTICLE 4. PAYMENT

- 4.1 The compensation of ATTORNEY shall be payable sixty (60) calendar days after receipt by CITY of an invoice prepared in accordance with instructions below. Payment shall not be construed to be an acceptance of Work.
- 4.2 ATTORNEY shall prepare all invoices in a form satisfactory to and approved by CITY and it shall be accompanied by documentation supporting each element of measurement and/or cost. Each invoice will be for a monthly billing period and will be marked with CITY's contract number, if applicable. Invoices shall be submitted within fifteen (15) calendar days for the period covered by the invoice. Invoices shall request payment for Work (including additional Work authorized by CITY) completed by ATTORNEY during each billing period. Any invoice submitted which fails to comply with the terms of this Contract, including the requirements of form and documentation, may be returned to ATTORNEY. Any costs incurred by ATTORNEY in connection with the resubmission of a proper invoice shall be at ATTORNEY's sole expense.
- 4.3 No payment will be made prior to approval of any Work, nor shall any Work be performed prior to approval of this Contract by CITY's duly authorized representative.
- 4.4 ATTORNEY agrees to promptly pay each subcontractor for the satisfactory completion of all work performed under this Contract no later than ten (10) calendar days from the receipt of payment from CITY. CITY reserves the right to request documentation from ATTORNEY showing payment has been made to its subcontractors.
- 4.5 In addition to the provisions stated elsewhere in this Agreement regarding the payment of fees, billing and budgeting, the following guidelines for billing apply:
- 4.5.1 CITY expects each individual working on the matter for which Attorney is retained to have the necessary experience to perform the services required to protect or pursue CITY's interests in the matter in a cost effective manner, consistent with high professional and ethical standards.

- 4.5.2 CITY expects ATTORNEY to select the individual most suitable for the task required and the specific needs of the matter, and to use the maximum efficiencies available. Billings for services performed by the inappropriate level of personnel will be reduced by CITY based on rate adjustments for the appropriate level of personnel.
- 4.5.3 CITY will not pay for unnecessary review of texts, codes, rules of court, or other fundamental references. CITY will pay the hourly rate for specific legal research which is unique to the matter, assuming that ATTORNEY has used maximum efficiencies and that ATTORNEY has not already recently performed research in the same or very similar areas of law.
- 4.5.4 CITY acknowledges the benefit of communications between attorneys in the firm. CITY does, however, expect that intra-office conferences will only be held as needed, and will be kept to a minimum. Intra-office conferences shall be for the purpose of discussing strategy and legal issues which directly further the matter. CITY will not pay for conferences which are supervisory, instructional or administrative. Any invoice which lists an intra-office conference that does not meet these guidelines must contain a full explanation and is subject to reduction by CITY. CITY will not pay for "team meetings" and CITY will scrutinize all intra-office conferences for "value added" to the matter by the conference, for the number of individuals attending the conference, the length of the conference, the subjects discussed at the conference and who participated in it, and will, in CITY's sole discretion, determine if such value has been added.
- 4.5.5 CITY will not pay for local telephone calls, incoming facsimiles, postage, time spent on filing, calendaring, indexing pleadings, conferences with Clerks of court or court reporters, proofreading, re-drafting due to substandard work, or opening, organizing or closing files. CITY will not pay for time billed by summer interns or associates, time for more than one individual to attend a trial, hearing, court appearance, arbitration, mediation, deposition, third party meeting, conference call or similar event, unless otherwise approved by CITY in advance.
- 4.5.6 Vague billing which does not contain sufficient information to allow CITY's reviewer of the invoice to determine the nature of the task, the reason for the task, and the individual performing the task is subject to reduction by CITY.
- 4.5.7 CITY will not reimburse for overtime, word processing, supplies, anything identified on an invoice as "miscellaneous," or any other unidentified charges.

ARTICLE 5. TAXES, DUTIES AND FEES

Except to the extent expressly provided elsewhere in this Contract, ATTORNEY shall pay when due, and the compensation set forth in Article 3 will be inclusive of, all (a) local, municipal, state, and federal sales and use taxes; (b) excise taxes; (c) taxes on personal

property owned by ATTORNEY; and (d) all other governmental fees and taxes or charges of whatever nature applicable to ATTORNEY to enable it to conduct business.

ARTICLE 6. AVAILABILITY OF FUNDS

The award and performance of this Contract is contingent on the availability of funds. If funds are not allocated and available to CITY for the continuance of Work performed by ATTORNEY, Work directly or indirectly involved may be suspended or terminated by CITY at the end of the period for which funds are available. When CITY becomes aware that any portion of Work will or may be affected by a shortage of funds, it will immediately so notify ATTORNEY. Nothing herein shall relieve CITY from its obligation to compensate ATTORNEY for Work performed pursuant to this Contract. No penalty shall accrue to CITY in the event this provision is exercised.

ARTICLE 7. DOCUMENTATION AND RIGHT TO AUDIT

7.1 ATTORNEY shall provide CITY and its authorized representatives or agents access to ATTORNEY's records which are directly related to this Contract for the purpose of inspection, auditing or copying. ATTORNEY shall maintain all records related to this Contract in an organized way in the original format, electronic and hard copy, conducive to professional review and audit, for a period of three (3) years from the date of final payment by CITY, except in the event of litigation or settlement of claims arising out of this Contract, in which case ATTORNEY agrees to maintain records through the conclusion of all such litigation, appeals or claims related to this Contract. ATTORNEY further agrees to maintain separate records for costs of work performed by amendment. ATTORNEY shall allow CITY or its representatives or agents to reproduce any materials as reasonably necessary. This Article applies to all subcontractors at any tier that are performing work under this Contract.

7.2 The cost proposal for this Contract is subject to audit at any time. After ATTORNEY receives any audit recommendations the Cost Proposal shall be adjusted by ATTORNEY and approved by CITY's General Counsel to conform to the audit recommendations. ATTORNEY agrees that individual items of cost identified in the audit report may be incorporated into this Contract at CITY's sole discretion. Refusal by the ATTORNEY to incorporate the audit or post award recommendations will be considered a breach of the Contract terms and cause for termination of the Contract.

ARTICLE 8. RESPONSIBILITY OF ATTORNEY

ATTORNEY shall be responsible for the professional quality, technical accuracy, and assurance of compliance with all applicable Federal, state and local laws and regulations and other services furnished by ATTORNEY under the terms of this Contract.

ARTICLE 9. REPORTING AND DELIVERABLES

All reports and deliverables shall be submitted in accordance with Exhibit A, "Scope of Work".

ARTICLE 10. CHANGES

- 10.1 The Work shall be subject to changes by additions, deletions, or revisions made by CITY. ATTORNEY will be advised of any such changes by written notification from CITY describing the change.
- 10.2 Promptly after such written notification of change is given to ATTORNEY by CITY, ATTORNEY and CITY will attempt to negotiate a mutually agreeable change in compensation or time of performance and amend the Contract accordingly.

ARTICLE 11. EQUAL EMPLOYMENT OPPORTUNITY/DRUG FREE WORKPLACE

- 11.1 During the term of this Contract, ATTORNEY shall not willfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, gender, sex, marital status, gender identity, gender expression, sexual orientation, age, or military and veteran status. ATTORNEY agrees to comply with the provisions of Federal Executive Orders 11246, 11375, 11625, 12138, 12432, 12250, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act and other applicable Federal, State and local laws, regulations and policies relating to equal employment and contracting opportunities, including laws, regulations and policies hereafter enacted.
- 11.2 The contractor and all subcontractors shall comply with all provisions of Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the basis of race, color, and national origin. In addition, the contractor and all subcontractors will ensure their services are consistent with and comply with obligations and procedures outlined in CITY's current Board-adopted Title VI Program, including the Public Participation Plan and the Language Assistance Plan.
- 11.3 ATTORNEY agrees to comply with the Drug Free Workplace Act of 1990 set forth in Government Code section 8350 et seq.

ARTICLE 12. CONFLICT OF INTEREST

ATTORNEY agrees that it presently has no interest financial or otherwise and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. ATTORNEY further agrees that in the performance of this Contract, no person having any such interest shall be employed. ATTORNEY is obligated to fully disclose to the CITY, in writing, of any conflict of interest issues as soon as they are known to ATTORNEY. ATTORNEY shall indemnify and hold harmless CITY from and against any and all liability, loss, expense and obligation arising directly or indirectly out of any breach of the foregoing representation and warranty. ATTORNEY agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

ARTICLE 13. KEY PERSONNEL

Key personnel and their functions specified in Exhibit C, Key Personnel, are considered to be essential to Work being performed under this Contract. Prior to diverting any of the specified individuals to other projects, or reallocation of tasks and hours of Work, which are the responsibility of key personnel, to other personnel, ATTORNEY shall notify CITY's City Attorney reasonably in advance and shall submit justifications (including proposed substitutions) in sufficient detail to permit evaluation of the import on the Project. Diversion or reallocation of key personnel shall be subject to written approval by CITY's City Attorney. CITY's City Attorney also reserves the right to approve proposed substitutions for key personnel. In the event that CITY's City Attorney and ATTORNEY cannot agree as to the substitution of key personnel, CITY shall be entitled to terminate this Contract.

ARTICLE 14. REPRESENTATIONS

Work supplied by ATTORNEY under this Contract shall be supplied by personnel who are careful, skilled, experienced and competent and possess all necessary licenses and permits in their respective trades or professions.

ARTICLE 15. PROPRIETARY RIGHTS/CONFIDENTIALITY

- 15.1 If, as a part of this Contract, ATTORNEY is required to produce materials, documents, data, or information ("Products"), then ATTORNEY, if requested by CITY, shall deliver to CITY the original of all such Products which shall become the sole property of CITY.
- 15.2 All materials, documents, data or information obtained from CITY's data files or any CITY medium furnished to ATTORNEY in the performance of this Contract will at all times remain the property of CITY. Such data or information may not be used or copied for direct or indirect use outside of the Work being performed by ATTORNEY without the express written consent of CITY.
- 15.3 ATTORNEY shall not use CITY's name, photographs or Products in any professional publication, magazine, trade paper, newspaper, seminar or other medium without first receiving the express written consent of CITY.
- 15.4 All press releases, or press inquiries relating to the Work or this Contract, including graphic display information to be published in newspapers, magazines, and other publications, are to be provided or handled only by CITY unless otherwise agreed to by ATTORNEY and CITY.
- 15.5 Except as reasonably necessary for the performance of Work, ATTORNEY agrees that it, and its employees, agents, and subcontractors will hold confidential and not divulge to third parties without the prior written consent of CITY, any information obtained by ATTORNEY from or through CITY in connection with ATTORNEY's performance of Work under this Contract, unless (a) the information was known to ATTORNEY prior to obtaining same from CITY pursuant to a

prior contract; or (b) the information was obtained at the time of disclosure to ATTORNEY, or thereafter becomes part of the public domain, but not as a result of the fault or an unauthorized disclosure of ATTORNEY or its employees, agents, or subcontractors, or (c) the information was obtained by ATTORNEY from a third party who did not receive the same, directly or indirectly, from CITY and who had, to ATTORNEY's knowledge and belief, the right to disclose the same.

ARTICLE 16. TERMINATION

16.1 Termination for Convenience. CITY shall have the right at any time, with or without cause, to terminate further performance of Work by giving thirty (30) calendar days written notice to ATTORNEY specifying the date of termination. On the date of such termination stated in said notice, ATTORNEY shall promptly discontinue performance of Work and shall preserve work in progress and completed work ("Work"), pending CITY's instruction, and shall turn over such Work in accordance with CITY's instructions.

16.1.1 ATTORNEY shall deliver to CITY all deliverables prepared by ATTORNEY or its subcontractors or furnished to ATTORNEY by CITY. Upon such delivery, ATTORNEY may then invoice CITY for payment in accordance with the terms hereof.

16.1.2 If ATTORNEY has fully and completely performed all obligations under this Contract up to the date of termination, ATTORNEY shall be entitled to receive from CITY as complete and full settlement for such termination a pro rata share of the contract cost and a pro rata share of any fixed fee, for such Work satisfactorily executed to the date of termination.

16.1.3 ATTORNEY shall be entitled to receive the actual cost incurred by ATTORNEY to turn over work in progress in accordance with CITY's instructions plus the actual cost necessarily incurred in effecting the termination.

16.2 Termination for Cause.

16.2.1 In the event ATTORNEY shall file a petition in bankruptcy court, or shall make a general assignment for the benefit of its creditors, or if a petition in bankruptcy court shall be filed against ATTORNEY or a receiver shall be appointed on account of its solvency, or if ATTORNEY shall default in the performance of any express obligation to be performed by it under this Contract and shall fail to immediately correct (or if immediate correction is not possible, shall fail to commence and diligently continue action to correct) such default within ten (10) calendar days following written notice thereof, CITY may, without prejudice to any other rights or remedies CITY may have, and in compliance with applicable Bankruptcy Laws: (a) hold in abeyance further payments to ATTORNEY; (b) stop any

services of ATTORNEY or its subcontractors related to such failure until such failure is remedied; and/or (c) terminate this Contract by written notice to ATTORNEY specifying the date of termination. In the event of such termination by CITY, CITY may take possession of the deliverables and finish Work by whatever method CITY may deem expedient. A waiver by CITY of one default of ATTORNEY shall not be considered to be a waiver of any subsequent default of ATTORNEY, nor be deemed to waive, amend, or modify any term of this Contract.

16.2.2 In the event of termination ATTORNEY shall deliver to CITY all finished and unfinished products prepared under this Contract by ATTORNEY or its subcontractors or furnished to ATTORNEY by CITY.

16.3 All claims for compensation or reimbursement of costs under any of the foregoing provisions shall be supported by documentation submitted to CITY, satisfactory in form and content to CITY and verified by CITY. In no event shall ATTORNEY be entitled to any prospective profits or any damages because of such termination.

ARTICLE 17. STOP WORK ORDER

Upon failure of ATTORNEY or its subcontractors to comply with any of the requirements of this Contract, CITY shall have the authority to stop any Work of ATTORNEY or its subcontractors affected by such failure until such failure is remedied or to terminate this Contract in accordance with Article 16, "TERMINATION".

ARTICLE 18. CLAIMS

CITY shall not be bound to any adjustments in the Contract amount or time for ATTORNEY's claim unless expressly agreed to by CITY in writing and any such adjustments in the Contract amount so agreed to in writing shall be paid to ATTORNEY by CITY. No claim hereunder by ATTORNEY shall be allowed if asserted after final payment has been made under this Contract.

ARTICLE 19. INSURANCE

Without in any way affecting the indemnity provisions of this Contract, ATTORNEY shall, at the ATTORNEY's sole expense, and prior to the commencement of any work, procure and maintain in full force the insurance set forth in this Article at least through the entire term of this Contract. The policies shall be written by a carrier with an A.M. Best rating of A-VII or better, or similar qualifications, and shall be written with at least the following limits of liability:

19.1 Professional Liability – Professional liability insurance in an amount not less than \$1,000,000 for each claim and \$2,000,000 aggregate total for all claims. Professional liability insurance may be provided on a claims-made basis. If such policy contains a retroactive date for coverage of prior acts, this date will be prior to the date the ATTORNEY begins to perform work under this Contract. ATTORNEY shall secure and maintain "tail" coverage for a minimum of (3) years

after Contract completion.

19.2 Workers' Compensation – Worker's Compensation insurance in an amount and form to meet all applicable requirements of the Labor Code of the State of California, including Employers Liability in an amount not less than \$1,000,000 covering all persons providing services on behalf of ATTORNEY and all risks to such persons under this Contract.

19.3 Commercial General Liability – Commercial General Liability insurance for Premises and Operations, Contractual Liability, Products/Completed Operations Liability, Personal Injury Liability, Broad-Form Property Damage and Independent Contractors' Liability, in an amount of not less than \$1,000,000 per occurrence, combined single limit, and \$2,000,000 in the aggregate written on an occurrence form. For products and completed operations a \$2,000,000 aggregate shall be provided.

This Commercial General Liability insurance shall be primary and non-contributory with any insurance carried or administered by CITY.

19.4 Proof of Coverage – ATTORNEY shall furnish certificates of insurance to CITY evidencing the insurance coverage required in this Article, prior to the commencement of performance of Work, and such certificates shall include CITY and its officers, employees, agents and volunteers, as additional insureds on the Commercial General Liability and automobile insurance policies. Prior to commencing any work, ATTORNEY shall furnish CITY with certificates of insurance, executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth in this Article. If the insurance company elects to cancel or non-renew coverage for any reason, ATTORNEY will provide CITY thirty (30) days prior written notice of cancellation or nonrenewal. If the policy is cancelled for nonpayment of premium ATTORNEY will provide CITY ten

(10) days written notice. ATTORNEY shall maintain such insurance for the entire term of this Contract. The certificate(s) of insurance are to include the Contract number and City Attorney's name on the face of the certificate(s).

19.5 Additional Insured – All policies, except for Worker's Compensation and Professional Liability insurance policies, shall contain endorsements naming CITY and its officers, employees, agents, and volunteers as additional insureds with respect to liabilities arising out of the performance of Work hereunder. The additional insured endorsements shall not limit the scope of coverage for CITY to vicarious liability but shall allow coverage for CITY to the full extent provided by the policy.

19.6 Waiver of Subrogation Rights – ATTORNEY shall require the Commercial General Liability, Automobile Liability and Workers Compensation insurance policies to be endorsed to waive all rights of subrogation against CITY, its

officers, employees, agents, volunteers, contractors, and subcontractors. Such insurance policies shall not prohibit ATTORNEY or ATTORNEY'S employees or agents from waiving the right of subrogation prior to a loss or claim. ATTORNEY hereby waives all rights of subrogation against CITY.

19.7 CITY shall withhold payments to ATTORNEY if the certificates of insurance and endorsements required in this section are canceled or ATTORNEY otherwise ceases to be insured as required herein.

ARTICLE 20. INDEMNITY

ATTORNEY shall fully indemnify and save harmless, CITY, its officers and employees, including without limitation the City Attorney, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by CITY's staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as "**Liabilities**"), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether or not the CITY, its officers or employees reviewed, accepted or approved any service or work product performed or provided by the ATTORNEY, and whether or not such Liabilities are litigated, settled or reduced to judgment.

ATTORNEY shall, upon CITY's request, defend at ATTORNEY's sole cost any action, claim, suit, cause of action or portion thereof which asserts or alleges Liabilities to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of ATTORNEY, its sub-attorneys, subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether such action, claim, suit, cause of action or portion thereof is well founded or not.

The existence or acceptance by CITY of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of CITY's rights under this section, nor shall the limits of such insurance limit the liability of ATTORNEY hereunder.

ARTICLE 21. ERRORS AND OMISSIONS

ATTORNEY shall be responsible for the professional quality, technical accuracy, and coordination of all Work required under this Contract. ATTORNEY may be liable for CITY's costs resulting from errors or deficiencies, fines, penalties and damages arising out of Work furnished under this Contract.

ARTICLE 22. OWNERSHIP OF DOCUMENTS

22.1 All deliverables, including but not limited to, drawings, reports, worksheets, and other data developed by ATTORNEY under this Contract shall become the sole

property of CITY when prepared, whether delivered to CITY or not.

- 22.2 Applicable patent rights provisions regarding rights to inventions shall be included in the Contract as appropriate (48 CFR 27, Subpart 27.3, Patent Rights under Government Contracts for federal-aid contracts).
- 22.3 CITY may permit copyrighting reports or other agreement products. If copyrights are permitted, the agreement shall provide that the FHWA shall have the royalty-free nonexclusive and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes.
- 22.4 Any subcontract in excess of \$25,000 entered into as a result of this Contract, shall contain all of the provisions of this Article.

ARTICLE 23. SUBCONTRACTS

- 23.1 ATTORNEY shall not subcontract performance of all or any portion of Work under this Contract, except those subcontractors listed in the ATTORNEY's proposal, without first notifying CITY of the intended subcontracting and obtaining CITY's written approval of the subcontracting and the subcontractor. The definition of subcontractor and the requirements for subcontractors hereunder shall include all subcontracts at any tier.
- 23.2 ATTORNEY agrees that any and all subcontractors of ATTORNEY will comply with the terms of this Contract applicable to the portion of Work performed by them. If requested by CITY, ATTORNEY shall furnish CITY a copy of the proposed subcontract for CITY City Attorney's approval of the terms and conditions thereof and shall not execute such subcontract until CITY has approved such terms and conditions. CITY approval shall not be unreasonably withheld.
- 23.3 Approval by CITY of any Work to be subcontracted and of the subcontractor to perform the Work will not relieve ATTORNEY of any responsibility or liability in regard to the acceptable and complete performance of the Work. Any substitution of subcontractors must be approved in writing by CITY's City Attorney.

ARTICLE 24. INDEPENDENT CONTRACTOR

ATTORNEY is and shall be at all times an independent contractor and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. Neither ATTORNEY nor ATTORNEY's assigned personnel shall be entitled to any benefits payable to employees of CITY. CITY is not required to make any deductions or withholdings from the compensation payable to ATTORNEY under the provisions of this Agreement, and ATTORNEY shall be issued an IRS Form 1099 for its services hereunder. As an independent contractor, ATTORNEY hereby agrees to indemnify and hold CITY harmless from any and all claims that may be made against CITY based upon any contention by any of ATTORNEY's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature

and/or performance of any Services under this Agreement. Accordingly, all Work provided by ATTORNEY shall be done and performed by ATTORNEY under the sole supervision, direction and control of ATTORNEY. CITY shall rely on ATTORNEY for results only, and shall have no right at any time to direct or supervise ATTORNEY or ATTORNEY's employees in the performance of Work or as to the manner, means and methods by which Work are performed. All workers furnished by ATTORNEY pursuant to this Contract, and all representatives of ATTORNEY, shall be and remain the employees or agents of ATTORNEY or of ATTORNEY's subcontractor(s) at all times, and shall not at any time or for any purpose whatsoever be considered employees or agents of CITY.

ARTICLE 25. DISADVANTAGED BUSINESS ENTERPRISES

CITY, as the recipient of federal funds, is required to comply with any requirements to involve Disadvantaged Business Enterprises (DBEs) to the maximum extent feasible in all phases of its procurement practices. The ATTORNEY must certify that it has complied with the requirements of 49 CFR Part 26. The ATTORNEY shall have on file with the FTA an approved or non-disapproved annual DBE subcontracting participation goal program.

The ATTORNEY agrees to ensure that DBEs as defined in 49 CFR Part 26 have the opportunity to participate in the performance of Subcontracts financed in whole or in part with Federal funds provided under the Contract. In this regard, the ATTORNEY shall take all reasonable steps in accordance with 49 CFR Part 26 so that DBEs have the opportunity to compete for and perform the Work. The ATTORNEY shall not discriminate on the basis of race, color, religion, sex, age or national origin, in the award and performance of DOT-assisted contracts.

The ATTORNEY shall supply sufficient information in its payment applications and supporting documentation to enable CITY and Caltrans to assess whether ATTORNEY is complying with its DBE goals. The ATTORNEY shall comply with its Caltrans approved or non-disapproved DBE goal program.

ARTICLE 26. STATEMENT OF COMPLIANCE

- 26.1 ATTORNEY's signature affixed herein, and dated, shall constitute a certification under penalty of perjury under the laws of the State of California that ATTORNEY has, unless exempt, complied with, the nondiscrimination program requirements of Title 2 California Code of Regulations (CCR) Section 11102 and applicable Federal law.
- 26.2 During the performance of this Contract, ATTORNEY and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, military and veteran status, or use of family care leave. ATTORNEY and subcontractors shall ensure that the evaluation and treatment of

their employees and applicants for employment are free from such discrimination and harassment. ATTORNEY and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code Section 12900 et seq.) and the applicable regulations promulgated thereunder (Title 2 CCR Sections 11005 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Subchapter 5 of Chapter 5 of Division 4.1 of Title 2 of the California Code of Regulations, are incorporated into this Contract by reference and made a part hereof as if set forth in full. ATTORNEY and subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

ARTICLE 27. DEBARMENT AND SUSPENSION CERTIFICATION

- 27.1 ATTORNEY's signature affixed herein, shall constitute a certification under penalty of perjury under the laws of the State of California, that ATTORNEY has complied with Title 2 CFR Part 180, "OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement)", which certifies that he/she or any person associated therewith in the capacity of owner, partner, director, officer or manager, is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any federal agency within the past three (3) years; does not have a proposed debarment pending; and has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any matter involving fraud or official misconduct within the past three (3) years. Any exceptions to this certification must be disclosed to CITY.
- 27.2 Exception will not necessarily result in denial of recommendation for award, but will be considered in determining ATTORNEY responsibility. Disclosures must indicate to whom exceptions apply, initiating agency, and dates of action.

ARTICLE 28. REBATES, KICKBACKS OR OTHER UNLAWFUL CONSIDERATION

ATTORNEY warrants that this Contract was not obtained or secured through rebates, kickbacks or other unlawful consideration, either promised or paid to any CITY employee. For breach or violation of this warranty, CITY shall have the right in its discretion: to terminate the Contract without liability; to pay only for the value of the Work actually performed; or to deduct from the Contract price or otherwise recover the full amount of such rebate, kickback or other unlawful consideration.

ARTICLE 29. PROHIBITION OF EXPENDING CITY, STATE OR FEDERAL FUNDS FOR LOBBYING

- 29.1 ATTORNEY certifies to the best of his or her knowledge and belief that:
- 29.1.1 No state, federal or local agency appropriated funds have been paid, or will be paid by or on the behalf of ATTORNEY to any person for

influencing or attempting to influence an officer or employee of any state or federal agency, a Member of the State Legislature or United States Congress, an officer or employee of the Legislature or Congress, or any employee of a Member of the Legislature or Congress in connection with the awarding of any state or federal contract, the making of any state or federal grant, the making of any state or federal loan, the entering into of any cooperative agreement or the extension, continuation, renewal, amendment, or modification of any state or federal contract, grant, or loan, or cooperative agreement.

29.1.2 If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, ATTORNEY shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

29.2 This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

29.3 ATTORNEY also agrees by signing this document that he or she shall require that the language of this certification be included in all lower-tier subcontracts, which exceed \$100,000, and that all such sub-recipients shall certify and disclose accordingly.

ARTICLE 31. ATTORNEY'S FEES

If any legal action is instituted to enforce or declare any Party's rights hereunder, each Party, including the prevailing party, must bear its own costs and attorneys' fees. This Article shall not apply to those costs and attorneys' fees directly arising from any third party legal action against a Party hereto and payable under the "Indemnity" provision of this Contract.

ARTICLE 32. GOVERNING LAW AND VENUE

This Contract shall be subject to the law and jurisdiction of the State of California. The Parties acknowledge and agree that this Contract was entered into and intended to be performed in whole or substantial part in Stanislaus County, California. The Parties agree that the venue for any action or claim brought by any Party to this Contract will be the Superior Court of California for Stanislaus County. Each Party hereby waives any law or rule of court, which would allow them to request or demand a change of venue. If any action or claim concerning this Contract is brought by any third party, the Parties agree to

use their best efforts to obtain a change of venue to the Superior Court of California for Stanislaus County.

ARTICLE 33. FEDERAL, STATE AND LOCAL LAWS

ATTORNEY warrants that in the performance of this Contract, it shall comply with all applicable Federal, State and local laws, ordinances, rules and regulations.

ARTICLE 34. CONTRACT DOCUMENTS/PRECEDENCE

34.1 The Contract consists of the Contract Articles, Exhibit A "Scope of Work", Exhibit B "Attorneys' Fees and Charges", Exhibit C "Key Personnel", Exhibit D "Notice", CITY's Request for Proposals (if applicable), and ATTORNEY's proposal (if applicable), all of which are incorporated into of this Contract by this reference.

34.2 In the event of a conflict in the terms of the Contract documents, the following order of precedence shall apply: (1) the Contract Articles; (2) Exhibits A, B, C and D; (3) CITY's Request for Proposals (if applicable); and (4) ATTORNEY's Proposal (if applicable).

34.3 In the event of an express conflict between the documents listed in this Article, or between any other documents which are a part of the Contract, ATTORNEY shall notify CITY in writing within three (3) business days of its discovery of the conflict and shall comply with CITY's determination of a resolution of the conflict.

ARTICLE 35. COMMUNICATIONS AND NOTICES

Any and all notices permitted or required to be given hereunder shall be deemed duly given (a) upon actual delivery, if delivery is personally made, or (b) upon delivery into the United States Mail if delivery is by postage paid certified mail (return receipt requested), fax or private courier including overnight delivery services. Each such notice shall be sent to the respective Party at the address indicated in Exhibit D, "Notice", or to any other address as the respective parties may designate from time to time by a notice given in accordance with this Article. A change in address may be made by notifying the other Party in writing.

ARTICLE 36. DISPUTES

36.1 In the event any dispute arises between the Parties in connection with this Contract (including but not limited to disputes over payments, reimbursements, costs, expenses, services to be performed, Scope of Work and/or time of performance), the dispute shall be decided by CITY within thirty (30) calendar days after ATTORNEY gives CITY written notice of the dispute, which shall include a particular statement of the grounds of the dispute. If ATTORNEY does not agree with the decision, then ATTORNEY shall have thirty (30) calendar days after receipt of the decision in which to file a written appeal thereto with the City Manager of CITY. If the City Manager fails to resolve the dispute in a

manner acceptable to ATTORNEY, then such appeal shall be decided by a court of competent jurisdiction.

36.2 During the pendency of efforts to resolve the dispute, ATTORNEY shall proceed with performance of this Contract with due diligence.

ARTICLE 37. GRATUITIES

ATTORNEY, its employees, agents, and representatives shall not offer or give to an officer, official, or employee of CITY gifts, entertainment, payments, loans, or other gratuities to influence the award of a contract or obtain favorable treatment under a contract.

ARTICLE 38. REVIEW AND ACCEPTANCE

All Work performed by ATTORNEY shall be subject to periodic review and approval by CITY at any and all places where such performance may be carried on. Failure of CITY to make such review, or to discover defective work, shall not prejudice the rights of CITY at the time of final acceptance. All Work performed by ATTORNEY shall be subject to periodic and final review and acceptance by CITY upon completion of all Work.

ARTICLE 39. SAFETY

ATTORNEY shall strictly comply with all local, municipal, state, and federal safety and health laws, orders and regulations applicable to ATTORNEY's operations in the performance of Work.

ARTICLE 40. ASSIGNMENT

The expertise and experience of ATTORNEY are material considerations for this Contract. CITY has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on ATTORNEY under this Contract. In recognition of this interest, ATTORNEY shall not assign any right or obligation under this Contract in whole or in part, voluntarily, by operation of law, or otherwise, without first obtaining the written consent of CITY. CITY's exercise of consent shall be within its sole discretion. Any attempted or purported assignment without CITY's written consent shall be void and of no effect. Subject to the foregoing, the provisions of this Contract shall extend to the benefit of and be binding upon the successors and assigns of the Parties hereto.

ARTICLE 41. AMENDMENTS

No change, modification or alteration of this Contract shall be binding unless expressed in writing duly executed by ATTORNEY and CITY. However, changes to the Contract to implement administrative changes such as approved changes in key personnel as provided in Exhibit C "Key Personnel", may be made by administrative amendment signed by ATTORNEY and CITY's General Counsel or other duly authorized representative.

ARTICLE 42. CONTINGENT FEE

ATTORNEY warrants, by execution of this Contract, that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by ATTORNEY for the purpose of securing business. For breach or violation of this warranty, CITY has the right to annul this Contract without liability, pay only for the value of Work actually performed, or in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE 43. FORCE MAJEURE

ATTORNEY shall not be in default under this Contract in the event that the Work provided/work performed by ATTORNEY are temporarily interrupted or discontinued for any of the following reasons: riots, wars, sabotage, acts of terrorism, civil disturbances, insurrection, explosion, pandemics, quarantines, acts of God, acts of government or governmental restraint, and natural disasters such as floods, earthquakes, landslides, and fires, severe weather or other catastrophic events which are beyond the reasonable control of ATTORNEY and which ATTORNEY could not reasonably be expected to have prevented or controlled. Other catastrophic events do not include the financial inability of the ATTORNEY to perform or failure of the ATTORNEY to obtain any necessary permits or licenses from other governmental agencies or the right to use the facilities of any public utility where such failure is due solely to the acts or omissions of ATTORNEY.

ARTICLE 44. ENTIRE DOCUMENT

This Contract and its Exhibits constitute the sole and entire agreement between the Parties governing the Work, and supersedes any prior understandings, negotiations, agreements, arrangements and undertakings, written or oral, between the Parties respecting the subject matter herein. All previous proposals, offers, and other communications, written or oral, relative to this Contract, are superseded except to the extent that they have been incorporated into this Contract. It is the intent of the Parties that this Contract is an integrated agreement and that no evidence may be introduced to vary in any manner its terms and conditions. No representation, warranty, covenant, inducement or obligation not included in this Contract shall be binding.

ARTICLE 45. CONSTRUCTION OF CONTRACT

The language of this Contract will be construed in accordance with its fair meaning. This Contract shall be interpreted and construed as drafted by all Parties with equal participation in the drafting hereof and shall not be construed in favor of or against a Party by reason of participation or lack of participation of that Party or its counsel in the drafting of this Contract.

ARTICLE 46. ENFORCEMENT OF CONTRACT

This Contract shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Contract shall lie exclusively in the state trial court located in Stanislaus County, in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in that court, and consent to service of process issued by that court.

ARTICLE 47. THIRD PARTY BENEFICIARIES

There are no third party beneficiaries to this Contract. Other than the Parties, no person, political subdivision, agency, board, department, division or commission shall be entitled to bring an administrative or judicial proceeding to enforce or interpret its terms.

ARTICLE 48. HEADINGS

All paragraph headings throughout this Contract are for convenience of reference only.

ARTICLE 49. ORIGINALS AND COPIES

This Contract with the Exhibits attached may be executed in counterparts, each of which shall be deemed an original. In any action or proceeding, an exact and correct copy may be used in lieu of an original.

ARTICLE 50. SEVERABILITY

If any portion of this Contract or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Contract shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

ARTICLE 51. WAIVER

Neither CITY's acceptance of, or payment for, any Work performed by ATTORNEY, nor any waiver by either Party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Contract, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

ARTICLE 52. EFFECTIVE DATE

The date that this Contract is executed by CITY shall be the Effective Date of the Contract.

IN WITNESS WHEREOF, the Parties hereto have executed this Contract below.

ATTORNEY

CITY

By: _____

Artin N. Shaverdian
Partner

By: _____

Joseph P. Lopez
City Manager

Date: _____

Date: _____

APPROVED AS TO FORM

By: _____

Adam U. Lindgren
City Attorney

CONCURRENCE

By: _____

Cynthia Kline
Purchasing Manager

3053375.2

EXHIBIT A – “SCOPE OF WORK”

EXHIBIT B – “ATTORNEYS’ FEES AND CHARGES”

**Price List Exhibit B for:
(Time and Materials)**

No.

Key Personnel

Name	Classification/Title	Job Function	Hourly Rate*
Artin Shaverdian	Partner	Project Manager/Team Leader	\$385
David Graeler	Partner		\$385
Bernadette Duran-Brown	Partner		\$385
Kristin Mendenhall	Staff Attorney		\$385
Diana McMillin	Paralegal		\$200
April Fromm	Paralegal		\$200
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$

* We will charge City one-half (1/2) attorneys' applicable blended rate for any travel related to this project.

Other Direct Cost Schedule (ODC)

All ODC's are to be proposed at cost-without mark-ups.

Type of ODC	Unit Cost	Estimated Budget Amount
Air travel at cost but not first class or business select. Lodging and other travel related expenses including ground transportation at cost.	\$	\$
Computer assisted research expenses are charged at cost.	\$	\$
We will pass on to the City postage-related charges at the actual cost, including overnight carrier and messenger fees as necessary.	\$	\$
We will pass on to the City direct cost of any filing fees charged by outside vendors for court filings, including fees for electronic court filings and service of process.	\$	\$
Photocopying will be passed on to the City at cost.	\$	\$

Proposer

Signature of Authorized Person

Date

EXHIBIT C – “KEY PERSONNEL”

EXHIBIT D – “NOTICE”

TO ATTORNEY Nossaman LLP 777 S. Figueroa Street, 34 th Floor Los Angeles, CA 90017	TO CITY 1010 10th Street Suite 6300 Modesto, CA 95354
Attn: Artin Shaverdian	Attn: Adam U. Lindgren City Attorney
	cc: Purchasing Manager
Phone: (213) 612-7811	Phone: 209-577-5284
Email: ashaverdian@nossaman.com	Email: alindgren@modestogov.com

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-382**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 CAPITAL
IMPROVEMENT PROGRAM (CIP) BUDGET, PROJECT #100614 IN THE
AMOUNT OF \$2,000,000 FOR THE STATE ROUTE 132 WEST
EXPRESSWAY PROJECT**

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, on May 2, 2017 the City Council, by Resolution No. 2017-175 authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on October 10, 2017, by Resolution 2017-403, Council approved a Measure L Cooperative Agreement with StanCOG (StanCOG Cooperative Agreement) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project, through which StanCOG has agreed to reimburse the City up to \$10 million for costs relating to the PS&E Phase of the Project; and

WHEREAS, on October 24, 2017, by Resolution 2017-424 Council approved a Joint Powers Agreement with Stanislaus County (County) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of acquisition services in support of the construction of the Project; and

WHEREAS, on February 27, 2018, by Resolution 2018-85, Council authorized early acquisition of real property prior to Environmental Document approval, and delegated to Staff authority to acquire property up to certain specified amounts; and

WHEREAS, on June 12, 2018, by Resolution 2018-237, Council approved increases in the amounts of delegated authority to acquire property for the Project; and

WHEREAS, Council has authorized a total of \$11,935,081 for right of way acquisitions, utilizing City of Modesto Capital Facilities Fees (CFF) funds, Federal Demonstration Program (DEMO) grant funds, and Stanislaus County Public Facility Fees (PFF) funds; and

WHEREAS, on March 2, 2018, the California Department of Transportation (Caltrans) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, by Resolution 2018-315, Council approved a Cooperative Agreement between the City and Caltrans, which sets forth the roles and responsibilities of the City and Caltrans with respect to the Project; and

WHEREAS, on July 27, 2018, staff solicited proposals from law firms for Eminent Domain Legal Services for the State Route 132 West Freeway/Expressway Phase 1 Project in accordance with state and federal requirements; and

WHEREAS, proposals were received, evaluated and ranked; and

WHEREAS, the City selected Nossaman LLP as the top ranked firm; and

WHEREAS, Nossaman LLP has agreed to a contract for eminent domain legal services in an amount not to exceed \$2,000,000 for the State Route 132 West Freeway/Expressway Phase 1 Project; and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget needs to amended by \$2,000,000 for the State Route 132 West Freeway/Expressway Phase 1 Project and funds need to be appropriated from the Streets Capital Facility Fees reserve funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends the Fiscal Year 2018-2019 Capital Improvement Project budget for project #100614 State Route 132 West Freeway/Expressway – Phase 1 Project for an amount of \$2,000,000 and appropriates funds from the Streets Capital Facility Fees fund reserves.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 4th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-383**

**RESOLUTION OF THE COUNCIL OF THE CITY OF MODESTO ADOPTING
AN AMENDED CONFLICT OF INTEREST CODE FOR THE CITY OF
MODESTO; AND RESCINDING RESOLUTION NO. 2016-380**

WHEREAS, pursuant to Government Code Section 87300, every local agency must adopt a Conflict of Interest Code; and

WHEREAS, the City Clerk is authorized to maintain a current list of the City agencies/ departments which have adopted a Conflict of Interest Code; and

WHEREAS, the Political Reform act requires every local government agency to review its Conflict of Interest Code on a biennial basis to determine if it is accurate or, alternatively, the need for amendment; and

WHEREAS, pursuant to Government Code Section 82011, the Council is the Conflict of Interest Code reviewing body for agencies, boards, and commissions of the City of Modesto; and

WHEREAS, the Safer Neighborhoods Community Advisory Board and the City of Modesto Redevelopment Successor Agency Oversight Board have been disbanded, and accordingly, have been removed from the Amended Conflict of Interest Code for the City of Modesto; and

WHEREAS, the Citizens' Transportation Sales Tax Commission, the Districting Commission, and the Citizens' Salary Setting Commission have been added to the Amended Conflict of Interest Code for the City of Modesto; and

WHEREAS, the Council, at its meeting of September 11, 2018, considered the adoption of the Amended Conflict of Interest Code for the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby adopts the Amended Conflict of Interest Code for the City of Modesto **attached** hereto.

BE IT FURTHER RESOLVED that Resolution No. 2016-380, adopted by the City Council is hereby rescinded.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

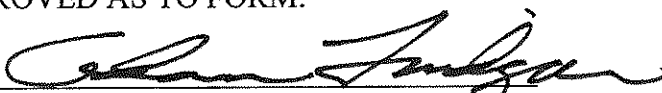
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

City of Modesto
Disclosure Categories
Appendix "B"

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) **FULL DISCLOSURE***

Group 2: Designated employees in this group shall report all business positions, all investments, income, loans or gifts from individuals or businesses from business entities located in or doing business within the jurisdiction. **FULL DISCLOSURE W/OUT PROPERTY**

Group 3: Designated employees in this group shall report interests in real property located within the jurisdiction or within two miles of the boundaries or the jurisdiction or within two miles of any land owned or used by the agency. **PROPERTY ONLY**

Group 4: Designated employees in this group shall report interest in real property, investments and business positions in business entities and income, including loans, gifts, and travel payments, from sources which engage in land development, construction, or the acquisition or sale of real property. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) **COMMUNITY & ECONOMIC DEVELOPMENT**

Group 5: Designated employees in this group shall report investments and business positions in business entities and income, including loans, gifts, and travel payments, from sources which manufacture, sell or design data processing equipment or related services of the type used by the designated employees department or division. **FINANCE**

Group 6: Designated employees in this group shall report investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources which manufacture or sell fire-related equipment or parts of the type used by the designated employees department or division. **FIRE**

Group 7: Designated employees in this group shall report investments and business positions in business entities and income, including loans, gifts, and travel payments, from sources which manufacture, sell or design data processing equipment or related services of the type used by the designated employees department or division. **INFORMATION TECHNOLOGY**

Group 8: Designated employees in this group shall report investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources within the jurisdiction which manufacture, sell or supply equipment, including but not limited to horticulture, construction, craft, office and safety supplies and/or equipment of the type used by the designated employees department or division. **PARKS RECREATION & NEIGHBORHOODS / PUBLIC WORKS / UTILITIES DEPARTMENTS**

Group 9: Designated employees in this group shall report investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources which are involved in healthcare or vocational rehabilitation of the type used by the designated employees department or division. **HUMAN RESOURCES**

Group 10: Designated employees in this group shall report investments and business positions in business entities, and income, including loans, gifts, and travel payments, from sources which sell, manufacture, or distribute equipment and supplies for office, personnel or vehicles of the type used by the designated employees department or division. **POLICE**

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

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

Statutory Required Filers:

The following positions are not covered by this conflict of interest code because those individuals holding these positions must file under Government Code Section 87200 and, therefore, are listed for informational purposes only:

- Mayor
- Council Members
- City Manager
- City Attorney
- Planning Commissioners
- Treasurer/Finance Director

CONFLICT OF INTEREST CODE
OF THE
CITIZENS' TRANSPORTATION SALES TAX COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Citizens' Transportation Sales Tax Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

CITIZENS' TRANSPORTATION SALES TAX COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

CITIZENS' TRANSPORTATION SALES TAX COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

CONFLICT OF INTEREST CODE
OF THE
CITIZENS' SALARY SETTING COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Citizens' Salary Setting Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

CITIZENS' SALARY SETTING COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

CITIZENS' SALARY SETTING COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

CONFLICT OF INTEREST CODE
OF THE
DISTRICTING COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Districting Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

DISTRICTING COMMISSION
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

DISTRICTING COMMISSION
CONFLICT OF INTEREST CODE
EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

**CONFLICT OF INTEREST CODE
OF THE
CITY OF MODESTO**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes.

The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Board of Building Appeals.

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

OFFICE OF THE CITY ATTORNEY

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Assistant City Attorney	1
City Attorney	Statutory Filer
Consultant	1
Deputy City Attorney I, II	1
Senior Deputy City Attorney I, II	1
Senior Associate	1
Paralegal I, II / EEO Investigator	1

OFFICE OF THE CITY AUDITOR

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Auditor	1
Consultant	1

OFFICE OF THE CITY CLERK
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Assistant City Clerk	1
City Clerk	1
Consultant	1

OFFICE OF THE CITY MANAGER

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
City Manager	Statutory Filer
Deputy City Manager (2)	1
Budget Manager	1
Consultant(s)	1
Community and Media Relations Officer Public Information Coordinator	1
Administrative Analyst I, II	1

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Administrative Analyst I, II	4
Administrative Services Technician I, II	4
Assistant Civil Engineer	4
Associate Civil Engineer Assistant Chief Building Official	4
Assistant City Engineer	4
Assistant Engineer	4
Associate Engineer	4
Associate Civil Engineer	4
Assistant Planner	4
Associate Planner	4
Building Inspection Program Coordinator Supervisor	4
Building Inspector I, II	4
Building Safety Program Coordinator	4
Business Analyst	4
Business Center Manager	4
Chief Building Official	4
City Engineer	4
Code Enforcement Officer, I, II	4
Cultural Services Manager	4
Community Development Program Specialist I/II	4
Community Development Manager	4
Consultant	4
Development Services Technician I, II	4
Director of Community & Economic Development	4
Economic Development Marketing Specialist	4
Engineering Assistant 1/II	4
Environmental Review Specialist	4
Environmental Compliance Inspector I, II	4



Event Coordinator	4
Event Supervisor	4
Homeless Management Information System Coordinator	4
Homeless Management Information System Technician	4
Office Supervisor	4
Plans Examiner	4
Planning Manager	4
Principal Planner	4
Senior Building Inspector	4
Senior Civil Engineer	4
Senior Planner	4
Senior Transportation Planner	4
Senior Business Analyst	4
IFP Supervisor	4
Senior Community Development Program Specialist	4
Housing and Urban Development Supervisor	4
Housing Financial Specialist	4
Housing Rehabilitation Specialist I/II	4
Neighborhood Preservation Unit Supervisor	4



FINANCE DEPARTMENT
 CONFLICT OF INTEREST CODE
 APPENDIX "A"

<u>Designated Employee Positions</u>	<u>Disclosure Category</u>
Principal Accountant	1
Accounting Manager	1
Assistant Buyer (Purchasing Division)	1
Buyer/Senior Buyer	1
Customer Services Supervisor (2)	5
Customer Services Manager	1
Director of Finance	Statutory Filer
Budget Manager	1
Purchasing Manager	1
Stores Supervisor	5
Consultants	1
Senior Financial Analyst	5



FIRE DEPARTMENT
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Administrative Analyst	6
Apparatus Committee Members	6
Consultant	6
Deputy Fire Marshal	6
Fire Battalion Chief	6
Fire Chief	1
Fire Division Chief - Operations	6
Fire Division Chief -_Fire Marshal	6
Fire Division Chief- Support	6
<u>Senior Administrative Office Assistant</u>	<u>6</u>

ADMINISTRATIVE SERVICES/HUMAN RESOURCES DEPARTMENT

HUMAN RESOURCES

CONFLICT OF INTEREST CODE

APPENDIX "A"

Designated Positions	Disclosure Category
Risk and Loss Control Coordinator	9
Consultant	1
Human Resources Director	1
Risk Manager	9
Employee Benefits Manager	9
Employee Relations Coordinator	9
Human Resources Manager	9
Administrative Services Officer Organizational Development Coordinator	9

9



INFORMATION TECHNOLOGY DEPARTMENT

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chief Information Officer	1
Information Technology Manager	7
Principal Software Analyst	7
Senior Software Analyst	7
Principal Systems Engineer	7
Senior Systems Engineer	7
Principal Information Technology Administrator	7

PARKS, RECREATION AND NEIGHBORHOODS DEPARTMENT

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Director of Parks, Recreation and Neighborhoods	1
Recreation and Neighborhoods Services Manager	8
Administrative Analyst II	8
Consultant	1
Deputy Director—Recreation and Neighborhood Services	1
Parks Planning Project Coordinator and Development Manager	8
Parks Project Coordinator	8
Cultural Services Manager	8
Operations Manager	8
Recreation Program Manager	8
Recreation Supervisor-II	8
Parks Recreation Services Manager	1
Parks Planning Manager	8
Office Supervisor	8
Event Coordinator	8
Event Supervisor	8
Operations Supervisor	8

POLICE DEPARTMENT
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Public Safety Business Services Analyst	10
Chief of Police	1
Police Captain (3)	10
Police Lieutenant (8)	10
Assistant Police Chief	10
Police Civilian Manager	10

PUBLIC WORKS DEPARTMENT
 CONFLICT OF INTEREST CODE
 APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Administrative Analyst II	8
Administrative Services Technician I, II	1
Airport Manager	1
Assistant Engineer	8
Code Enforcement Officer I, II	1
Code Enforcement Supervisor	8
Compost Facility Supervisor	8
Consultant	1
Facilities Manager	1
Fleet Manager	8
Integrated Waste Specialist/Program Manager	8
Director of Public Works	1
Operations & Maintenance Supervisor	8
Operations Manager – Parks	4
Operations Manager – Streets/Airport/Fleet	1
Operations Supervisor	8
Parking Supervisor	8
Recycling Program Coordinator	8
Senior Civil Engineer	8
Solid Waste Enforcement Officer	8
Solid Waste Program Manager	8
Streets Manager	8
Traffic Engineer	1
Traffic Operations Engineer	1
Transit Manager	1



UTILITIES DEPARTMENT
 CONFLICT OF INTEREST CODE
 APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Administrative Analyst II	8
Associate Civil Engineer	8
Associate Land Surveyor	8
Construction Inspector	8
Consultant	1
Director of Utilities	1
Engineering Division Manager	1
Environmental Compliance Supervisor	8
Environmental & Water Quality Laboratory Supervisor	8
Environmental & Regulatory Compliance Manager	1
Property Agent	1
Senior Civil Engineer	1
Senior Construction Inspector	8
Supervising Construction Inspector	8
Wastewater Collections Manager	1
Wastewater Collection System Supervisor	8
Water Quality Control Plant Maintenance Supervisor	8
Water Quality Control Operations Supervisor	8
Water Quality Control Plant Manager	1
Water Distribution and Production Supervisor	8
Water Systems Manager	1
Sr. Land Surveyor	8
Water Operations Superintendent	1
Plant Maintenance Superintendent	1

**CONFLICT OF INTEREST CODE
OF THE
BOARD OF BUILDING APPEALS
OF THE CITY OF MODESTO**

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

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

BOARD OF BUILDING APPEALS

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

BOARD OF BUILDING APPEALS
CONFLICT OF INTEREST CODE
EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.)

**CONFLICT OF INTEREST CODE
OF THE
BOARD OF ZONING ADJUSTMENT**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) that contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Board of Zoning Adjustment.

Designated employees and officials shall file their statements with the Office of the City Clerk who will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

BOARD OF ZONING ADJUSTMENT
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

BOARD OF ZONING ADJUSTMENT

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

**CONFLICT OF INTEREST CODE
OF THE
CITIZENS HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Citizens Housing and Community Development Committee.

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

CITIZENS HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Committee Members	1
Consultant	1

CITIZENS HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

CONFLICT OF INTEREST CODE
OF THE
CITIZENS' SALARY SETTING COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Citizens' Salary Setting Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

CITIZENS' SALARY SETTING COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

CITIZENS' SALARY SETTING COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

2092455.2

CONFLICT OF INTEREST CODE
OF THE
CITIZENS' TRANSPORTATION SALES TAX COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Citizens' Transportation Sales Tax Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

CITIZENS' TRANSPORTATION SALES TAX COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

CITIZENS' TRANSPORTATION SALES TAX COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

2992454.2

**CONFLICT OF INTEREST CODE
OF THE
DISABLED ACCESS APPEALS BOARD**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Disabled Assess Appeals Board.

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

DISABLED ACCESS APPEALS BOARD

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

DISABLED ACCESS APPEALS BOARD

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

CONFLICT OF INTEREST CODE
OF THE
DISTRICTING COMMISSION
OF THE CITY OF MODESTO

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Districting Commission.

Designated employees/members shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees/members will be retained by the Office of the City Clerk.

DISTRICTING COMMISSION
CONFLICT OF INTEREST CODE
APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Board Members	1
Consultant	1

DISTRICTING COMMISSION
CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

2992456.2

**CONFLICT OF INTEREST CODE
OF THE
ENTERTAINMENT COMMISSION
OF THE CITY OF MODESTO**

The Political Reform Act (Government Code Section 8100, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Entertainment Commission.

Designated employees shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated employees will be retained by the Office of the City Clerk.

ENTERTAINMENT COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Committee Members	1
Consultant	1

ENTERTAINMENT COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated employee by virtue of the employee's position.

Group 1: Designated employees in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

**CONFLICT OF INTEREST CODE
OF THE
HOUSING REHABILITATION LOAN COMMITTEE
OF THE CITY OF MODESTO**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Housing Rehabilitation Loan Committee.

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

HOUSING REHABILITATION LOAN COMMITTEE

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Committee Members	1
Consultant	1

HOUSING REHABILITATION LOAN COMMITTEE

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

**CONFLICT OF INTEREST CODE
OF THE
LANDMARK PRESERVATION COMMISSION
OF THE CITY OF MODESTO**

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes.

The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. 18730) which contains the terms of a standard conflict of interest code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the conflict of interest code of the Landmark Preservation Commission.

Designated employees and officials shall file their statements with the Office of the City Clerk which will make the statements available for public inspection and reproduction. (Gov. Code Section 81008). Statements for all designated officials will be retained by the Office of the City Clerk.

LANDMARK PRESERVATION COMMISSION

CONFLICT OF INTEREST CODE

APPENDIX "A"

<u>Designated Positions</u>	<u>Disclosure Category</u>
Chairperson, All Committee Members	1
Consultant	1

LANDMARK PRESERVATION COMMISSION

CONFLICT OF INTEREST CODE

EXHIBIT "B"

Disclosure Categories

An investment, interest in real property, or income is reportable if the business entity in which the investment is held, the interest in real property, or the income, or source of income may foreseeably be affected materially by any decision made or participated in by the designated official by virtue of his or her position.

Group 1: Individuals in this group shall report all business positions, all investments, interests in real property, income, loans or gifts from individuals or businesses - Schedules A, B, C, D, E and F - from all sources located in or doing business within the jurisdiction. (Real property shall be deemed to be "within the jurisdiction" if the property or any part of it is located within or not more than two miles outside the boundaries of the city or within two miles of any land owned or used by the City.) A consultant designated under this category is required to file their economic disclosure form with the Clerk at the beginning and at the end of their contract term.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-384**

**RESOLUTION ACCEPTING A DONATION OF UP TO 12 LUCAS CHEST
COMPRESSION DEVICES FROM THE MOUNTAIN-VALLEY EMS AGENCY
SYSTEM ENHANCEMENT FUNDS**

WHEREAS, the LUCAS Chest Compression device has been utilized within Stanislaus County as a pilot study, which began on November 1, 2017, by the Modesto Fire Department and Stanislaus Consolidated Fire Protection District, and

WHEREAS, the LUCAS device is designed to help improve outcomes for sudden cardiac arrest victims and improve operations for medical responders, and

WHEREAS, Modesto Fire has utilized the device on a total of 26 cardiac arrest calls and is stored on Engine 1 and Engine 5, and

WHEREAS, a request from the Mountain Valley Emergency Medical Services Agency to purchase LUCAS Chest Compression devices was approved by the Emergency Medical Services Committee (EMSC) and brought before the Stanislaus County Board of Supervisors on July 31, 2018 for their approval to utilize system enhancement funds for the purchase of 50 LUCAS Chest Compression devices for use by all public fire agencies and hospital district ambulance providers, and

WHEREAS, the request was approved unanimously, and

WHEREAS, the acceptance of a donation of up to 12 LUCAS devices would be an immediate infusion of life-saving equipment into the Modesto Fire Department valued at more than \$200,000, and

WHEREAS, this would provide a better service to our citizens as each of our apparatus would then carry a LUCAS device for use when responding to a cardiac event.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto

that it hereby accepts a donation of up to 12 LUCAS Chest Compression devices from the Mountain-Valley EMS Agency system enhancement funds.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-385**

RESOLUTION APPROVING LEGAL SERVICES AGREEMENTS WITH THE LAW OFFICE OF TERRY ROEMER, OAKLAND, CA; SHAW LAW GROUP, PC, SACRAMENTO, CA; AND AMY OPPENHEIMER, BERKELEY, CA TO CONDUCT CITYWIDE ADMINISTRATIVE INVESTIGATIONS ON AN AS NEEDED BASIS AND CONSULTANT AGREEMENTS WITH ROBERT SARHAD INVESTIGATIONS, TURLOCK, CA; ARMISTEAD RESEARCH AND INVESTIGATIONS, PINOLE, CA; DAVE YOUNG AND ASSOCIATES, HUGHSON, CA, MUNICIPAL RESOURCE GROUP, LLC, WILTON, CA AND DR ASSOCIATES INTERNATIONAL, DAVIS, CA, FOR CONDUCTING CITYWIDE ADMINISTRATIVE INVESTIGATIONS ON AN AS NEEDED BASIS, FOR TWO YEAR AGREEMENTS IN AN AMOUNT NOT TO EXCEED \$100,000 EACH, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENTS

WHEREAS, the City conducts internal and external administrative investigations into possible employee misconduct that may lead to discipline, and

WHEREAS, investigations range in complexity and include comprehensive interviews of witnesses and potential subjects of the alleged wrong-doing and the interviewer must comply with various legal standards, and

WHEREAS, the City has utilized the services of outside agencies to conduct some of their administrative investigations, and

WHEREAS, with approval from the City Manager, the Human Resources Department sent out a Request for Proposals (RFP) for confidential administrative investigative services, and

WHEREAS, in partnership with the City Attorney's Office, all proposals have been reviewed and staff recommends contracts with multiple investigative firms, affording the City the specialized expertise needed to address the various investigative issues that arise during the term of these agreements, and

WHEREAS, the selection for vendors conforms to Modesto Municipal Code 8-3.204 (a) as they are providing professional legal services.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Modesto hereby approves Legal Services Agreements with the Law Office of Terry Roemer, Oakland, CA; Shaw Law Group, PC, Sacramento, CA; and Amy Oppenheimer, Berkeley, CA to conduct citywide Administrative Investigations on an as needed basis and Consultant Agreements with Robert Sarhad Investigations, Turlock, CA; Armistead Research and Investigations, Pinole, CA; Dave Young and Associates, Hughson, CA, Municipal Resource Group, LLC, Wilton, CA and DR Associates International, Davis, CA, for conducting citywide Administrative Investigations on an as needed basis, for two year agreements in an amount not to exceed \$100,000 each, as provided in **Exhibit A attached** hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the contracts in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

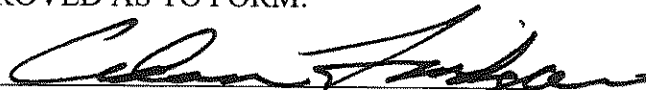
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

LEGAL SERVICES AGREEMENT

This Agreement for Legal Services (this “**Agreement**”) is made and entered into on the ___ day of ___, 2018 (“**Effective Date**”), by and between the **CITY OF MODESTO**, a California Municipal Corporation (“**CITY**”), located at 1010 Tenth Street, Sixth Floor, Modesto, California 95353 and **AMY OPPENHEIMER**, (“**Attorney**”), located at 1442 A Walnut Street, #234, Berkeley, California 94709. City and Attorney are hereinafter collectively referred to as the “**Parties**,” and singularly as a “**Party**.”

RECITALS

WHEREAS, City desires to obtain Attorney’s services for legal advice, representation and assistance on matters involving personnel and administrative investigations; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement.

NOW, THEREFORE it is hereby agreed as follows:

1. Services.

- a. Scope of Work:** Subject to the terms and conditions set forth in this Agreement, Attorney shall provide to City the following services (“**Services**”):

Personnel and Administrative Investigations

Attorney shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Attorney notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Attorney estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

- b. Term:** This Agreement shall become effective on the Effective Date, and shall continue for a two year term to September 11, 2020 unless sooner terminated as provided in Section 7.

2. Fees and Costs.

- a. Hourly Rates:**

Amy Oppenheimer & Lisa Brewer	\$380	per hour
Caroline Schuyler, Christina Ro-Connolly, & David Marek	\$330	per hour
Alezah Trigueros, Zaneta Butsher Seidel, & Dave Stallard	\$280	per hour
Writer/Editor	\$180	per hour
Paralegal	\$120	per hour

The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “**Services**”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed an amount of one hundred thousand dollars (\$100,000).

b. Reimbursable Expenses. City shall reimburse Attorney for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Attorney will not charge City for the cost of telephone calls. Litigation costs and expenses for statutory fees, witness fees, reporters’ per diem and stenographic transcriptions, jury fees, and the expenses of serving process shall be advanced by Attorney and reimbursed by City. Expert consultants and witnesses may be retained by Attorney on terms acceptable to City, approved in advance by email or letter by the City Representative (as defined hereafter), in which case City shall reimburse Attorney or pay such consultants or experts directly.

c. Billing:

i. Legal billings shall be submitted to City every thirty (30) days unless otherwise advised. Bills shall be submitted to:

City Attorney
1010 Tenth Street, Suite 6300
Modesto, CA 95354

ii. Each task shall be distinctly and completely identified. In litigation matters, such as this, City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.

iii. Costs under \$1,000.00 shall be paid by Attorney and submitted with their normal billing.

iv. City reserves the right to audit all invoices.

v. Payments to Attorney shall be made within a reasonable time after receipt

of Attorney's invoice, generally within sixty (60) days of receipt. Attorney shall be responsible for supplying all documentation necessary to verify the monthly billings to the satisfaction of City.

- vi. In addition to the provisions stated elsewhere in this Agreement regarding the payment of fees, billing and budgeting, the following guidelines for billing apply:
- (1) City expects each individual working on the matter for which Attorney is retained to have the necessary experience to perform the services required to protect or pursue City's interests in the matter in a cost effective manner, consistent with high professional and ethical standards.
 - (2) City expects Attorney to select the individual most suitable for the task required and the specific needs of the matter, and to use the maximum efficiencies available. Billings for services performed by the inappropriate level of personnel will be reduced by City based on rate adjustments for the appropriate level of personnel.
 - (3) City will not pay for unnecessary review of texts, codes, rules of court, or other fundamental references. City will pay the hourly rate for specific legal research which is unique to the matter, assuming that Attorney has used maximum efficiencies and that Attorney has not already recently performed research in the same or very similar areas of law.
 - (4) City acknowledges the benefit of communications between attorneys in the firm. City does, however, expect that intra-office conferences will only be held as needed, and will be kept to a minimum. Intra-office conferences shall be for the purpose of discussing strategy and legal issues which directly further the matter. City will not pay for conferences which are supervisory, instructional or administrative. Any invoice which lists an intra-office conference that does not meet these guidelines must contain a full explanation and is subject to reduction by City. City will not pay for "team meetings" and City will scrutinize all intra-office conferences for "value added" to the matter by the conference, for the number of individuals attending the conference, the length of the conference, the subjects discussed at the conference and who participated in it, and will, in City's sole discretion, determine if such value has been added.
 - (5) City will not pay for local telephone calls, incoming facsimiles, postage, time spent on filing, calendaring, indexing pleadings,

conferences with Clerks of court or court reporters, proofreading, re-drafting due to substandard work, or opening, organizing or closing files. City will not pay for time billed by summer interns or associates, time for more than one individual to attend a trial, hearing, court appearance, arbitration, mediation, deposition, third party meeting, conference call or similar event, unless otherwise approved by City in advance.

- (6) Vague billing which does not contain sufficient information to allow City's reviewer of the invoice to determine the nature of the task, the reason for the task, and the individual performing the task is subject to reduction by City.
- (7) City will not reimburse for overtime, word processing, supplies, anything identified on an invoice as "miscellaneous," or any other unidentified charges.

d. Budget:

- i. Within ten (10) days of the Effective Date, Attorney shall provide City with a proposed budget for the Services to be rendered pursuant to this Agreement. If Services involve tasks that have not yet been assigned by City, Attorney shall provide City with a proposed budget for all assigned new tasks with ten (10) days of receiving written notice from the City assigning Attorney the new task. Total compensation for all tasks under this Agreement shall not exceed the total compensation under Section 2 of this Agreement. The budget shall include all projected fees and costs to be incurred by Attorney and necessary for completion of the Services necessary to conclude the representation. The budget shall be a good faith estimate and shall be as complete and detailed as reasonable possible, including such things as discovery and motions for trial, preparation of documents for transactional services, and anticipated research and investigations. The proposed budget shall identify the projected total hours that will be billed to each task, and the individual that are anticipated to be performing the task. Any deviation from the budget in excess of ten percent (10%), must be approved in advance by the City Attorney or designee. Notwithstanding the foregoing, Should it become reasonably apparent to Attorney that the actual billings will exceed Attorney's initial estimate of anticipated legal costs and fees, Attorney shall immediately notify City thereof in advance and shall submit a revised written estimate for City's approval.

3. Reporting.

- a. Attorney shall provide City with a preliminary status report and evaluation within thirty (30) days of the Effective Date and the assignment of such task which report shall include an evaluation of the likelihood the City will prevail, the total exposure to the City if it loses, major strengths and weaknesses in the City's defense, and a budget of the anticipated total costs and fees for Attorney and experts through trial. Thereafter, Attorney shall provide a status update to the City representative, as defined in Section 4, every sixty (60) days on any matter under this Agreement.
- b. Attorney shall provide to City representative an electronic version of all agreement, pleadings, motions, and discovery documents filed or propounded by Attorney in a Microsoft Word format compatible with that used by the City Attorney's office.
- c. In the event that Attorney's handling of the above-designated matter exceeds a period of twenty-four (24) months, Attorney shall, in addition to providing regular status reports to City, also report directly to the City representative on an annual basis and no later than March 30th of each year, setting forth in detail the status of the matter, and Attorney's plan for further handling of the matter, and the estimated length of time to conclude the matter.

4. City Representative. The City Attorney, or the City Attorney's designee, shall be the "City Representative" under this Agreement and shall administer this Agreement for City, including any payments hereunder. All Attorney questions pertaining to this Agreement shall be referred to the City Representative or the Representative's designee.

5. Insurance Requirements. During the entire term of this Agreement, Attorney shall maintain the following insurance:

- a. **Minimum Scope of Insurance:** Coverage should be at least as broad as:
 - i. Insurance Services Office Form No. CG 0001 (Commercial General Liability);
 - ii. Insurance Services Office Form No. CA 0001 (Ed. 1/87) (Automobile Liability, Code "any auto");
 - iii. Workers' Compensation as required by the Labor Code of the State of California, and Employers' Liability Insurance;
 - iv. Professional Liability (Errors and Omissions) insurance against loss due to error, omission or malpractice.

- b. Minimum Limits of Insurance:** Attorney shall maintain limits no less than:
- i. Commercial General Liability:** \$1,000,000 combined single limit per occurrence, including endorsements for contractual liabilities, broad form property damage and personal injury.
 - ii. Automobile Liability:** \$1,000,000 combined single limit per accident for personal injury and property damage arising from owned, hired and non-owned vehicles.
 - iii. Workers' Compensation and Employers' Liability:** Workers' compensation limits as required by the Labor Code of the State of California and Employers' Liability limits of \$1,000,000 per accident.
 - iv. Professional Liability (Errors and Omissions):** \$2,000,000 combined single limit per occurrence.
- c. Deductibles and Self-Insured Retentions:** Any deductibles or self-insured retentions must be declared to and approved by the City.
- d. Other Insurance Provisions:** The policies are to contain, or be endorsed to contain, the following provisions:
- i. General Liability and Automobile Liability Coverages:**
 - (1)** The General Liability and Automobile Liability policies shall be written on an occurrence form and shall name City, its officers, officials, agents, employees and volunteers as additional insureds. Such policy(ies) of insurance shall be endorsed so that Attorney's insurance shall be primary and any insurance or self-insurance maintained by City, its officials, employees or volunteers shall be in excess of Attorney's insurance and shall not contribute with it.
 - (2)** Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.
 - (3)** Coverage shall state that Attorney's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - ii. All Coverages:**
 - (1)** Each insurance policy required by this Agreement shall be endorsed to state that coverages shall not be canceled except after thirty (30) days prior written notice has been given to City. In

addition, Attorney agrees that it shall not reduce its coverage or limits on any such policy except after thirty (30) days prior written notice has been given to City and City approves the reduction in coverage or limits. Attorney further agrees that it shall not increase any deductibles or self-insured retentions on any such policy except after thirty (30) days prior written notice has been given to City and City approves such increase.

- (2) In the event claims made forms are used for any Professional Liability coverage, either (i) the policy(ies) shall be endorsed to provide not less than a five (5) year discovery period, or (ii) the coverage shall be maintained for a minimum of five (5) years following the termination of this Agreement and the requirements of this section relating to such coverage shall survive termination or expiration of this Agreement. Attorney shall furnish City with the certificate(s) and applicable endorsements for ALL required insurance prior to City's execution of this Agreement.
- e. **Acceptability of Insurers:** Insurance shall be placed with insurers with a Bests' rating of no less than A:VII. This requirement may, however, be waived in individual cases for Errors and Omissions Coverages only; provided, however, that in no event shall a carrier with a rating below B:IX be acceptable.
- f. **Verification of Coverage:** Attorney shall furnish City with certificates of insurance showing compliance with the above requirements and with original endorsements affecting all coverages required by this Agreement both prior to the execution of this Agreement, and during the pendency of this Agreement at any time upon request by City. The certificates and/or endorsements shall set forth a valid policy number for City, and shall indicate the Issue Date, Effective Date and Expiration Date. The certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements shall be forwarded to the City Representative.
- g. **Payment Withhold:** City shall withhold payments to Attorney if the certificates of insurance and endorsements required in this section are canceled or Attorney otherwise ceases to be insured as required herein.

6. Indemnification.

- a. **Indemnity:** Attorney shall fully indemnify and save harmless, City, its officers and employees, including without limitation the City Attorney, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by City's

staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as “**Liabilities**”), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether or not the City, its officers or employees reviewed, accepted or approved any service or work product performed or provided by the Attorney, and whether or not such Liabilities are litigated, settled or reduced to judgment.

- b. Obligation to Defend:** Attorney shall, upon City’s request, defend at Attorney’s sole cost any action, claim, suit, cause of action or portion thereof which asserts or alleges Liabilities to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its sub-attorneys, subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether such action, claim, suit, cause of action or portion thereof is well founded or not.

- c. Insurance Policies; Intellectual Property Claims:** The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City’s rights under this section, nor shall the limits of such insurance limit the liability of Attorney hereunder. This section shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 4 (Confidentiality of City Information) above. The provisions of this section shall survive any expiration or termination of this Agreement.

7. Termination.

- a. By City.** City may terminate this Agreement at any time by written notice. After receiving such notice, Attorney will cease providing services. Attorney will cooperate with City in the orderly transfer of all related files and records to your new counsel.

- b. By Attorney.** Attorney may terminate this Agreement at any time with City’s consent or for good cause. Attorney may terminate this Agreement for any reason by giving to City Attorney not less than sixty (60) days prior written notice of termination. The notice shall specify the effective date of and reason for the termination. Good cause exists if (a) any statement is not paid within ninety (90) days of its receipt; (b) City fails to meet any other obligation under this Agreement and continues in that failure for 15 days after Attorney sends written notice to City; (c) City has misrepresented or failed to disclose material facts to Attorney, refused to cooperate with Attorney, refused to follow Attorney’s advice on a material matter, or otherwise made Attorney’s representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal

profession mandate or permit termination, including situations where a conflict of interest arises. If Attorney terminates Services, City agrees to execute a substitution of attorneys promptly and otherwise cooperate in effecting that termination.

Termination of this Agreement, whether by City or by Attorney, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

8. General Provisions.

a. Independent Contractor.

- i.** It is understood and agreed that Attorney (including Attorney's employees) is an independent contractor and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. Neither Attorney nor Attorney's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Attorney under the provisions of this Agreement, and Attorney shall be issued an IRS Form 1099 for its services hereunder. As an independent contractor, Attorney hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Attorney's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement.
- ii.** It is further understood and agreed by the Parties hereto that Attorney, in the performance of its obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished by the Services agreed to be rendered and performed under this Agreement, but not as to the means, methods, or sequence used by Attorney for accomplishing such results. To the extent that Attorney obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Attorney's sole discretion based on the Attorney's determination that such use will promote Attorney's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Attorney use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

iii. If, in the performance of this Agreement, any third persons are employed by Attorney, such persons shall be entirely and exclusively under the direction, supervision, and control of Attorney. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Attorney. It is further understood and agreed that Attorney shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Attorney's assigned personnel and subcontractors.

b. **Licenses; Permits, Etc.:** Attorney represents and warrants that Attorney has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature which are legally required for Attorney to practice its profession or provide any services under the Agreement.

Attorney's Initial

Attorney represents and warrants that Attorney shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Attorney to practice its profession or provide such Services. Without limiting the generality of the foregoing, if Attorney is an out-of-state corporation, Attorney warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

c. **Conflicts of Interest.** Attorney represents and warrants that they have made a diligent effort to determine whether there are any actual or potential conflicts of interest that would preclude or interfere with Attorney's performance of this Agreement, and that no such conflict of interest exists. Attorney shall indemnify and hold harmless City from and against any and all liability, loss, expense and obligation arising directly or indirectly out of any breach of the foregoing representation and warranty. Attorney agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

d. **Confidentiality of City Information.** Attorney understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Attorney may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Attorney agree that all information disclosed by City to Attorney shall be held in confidence and used only in performance of the

services required by this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

- e. **Publicity.** The City Representative shall serve as the point of contact for press information regarding all matters performed by Attorney under this Agreement. If any publicity is generated by the subject matter of this representation, Attorney will consult with and obtain approval of the City Representative before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.
- f. **Disqualification of Judges.** At the option of the City Attorney, judges may be disqualified from hearing City litigation, and Attorney shall adhere to such decision of the City Attorney. In the event that Attorney is of the opinion that a judge ought to be disqualified, the City Attorney must be consulted in advance by Attorney, and Attorney must obtain the City Attorney's written consent to such disqualification.
- g. **Equal Employment Opportunity.** During the performance of this Agreement, Attorney, for itself, its assignees and successors in interest, agrees as follows:
 - i. **Compliance With Regulations:** Attorney shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations."
 - ii. **Nondiscrimination:** Attorney, with regards to the work performed pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Attorney shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- h. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- i. **Waiver.** Neither City acceptance of, or payment for, any Service or Additional Service performed by Attorney, nor any waiver by either Party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

- j. Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Stanislaus County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- k. Attorneys' Fees.** In any action to enforce the terms of this Agreement, the prevailing Party shall recover its reasonable attorneys' fees.
- l. Assignment Prohibited.** The expertise and experience of Attorney are material considerations for this Agreement. City has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on Attorney under this Agreement. In recognition of this interest, Attorney shall not assign any right or obligation pursuant to this Agreement without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
- m. Notice.** Any notice, demand, request, consent, approval, communication either Party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To: City of Modesto:
 Attention: City Attorney
 Contact Information:
 1010 Tenth Street, 6th Floor
 Modesto, CA 95353
 Phone: (209) 577-5288

To: Attorney:
 Attention: Amy Oppenheimer
 Contact Information:
 1442A Walnut Street, #234
 Berkeley, CA 94709
 Phone: (510) 393-4212

- 9. Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by Attorney, and by City, in accordance with applicable provision of the Modesto City Code.
- 10. Authority.** The person signing this Agreement for Attorney hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Attorney and

to bind Attorney to the performance of its obligations hereunder.

- 11. Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

**ATTORNEY:
AMY OPPENHEIMER**

Federal I.D. No.

State I.D. No.

City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
 Partnership
 Corporation
 Limited Liability Company
 Other (*please specify:* _____)

Signature of Authorized Person

Title

Additional Signature (*if required*)

Title

LEGAL SERVICES AGREEMENT

This Agreement for Legal Services (this “**Agreement**”) is made and entered into on the ___ day of ___, 2018 (“**Effective Date**”), by and between the **CITY OF MODESTO**, a California Municipal Corporation (“**CITY**”), located at 1010 Tenth Street, Sixth Floor, Modesto, California 95353 and **SHAW LAW GROUP, PC**, (“**Attorney**”), located at 425 University Avenue, Suite 200, Sacramento, California 95825. City and Attorney are hereinafter collectively referred to as the “**Parties**,” and singularly as a “**Party**.”

RECITALS

WHEREAS, City desires to obtain Attorney’s services for legal advice, representation and assistance on matters involving personnel and administrative investigations; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement.

NOW, THEREFORE it is hereby agreed as follows:

1. Services.

- a. Scope of Work:** Subject to the terms and conditions set forth in this Agreement, Attorney shall provide to City the following services (“**Services**”):

Personnel and Administrative Investigations

Attorney shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Attorney notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Attorney estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

- b. Term:** This Agreement shall become effective on the Effective Date, and shall continue for a two year term to September 11, 2020 unless sooner terminated as provided in Section 7.

2. Fees and Costs.

- a. Hourly Rates:**

\$300.00

per hour

The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “**Services**”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed an amount of one hundred thousand dollars (\$100,000).

- b. Reimbursable Expenses.** City shall reimburse Attorney for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Attorney will not charge City for the cost of telephone calls. Litigation costs and expenses for statutory fees, witness fees, reporters’ per diem and stenographic transcriptions, jury fees, and the expenses of serving process shall be advanced by Attorney and reimbursed by City. Expert consultants and witnesses may be retained by Attorney on terms acceptable to City, approved in advance by email or letter by the City Representative (as defined hereafter), in which case City shall reimburse Attorney or pay such consultants or experts directly.
- c. Billing:**
- i.** Legal billings shall be submitted to City every thirty (30) days unless otherwise advised. Bills shall be submitted to:
- City Attorney
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Modesto, CA 95354
- ii.** Each task shall be distinctly and completely identified. In litigation matters, such as this, City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.
- iii.** Costs under \$1,000.00 shall be paid by Attorney and submitted with their normal billing.
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- v.** Payments to Attorney shall be made within a reasonable time after receipt of Attorney’s invoice, generally within sixty (60) days of receipt. Attorney shall be responsible for supplying all documentation necessary to

verify the monthly billings to the satisfaction of City.

- vi. In addition to the provisions stated elsewhere in this Agreement regarding the payment of fees, billing and budgeting, the following guidelines for billing apply:
- (1) City expects each individual working on the matter for which Attorney is retained to have the necessary experience to perform the services required to protect or pursue City's interests in the matter in a cost effective manner, consistent with high professional and ethical standards.
 - (2) City expects Attorney to select the individual most suitable for the task required and the specific needs of the matter, and to use the maximum efficiencies available. Billings for services performed by the inappropriate level of personnel will be reduced by City based on rate adjustments for the appropriate level of personnel.
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- i. Within ten (10) days of the Effective Date, Attorney shall provide City with a proposed budget for the Services to be rendered pursuant to this Agreement. If Services involve tasks that have not yet been assigned by City, Attorney shall provide City with a proposed budget for all assigned new tasks with ten (10) days of receiving written notice from the City assigning Attorney the new task. Total compensation for all tasks under this Agreement shall not exceed the total compensation under Section 2 of this Agreement. The budget shall include all projected fees and costs to be incurred by Attorney and necessary for completion of the Services necessary to conclude the representation. The budget shall be a good faith estimate and shall be as complete and detailed as reasonable possible, including such things as discovery and motions for trial, preparation of documents for transactional services, and anticipated research and investigations. The proposed budget shall identify the projected total hours that will be billed to each task, and the individual that are anticipated to be performing the task. Any deviation from the budget in excess of ten percent (10%), must be approved in advance by the City Attorney or designee. Notwithstanding the foregoing, Should it become reasonably apparent to Attorney that the actual billings will exceed Attorney's initial estimate of anticipated legal costs and fees, Attorney shall immediately notify City thereof in advance and shall submit a revised written estimate for City's approval.

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- a. Attorney shall provide City with a preliminary status report and evaluation within thirty (30) days of the Effective Date and the assignment of such task which report shall include an evaluation of the likelihood the City will prevail, the total exposure to the City if it loses, major strengths and weaknesses in the City's defense, and a budget of the anticipated total costs and fees for Attorney and experts through trial. Thereafter, Attorney shall provide a status update to the City representative, as defined in Section 4, every sixty (60) days on any matter under this Agreement.
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- a. **Minimum Scope of Insurance:** Coverage should be at least as broad as:
 - i. Insurance Services Office Form No. CG 0001 (Commercial General Liability);
 - ii. Insurance Services Office Form No. CA 0001 (Ed. 1/87) (Automobile Liability, Code "any auto");
 - iii. Workers' Compensation as required by the Labor Code of the State of California, and Employers' Liability Insurance;
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 - iv. **Professional Liability (Errors and Omissions):** \$2,000,000 combined single limit per occurrence.
- c. **Deductibles and Self-Insured Retentions:** Any deductibles or self-insured retentions must be declared to and approved by the City.
- d. **Other Insurance Provisions:** The policies are to contain, or be endorsed to contain, the following provisions:
- i. **General Liability and Automobile Liability Coverages:**
 - (1) The General Liability and Automobile Liability policies shall be written on an occurrence form and shall name City, its officers, officials, agents, employees and volunteers as additional insureds. Such policy(ies) of insurance shall be endorsed so that Attorney's insurance shall be primary and any insurance or self-insurance maintained by City, its officials, employees or volunteers shall be in excess of Attorney's insurance and shall not contribute with it.
 - (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.
 - (3) Coverage shall state that Attorney's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
 - ii. **All Coverages:**
 - (1) Each insurance policy required by this Agreement shall be endorsed to state that coverages shall not be canceled except after thirty (30) days prior written notice has been given to City. In

addition, Attorney agrees that it shall not reduce its coverage or limits on any such policy except after thirty (30) days prior written notice has been given to City and City approves the reduction in coverage or limits. Attorney further agrees that it shall not increase any deductibles or self-insured retentions on any such policy except after thirty (30) days prior written notice has been given to City and City approves such increase.

- (2) In the event claims made forms are used for any Professional Liability coverage, either (i) the policy(ies) shall be endorsed to provide not less than a five (5) year discovery period, or (ii) the coverage shall be maintained for a minimum of five (5) years following the termination of this Agreement and the requirements of this section relating to such coverage shall survive termination or expiration of this Agreement. Attorney shall furnish City with the certificate(s) and applicable endorsements for ALL required insurance prior to City's execution of this Agreement.
- e. **Acceptability of Insurers:** Insurance shall be placed with insurers with a Bests' rating of no less than A:VII. This requirement may, however, be waived in individual cases for Errors and Omissions Coverages only; provided, however, that in no event shall a carrier with a rating below B:IX be acceptable.
- f. **Verification of Coverage:** Attorney shall furnish City with certificates of insurance showing compliance with the above requirements and with original endorsements affecting all coverages required by this Agreement both prior to the execution of this Agreement, and during the pendency of this Agreement at any time upon request by City. The certificates and/or endorsements shall set forth a valid policy number for City, and shall indicate the Issue Date, Effective Date and Expiration Date. The certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements shall be forwarded to the City Representative.
- g. **Payment Withhold:** City shall withhold payments to Attorney if the certificates of insurance and endorsements required in this section are canceled or Attorney otherwise ceases to be insured as required herein.

6. **Indemnification.**

- a. **Indemnity:** Attorney shall fully indemnify and save harmless, City, its officers and employees, including without limitation the City Attorney, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by City's

staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as “**Liabilities**”), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether or not the City, its officers or employees reviewed, accepted or approved any service or work product performed or provided by the Attorney, and whether or not such Liabilities are litigated, settled or reduced to judgment.

- b. Obligation to Defend:** Attorney shall, upon City’s request, defend at Attorney’s sole cost any action, claim, suit, cause of action or portion thereof which asserts or alleges Liabilities to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its sub-attorneys, subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether such action, claim, suit, cause of action or portion thereof is well founded or not.

- c. Insurance Policies; Intellectual Property Claims:** The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City’s rights under this section, nor shall the limits of such insurance limit the liability of Attorney hereunder. This section shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 4 (Confidentiality of City Information) above. The provisions of this section shall survive any expiration or termination of this Agreement.

7. Termination.

- a. By City.** City may terminate this Agreement at any time by written notice. After receiving such notice, Attorney will cease providing services. Attorney will cooperate with City in the orderly transfer of all related files and records to your new counsel.

- b. By Attorney.** Attorney may terminate this Agreement at any time with City’s consent or for good cause. Attorney may terminate this Agreement for any reason by giving to City Attorney not less than sixty (60) days prior written notice of termination. The notice shall specify the effective date of and reason for the termination. Good cause exists if (a) any statement is not paid within ninety (90) days of its receipt; (b) City fails to meet any other obligation under this Agreement and continues in that failure for 15 days after Attorney sends written notice to City; (c) City has misrepresented or failed to disclose material facts to Attorney, refused to cooperate with Attorney, refused to follow Attorney’s advice on a material matter, or otherwise made Attorney’s representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal

profession mandate or permit termination, including situations where a conflict of interest arises. If Attorney terminates Services, City agrees to execute a substitution of attorneys promptly and otherwise cooperate in effecting that termination.

Termination of this Agreement, whether by City or by Attorney, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

8. General Provisions.

a. Independent Contractor.

- i.** It is understood and agreed that Attorney (including Attorney's employees) is an independent contractor and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. Neither Attorney nor Attorney's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Attorney under the provisions of this Agreement, and Attorney shall be issued an IRS Form 1099 for its services hereunder. As an independent contractor, Attorney hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Attorney's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement.
- ii.** It is further understood and agreed by the Parties hereto that Attorney, in the performance of its obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished by the Services agreed to be rendered and performed under this Agreement, but not as to the means, methods, or sequence used by Attorney for accomplishing such results. To the extent that Attorney obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Attorney's sole discretion based on the Attorney's determination that such use will promote Attorney's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Attorney use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

iii. If, in the performance of this Agreement, any third persons are employed by Attorney, such persons shall be entirely and exclusively under the direction, supervision, and control of Attorney. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Attorney. It is further understood and agreed that Attorney shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Attorney's assigned personnel and subcontractors.

b. **Licenses; Permits, Etc.:** Attorney represents and warrants that Attorney has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature which are legally required for Attorney to practice its profession or provide any services under the Agreement.

Attorney's Initial

Attorney represents and warrants that Attorney shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Attorney to practice its profession or provide such Services. Without limiting the generality of the foregoing, if Attorney is an out-of-state corporation, Attorney warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

c. **Conflicts of Interest.** Attorney represents and warrants that they have made a diligent effort to determine whether there are any actual or potential conflicts of interest that would preclude or interfere with Attorney's performance of this Agreement, and that no such conflict of interest exists. Attorney shall indemnify and hold harmless City from and against any and all liability, loss, expense and obligation arising directly or indirectly out of any breach of the foregoing representation and warranty. Attorney agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

d. **Confidentiality of City Information.** Attorney understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Attorney may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Attorney agree that all information disclosed by City to Attorney shall be held in confidence and used only in performance of the

services required by this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

- e. **Publicity.** The City Representative shall serve as the point of contact for press information regarding all matters performed by Attorney under this Agreement. If any publicity is generated by the subject matter of this representation, Attorney will consult with and obtain approval of the City Representative before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.
- f. **Disqualification of Judges.** At the option of the City Attorney, judges may be disqualified from hearing City litigation, and Attorney shall adhere to such decision of the City Attorney. In the event that Attorney is of the opinion that a judge ought to be disqualified, the City Attorney must be consulted in advance by Attorney, and Attorney must obtain the City Attorney's written consent to such disqualification.
- g. **Equal Employment Opportunity.** During the performance of this Agreement, Attorney, for itself, its assignees and successors in interest, agrees as follows:
 - i. **Compliance With Regulations:** Attorney shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations."
 - ii. **Nondiscrimination:** Attorney, with regards to the work performed pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Attorney shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- h. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- i. **Waiver.** Neither City acceptance of, or payment for, any Service or Additional Service performed by Attorney, nor any waiver by either Party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

- j. Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Stanislaus County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- k. Attorneys' Fees.** In any action to enforce the terms of this Agreement, the prevailing Party shall recover its reasonable attorneys' fees.
- l. Assignment Prohibited.** The expertise and experience of Attorney are material considerations for this Agreement. City has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on Attorney under this Agreement. In recognition of this interest, Attorney shall not assign any right or obligation pursuant to this Agreement without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
- m. Notice.** Any notice, demand, request, consent, approval, communication either Party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To: City of Modesto:
 Attention: City Attorney
 Contact Information:
 1010 Tenth Street, 6th Floor
 Modesto, CA 95353
 Phone: (209) 577-5288

To: Attorney:
 Attention: Jennifer Shaw
 Contact Information:
 425 University Ave., Suite 200
 Sacramento, CA 95825
 Phone: (916)640-2240

- 9. Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by Attorney, and by City, in accordance with applicable provision of the Modesto City Code.
- 10. Authority.** The person signing this Agreement for Attorney hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Attorney and

to bind Attorney to the performance of its obligations hereunder.

- 11. Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

**ATTORNEY:
SHAW LAW GROUP, PC**

Federal I.D. No.

State I.D. No.

City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify:* _____)

Signature of Authorized Person

Title

Additional Signature (*if required*)

Title

LEGAL SERVICES AGREEMENT

This Agreement for Legal Services (this “**Agreement**”) is made and entered into on the ___ day of ___, 2018 (“**Effective Date**”), by and between the **CITY OF MODESTO**, a California Municipal Corporation (“**CITY**”), located at 1010 Tenth Street, Sixth Floor, Modesto, California 95353 and **LAW OFFICE OF TERRY ROEMER**, (“**Attorney**”), located at 6114 LaSalle Avenue, #176, Oakland, California 94611. City and Attorney are hereinafter collectively referred to as the “**Parties**,” and singularly as a “**Party**.”

RECITALS

WHEREAS, City desires to obtain Attorney’s services for legal advice, representation and assistance on matters involving personnel and administrative investigations; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by this Agreement.

NOW, THEREFORE it is hereby agreed as follows:

1. **Services.**

- a. **Scope of Work:** Subject to the terms and conditions set forth in this Agreement, Attorney shall provide to City the following services (“**Services**”):

Personnel and Administrative Investigations

Attorney shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Attorney notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Attorney estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

- b. **Term:** This Agreement shall become effective on the Effective Date, and shall continue for a two year term to September 11, 2020 unless sooner terminated as provided in Section 7.

2. **Fees and Costs.**

- a. **Hourly Rates:**

Terry Roemer \$290.00 per hour

The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “**Services**”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed an amount of one hundred thousand dollars (\$100,000).

b. Reimbursable Expenses. City shall reimburse Attorney for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Attorney will not charge City for the cost of telephone calls. Litigation costs and expenses for statutory fees, witness fees, reporters’ per diem and stenographic transcriptions, jury fees, and the expenses of serving process shall be advanced by Attorney and reimbursed by City. Expert consultants and witnesses may be retained by Attorney on terms acceptable to City, approved in advance by email or letter by the City Representative (as defined hereafter), in which case City shall reimburse Attorney or pay such consultants or experts directly.

c. Billing:

i. Legal billings shall be submitted to City every thirty (30) days unless otherwise advised. Bills shall be submitted to:

City Attorney
1010 Tenth Street, Suite 6300
Modesto, CA 95354

ii. Each task shall be distinctly and completely identified. In litigation matters, such as this, City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.

iii. Costs under \$1,000.00 shall be paid by Attorney and submitted with their normal billing.

iv. City reserves the right to audit all invoices.

v. Payments to Attorney shall be made within a reasonable time after receipt of Attorney’s invoice, generally within sixty (60) days of receipt. Attorney shall be responsible for supplying all documentation necessary to

verify the monthly billings to the satisfaction of City.

vi. In addition to the provisions stated elsewhere in this Agreement regarding the payment of fees, billing and budgeting, the following guidelines for billing apply:

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 - (1) The General Liability and Automobile Liability policies shall be written on an occurrence form and shall name City, its officers, officials, agents, employees and volunteers as additional insureds. Such policy(ies) of insurance shall be endorsed so that Attorney's insurance shall be primary and any insurance or self-insurance maintained by City, its officials, employees or volunteers shall be in excess of Attorney's insurance and shall not contribute with it.
 - (2) Any failure to comply with reporting provisions of the policies shall not affect coverage provided to City, its officials, employees or volunteers.
 - (3) Coverage shall state that Attorney's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
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 - (1) Each insurance policy required by this Agreement shall be endorsed to state that coverages shall not be canceled except after thirty (30) days prior written notice has been given to City. In

addition, Attorney agrees that it shall not reduce its coverage or limits on any such policy except after thirty (30) days prior written notice has been given to City and City approves the reduction in coverage or limits. Attorney further agrees that it shall not increase any deductibles or self-insured retentions on any such policy except after thirty (30) days prior written notice has been given to City and City approves such increase.

- (2) In the event claims made forms are used for any Professional Liability coverage, either (i) the policy(ies) shall be endorsed to provide not less than a five (5) year discovery period, or (ii) the coverage shall be maintained for a minimum of five (5) years following the termination of this Agreement and the requirements of this section relating to such coverage shall survive termination or expiration of this Agreement. Attorney shall furnish City with the certificate(s) and applicable endorsements for ALL required insurance prior to City's execution of this Agreement.
- e. **Acceptability of Insurers:** Insurance shall be placed with insurers with a Bests' rating of no less than A:VII. This requirement may, however, be waived in individual cases for Errors and Omissions Coverages only; provided, however, that in no event shall a carrier with a rating below B:IX be acceptable.
 - f. **Verification of Coverage:** Attorney shall furnish City with certificates of insurance showing compliance with the above requirements and with original endorsements affecting all coverages required by this Agreement both prior to the execution of this Agreement, and during the pendency of this Agreement at any time upon request by City. The certificates and/or endorsements shall set forth a valid policy number for City, and shall indicate the Issue Date, Effective Date and Expiration Date. The certificates and endorsements for each insurance policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificates and endorsements shall be forwarded to the City Representative.
 - g. **Payment Withhold:** City shall withhold payments to Attorney if the certificates of insurance and endorsements required in this section are canceled or Attorney otherwise ceases to be insured as required herein.

6. Indemnification.

- a. **Indemnity:** Attorney shall fully indemnify and save harmless, City, its officers and employees, including without limitation the City Attorney, and each and every one of them, from and against all actions, damages, costs, liability, claims, losses, judgments, penalties and expenses of every type and description, including, but not limited to, any fees and/or costs reasonably incurred by City's

staff attorneys or outside attorneys and any fees and expenses incurred in enforcing this provision (hereafter collectively referred to as “**Liabilities**”), to which any or all of them may be subjected, to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether or not the City, its officers or employees reviewed, accepted or approved any service or work product performed or provided by the Attorney, and whether or not such Liabilities are litigated, settled or reduced to judgment.

- b. Obligation to Defend:** Attorney shall, upon City’s request, defend at Attorney’s sole cost any action, claim, suit, cause of action or portion thereof which asserts or alleges Liabilities to the extent such Liabilities are caused by or result from any negligent act or omission or willful misconduct of Attorney, its sub-attorneys, subcontractors or agents, and their respective officers and employees, in connection with the performance or nonperformance of this Agreement, whether such action, claim, suit, cause of action or portion thereof is well founded or not.

- c. Insurance Policies; Intellectual Property Claims:** The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City’s rights under this section, nor shall the limits of such insurance limit the liability of Attorney hereunder. This section shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 4 (Confidentiality of City Information) above. The provisions of this section shall survive any expiration or termination of this Agreement.

7. Termination.

- a. By City.** City may terminate this Agreement at any time by written notice. After receiving such notice, Attorney will cease providing services. Attorney will cooperate with City in the orderly transfer of all related files and records to your new counsel.

- b. By Attorney.** Attorney may terminate this Agreement at any time with City’s consent or for good cause. Attorney may terminate this Agreement for any reason by giving to City Attorney not less than sixty (60) days prior written notice of termination. The notice shall specify the effective date of and reason for the termination. Good cause exists if (a) any statement is not paid within ninety (90) days of its receipt; (b) City fails to meet any other obligation under this Agreement and continues in that failure for 15 days after Attorney sends written notice to City; (c) City has misrepresented or failed to disclose material facts to Attorney, refused to cooperate with Attorney, refused to follow Attorney’s advice on a material matter, or otherwise made Attorney’s representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal

profession mandate or permit termination, including situations where a conflict of interest arises. If Attorney terminates Services, City agrees to execute a substitution of attorneys promptly and otherwise cooperate in effecting that termination.

Termination of this Agreement, whether by City or by Attorney, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

8. General Provisions.

a. Independent Contractor.

- i.** It is understood and agreed that Attorney (including Attorney's employees) is an independent contractor and that no relationship of employer-employee exists between the Parties hereto for any purpose whatsoever. Neither Attorney nor Attorney's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Attorney under the provisions of this Agreement, and Attorney shall be issued an IRS Form 1099 for its services hereunder. As an independent contractor, Attorney hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Attorney's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any Services under this Agreement.
- ii.** It is further understood and agreed by the Parties hereto that Attorney, in the performance of its obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished by the Services agreed to be rendered and performed under this Agreement, but not as to the means, methods, or sequence used by Attorney for accomplishing such results. To the extent that Attorney obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Attorney's sole discretion based on the Attorney's determination that such use will promote Attorney's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Attorney use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

iii. If, in the performance of this Agreement, any third persons are employed by Attorney, such persons shall be entirely and exclusively under the direction, supervision, and control of Attorney. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Attorney. It is further understood and agreed that Attorney shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Attorney's assigned personnel and subcontractors.

b. **Licenses; Permits, Etc.:** Attorney represents and warrants that Attorney has all licenses, permits, City Business Operations Tax Certificate, qualifications, and approvals of whatsoever nature which are legally required for Attorney to practice its profession or provide any services under the Agreement.

Attorney's Initial

Attorney represents and warrants that Attorney shall, at its sole cost and expense, keep in effect or obtain at all times during the term of this Agreement any licenses, permits, and approvals which are legally required for Attorney to practice its profession or provide such Services. Without limiting the generality of the foregoing, if Attorney is an out-of-state corporation, Attorney warrants and represents that it possesses a valid certificate of qualification to transact business in the State of California issued by the California Secretary of State pursuant to Section 2105 of the California Corporations Code.

c. **Conflicts of Interest.** Attorney represents and warrants that they have made a diligent effort to determine whether there are any actual or potential conflicts of interest that would preclude or interfere with Attorney's performance of this Agreement, and that no such conflict of interest exists. Attorney shall indemnify and hold harmless City from and against any and all liability, loss, expense and obligation arising directly or indirectly out of any breach of the foregoing representation and warranty. Attorney agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

d. **Confidentiality of City Information.** Attorney understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Attorney may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Attorney agree that all information disclosed by City to Attorney shall be held in confidence and used only in performance of the

services required by this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

- e. **Publicity.** The City Representative shall serve as the point of contact for press information regarding all matters performed by Attorney under this Agreement. If any publicity is generated by the subject matter of this representation, Attorney will consult with and obtain approval of the City Representative before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.
- f. **Disqualification of Judges.** At the option of the City Attorney, judges may be disqualified from hearing City litigation, and Attorney shall adhere to such decision of the City Attorney. In the event that Attorney is of the opinion that a judge ought to be disqualified, the City Attorney must be consulted in advance by Attorney, and Attorney must obtain the City Attorney's written consent to such disqualification.
- g. **Equal Employment Opportunity.** During the performance of this Agreement, Attorney, for itself, its assignees and successors in interest, agrees as follows:
 - i. **Compliance With Regulations:** Attorney shall comply with the Executive Order 11246 entitled "Equal Opportunity in Federal Employment", as amended by Executive Order 11375 and 12086, and as supplemented in Department of Labor regulations (41 CFR Chapter 60), hereinafter collectively referred to as the "Regulations."
 - ii. **Nondiscrimination:** Attorney, with regards to the work performed pursuant to this Agreement, shall not discriminate on the ground of race, color, religion, sex, national origin, age, marital status, physical handicap or sexual orientation in selection and retention of subcontractors, including procurement of materials and leases of equipment. Attorney shall not participate either directly or indirectly in discrimination prohibited by the Regulations.
- h. **Severability.** If any portion of this Agreement or the application thereof to any person or circumstance shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- i. **Waiver.** Neither City acceptance of, or payment for, any Service or Additional Service performed by Attorney, nor any waiver by either Party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

- j. Enforcement of Agreement.** This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Stanislaus County in the State of California, and the Parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.
- k. Attorneys' Fees.** In any action to enforce the terms of this Agreement, the prevailing Party shall recover its reasonable attorneys' fees.
- l. Assignment Prohibited.** The expertise and experience of Attorney are material considerations for this Agreement. City has a strong interest in the qualifications and capability of the persons and entities who will fulfill the obligations imposed on Attorney under this Agreement. In recognition of this interest, Attorney shall not assign any right or obligation pursuant to this Agreement without the written consent of the City. Any attempted or purported assignment without City's written consent shall be void and of no effect.
- m. Notice.** Any notice, demand, request, consent, approval, communication either Party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either Party may change its address by notifying the other Party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To: City of Modesto:
Attention: City Attorney
Contact Information:
1010 Tenth Street, 6th Floor
Modesto, CA 95353
Phone: (209) 577-5288

To: Attorney:
Attention: Terry Roemer
Contact Information:
6114 LaSalle Avenue #176
Oakland, CA 94611
Phone: (510)566-5530

- 9. Entire Agreement.** This document, including all Exhibits, contains the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Agreement. No alteration to the terms of this Agreement shall be valid unless approved in writing by Attorney, and by City, in accordance with applicable provision of the Modesto City Code.
- 10. Authority.** The person signing this Agreement for Attorney hereby represents and warrants that he/she is fully authorized to sign this Agreement on behalf of Attorney and

to bind Attorney to the performance of its obligations hereunder.

- 11. Exhibits.** All exhibits referred to herein are attached hereto and are by this reference incorporated as if set forth fully herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: _____

Print name: Joseph P. Lopez

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]

**ATTORNEY:
LAW OFFICE OF TERRY ROEMER**

_____ Federal I.D. No.

_____ State I.D. No.

_____ City of Modesto Business Op. Tax Cert. No.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (*please specify: _____*)

_____ **Signature of Authorized Person**

_____ Title

_____ Additional Signature (*if required*)

_____ Title

**STANDARD AGREEMENT
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this ___ day of _____, 2018, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City", and, **ROBERT SARHAD INVESTIGATIONS**, a California Sole Proprietorship, hereinafter referred to as "Consultant." Consultant and City shall be collectively referred to as "parties" or individually as a "party.

This Agreement is made with regard to the following recitals:

A. The City has determined that a consultant is necessary to assist with internal administrative investigation services.

B. Consultant represents that it is qualified, willing and able to provide the services to provide those services.

NOW, THEREFORE, in consideration of this agreement, and the mutual promises, covenants, and stipulations hereinafter contained, the parties agree as follows:

1. **SCOPE OF SERVICES.**

Consultant shall undertake and complete Personnel and Administrative Investigations as assigned.

Consultant shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Consultant notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Consultant estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

Consultant shall provide a status update to the City representative every sixty (60) days on

any matter(s) under this Agreement.

2. TERM OF AGREEMENT.

This Agreement is effective as of September 11, 2018, and will continue in effect until September 11, 2020, or City's final acceptance of and payment for all services authorized by City and performed by Consultant, or until terminated in accordance with the provisions of the termination clause in this Agreement, whichever occurs first.

3. COMPENSATION.

Consultant agrees to accept a sum not to exceed \$100,000 as full remuneration for performing all services and furnishing all staffing and materials called for performance by Consultant of all of its duties and obligations under this Agreement.

The Compensation shall be paid pursuant in the manner and at the times set forth below:

Consultant shall be paid at a rate of \$110 per hour for those services identified in the Scope of Work and reasonable expenses, for a total amount not to exceed \$100,000.

City shall reimburse Consultant for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Consultant will not charge City for the cost of telephone calls. Costs and expenses for statutory fees, witness fees, reporters' per diem and stenographic transcriptions, and the expenses of serving process shall be advanced by Consultant and reimbursed by City.

Billings shall be submitted to City every thirty (30) days unless otherwise advised. Each task shall be distinctly and completely identified. City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.

4. OBLIGATIONS OF CONSULTANT.

Throughout the term of this Agreement, Consultant shall possess, or secure all licenses, permits, qualifications and approvals legally required to conduct business. Consultant warrants that it has all of the necessary professional capabilities and experience, as well as all tools, instrumentalities, facilities and other resources necessary to provide the City with the services contemplated by this Agreement. Consultant further warrants that it will follow the best current, generally accepted and professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this project.

5. PERFORMANCE BY KEY EMPLOYEE.

Consultant has represented to City that Robert Sarhad will be the person primarily responsible for the performance of the services referred to in this Agreement. City has entered into this Agreement in reliance on that representation by Consultant. Consultant therefore agrees that 100 percent (100%) or more of the time to be devoted to the project that is the subject of this Agreement will be that of the above-named person.

6. OWNERSHIP OF DOCUMENTS/TITLE TO DATA.

Ownership of Documents

All reports, drawings, designs, graphics, working papers and other incidental work or materials furnished hereunder shall become and remain the property of the City, and may be used by City as it may require without any additional cost to City. No reports shall be used by the Consultant for purposes other than this contract without the express prior written consent of City.

Title to Data

If, as a part of the agreement, Consultant is required to produce data such

as, but not limited to, drawings, plans, specifications, calculations, models, flow diagrams, visual aids and other related materials, the originals of all such data generated under this agreement will be delivered to City upon the completion or termination of services under the contract.

All materials, documents, data or information obtained from the City data files or any City medium furnished to Consultant in the performance of this Agreement will at all times remain the property of the City. Such data or information may not be used or copied for direct or indirect use by Consultant after termination of this Agreement without written consent of the City.

7. NEWS AND INFORMATION RELEASE.

Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Attorney or City Manager.

The City Attorney or City Manager shall serve as the point of contact for press information regarding all matters performed by Consultant under this Agreement. If any publicity is generated by the subject matter of this representation, Consultant will consult with and obtain approval of the City Attorney or City Manager before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.

Consultant understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Consultant may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Consultant agree that all information disclosed by City to Consultant shall be held in confidence and used only in performance of the services required by

this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

8. INTEREST OF CONTRACTOR.

Consultant warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant warrants that, in performance of this Agreement, Consultant shall not employ any person having any such interest. Consultant agrees to file a Statement of Economic Interests with the City Clerk at the start and end of this contract if so required at the option of City.

9. AMENDMENTS.

Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for City or Consultant to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until a change order is so executed, City will not be responsible to pay any charges Consultant may incur in performing such additional services, and Consultant shall not be required to perform any such additional services.

10. INDEPENDENT CONTRACTOR.

All acts of Consultant, its agents, officers, and employees and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of City. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Consultant has no authority or responsibility to exercise any rights or power vested in the City.

No agent, officer, or employee of the City is to be considered an employee of Consultant. It is understood by both Consultant and City that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

Consultant, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of City. However, the City may, from time to time, make space available to the Consultant to perform work.

Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement, regardless of whether the Consultant performs work on City property or elsewhere. Consultant shall be responsible to City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to City's control with respect to the physical action or activities of the Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. Consultant is permitted to provide services to others during the same period service is provided to City under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by the Consultant.

It is understood and agreed that as an independent contractor and not an employee of City neither the Consultant or Consultant's assigned personnel shall have any entitlement as a City employee, right to act on behalf of the City in any capacity whatsoever as

an agent, or to bind the City to any obligation whatsoever.

It is further understood and agreed that Consultant must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Consultant's personnel.

As an independent contractor, Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

11. ASSIGNMENT.

Neither this Agreement nor any portion thereof shall be subcontracted or assigned without the express prior written consent of the City in each and every instance.

12. PATENT/COPYRIGHT MATERIALS.

Unless otherwise expressly provided in the contract, Consultant shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. Consultant shall furnish a warranty of such right to use to City at the request of City.

13. NOTICES.

Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail if delivery is by postage paid registered or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time.

FOR CONSULTANT: Name: Robert Sarhad
P.O. Box 2307
Turlock, CA 95381

Phone: (209)604-3760

FOR CITY:

Name: City of Modesto

Address: P.O. Box 642
Modesto, CA 95353

Attention: Adam U. Lindgren, City Attorney

Phone: (209) 571-5126

14. INSURANCE REQUIREMENTS.

Consultant shall comply with the insurance requirements contained in Exhibit "A" and shall procure, at its own expense, all insurance coverages listed in Exhibit "A" for the duration of this Agreement.

City shall withhold payments to Consultant if the certificates of insurance and endorsements required in this section are canceled or Consultant otherwise ceases to be insured as required herein.

15. TERMINATION OF AGREEMENT.

Termination on Occurrence of Stated Events

This Agreement shall terminate automatically on the date on which any of the following events occur: (1) bankruptcy or insolvency of Consultant, (2) legal dissolution of Consultant, or (3) death of key principal(s) of Consultant.

Termination by City for Default of Consultant

Should Consultant default in the performance of this Agreement or materially breach any of its provisions, at its option City may terminate this Agreement by giving written notification to Consultant. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to perform required services or duties, willful destruction of City's property by Consultant, dishonesty or theft.

Termination by Consultant for Default of City

Should City default in the performance of this Agreement or materially breach any of its provisions, at its option Consultant may terminate this Agreement by giving written notice to City. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to cooperate reasonably with Consultant, willful destruction of Consultant's property by City, dishonesty or theft.

Termination by City for Convenience

The City may also terminate the Consultant's performance under the Agreement, either in whole or in part, at its own discretion, or when conditions encountered during the Work make it impossible or impracticable to proceed, or when the City is prevented from proceeding with the Agreement by act of God, by law, or by official action of a public authority, or upon a determination by the City that such termination is in the best interest and convenience of the City, or whenever the City is prohibited from completing the Work for any reason. The City shall provide no less than ten (10) calendar days written notice of its intent to terminate the Agreement for convenience, and shall endeavor to provide the Consultant with consultation with the City prior to termination.

Termination by City for Lack of Budgeted Funds

The City may terminate this Agreement effective July 1 of any given year upon the City's determination to not appropriate sufficient funds for this Agreement for the ensuing fiscal year. In such event City shall give Consultant not less than 30 days written notice.

Termination for Failure to Make Agreed-Upon Payments

Should City fail to pay Consultant all or any part of the payments set forth in this Agreement on the date due, at its option Consultant may terminate this Agreement if the failure is not remedied within thirty (30) days after Consultant notifies City in writing of such failure to pay. The termination date shall be the effective date of the notice.

Termination by City for Change of Consultant's Tax Status

If City determines that Consultant does not meet the requirements of federal and state tax laws for independent contractor status, City may terminate this Agreement by giving written notice to Consultant. The termination date shall be the effective date of the notice.

Voluntary Termination

The parties may terminate this contract upon mutual written Agreement.

In the Event of Termination

If this Agreement is terminated pursuant to this Paragraph, Consultant shall cease all its work on the project as of the termination date and shall see to it that its employees, subcontractors and agents are notified of such termination and cease their work. If City so requests, and at City's cost, Consultant shall provide sufficient oral or written status reports to make City reasonably aware of the status of Consultant's work on the project. Further, if City so requests, and at City's cost, Consultant shall deliver to City any work products whether in draft or final form which have been produced to date.

If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, City will pay Consultant an amount based on the percentage of work completed on the termination date, this percentage shall be determined by City in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by City for Default of Consultant, Consultant understands and agrees that City may, in City's sole discretion, refuse to pay Consultant for that portion of Consultant's services which were performed by Consultant on the project prior to the termination date and which remain unacceptable and/or not useful to City as of the termination date.

16. CERTIFIED PAYROLL REQUIREMENT.

For consultants performing field work on public works contracts on which prevailing wages are required: The Consultant shall comply with the provisions of Section 1776 of the California Labor Code, regarding payroll records, and shall require its subconsultants and subcontractors to comply with that section as may be required by law.

17. INDEMNITY.

The Consultant shall hold the City, its agents, officers, employees, and volunteers, harmless from and save, defend and indemnify them against any and all claims, losses, liabilities, judgments or damages from every cause, including but not limited to injury to person or property or wrongful death, including reasonable costs and expenses of defense of any judicial or administrative action, arising directly or indirectly out of any negligent or intentional act or omission of Consultant, or its agents, officers, employees, or volunteers relating to or during the performance of its obligations under this Agreement.

Consultant's obligation to defend, indemnify, and hold the City, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

18. DISPUTE RESOLUTION.

All claims, controversies, or disputes arising out of, or relating to the formation of this Agreement, or the breach, termination execution, enforcement, interpretation, or validity of this Agreement, including the determination of the scope or applicability of this contract provision shall be determined by binding arbitration in Modesto, California, by one arbitrator, except as otherwise specified in this Agreement. The American Arbitration Association shall administer the arbitration under its Arbitration Rules then in effect, subject to the modifications of those rules contained in this paragraph. This agreement to arbitrate shall be

specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration or court proceeding relating to or arising out of this provision shall be in Stanislaus County, California.

This paragraph is not intended to and does not waive the claim filing requirements found in California Government Code section 900 et seq. In the event that a timely and legally sufficient, arbitrable claim is filed by Consultant with City, and the claim is rejected in whole or in part by City, this paragraph shall result in the conclusive, final, and binding resolution of all the issues presented in the claim by Consultant so long as any issues presented by the claim are arbitrable. Claims rejected by City or by operation of law, shall be submitted by Consultant to arbitration pursuant to the Arbitration Rules of the American Arbitration Association within ninety (90) days after mailing of the written rejection by City to Consultant. Otherwise, the claim or claims shall be deemed waived in their entirety.

The “fast track” rules of the American Arbitration Association shall apply to any claim or counterclaim less than ONE HUNDRED FIFTY THOUSAND AND 00/100 (\$150,000.00) DOLLARS. In arbitration not proceeding under the “fast track” rules, the arbitrator shall have the power to order that depositions be taken and other discovery be made. Both City and Consultant shall have the right, upon written notice, to take no more than three (3) depositions of the other as a matter of right in an arbitration proceeding under the “fast track” rules.

Whether or not City and Consultant may be engaged in interstate commerce, any controversy or dispute mentioned above shall be determined by, and the parties shall be bound by, the substantive law of the State of California, and not the Federal Arbitration Act at 9 USC Section 1 et seq.

The arbitrator may grant any remedy or relief deemed by the arbitrator just and equitable under the circumstances, whether or not such relief could be awarded in a court of law. The arbitrator shall be empowered to award monetary sanctions against a party for failure of cooperation in the arbitration. The arbitrator shall, in written award, allocate all the costs of the arbitration, including the fees of the arbitrator and the reasonable attorney fees of the prevailing party, against the party who did not prevail. The prevailing party shall be the party in whose favor the majority of the central issues in the case are resolved.

Notwithstanding anything in this provision to the contrary, the arbitrator shall have no power to award punitive damages or other damages not measured by the party's actual damages (excluding litigation costs and fees) against any party. This limitation of the arbitrator's powers under this Agreement shall not operate as an exclusion of the issue of punitive damages from this Agreement to Arbitrate sufficient to vest jurisdiction in a court with respect to that issue.

Consultant shall include in all subcontracts a specification whereby the subcontractor consents to being joined in an arbitration between City and Consultant involving the work of the subcontractor to be joined. Consultant's failure to do so shall be a breach of this Agreement.

The parties hereby waive any rights provided by Title 9.2 of the California Code of Civil Procedure, Section 1296. The arbitrator's award shall be deemed final, conclusive and binding to the fullest extent allowed by California law.

19. ENTIRE AGREEMENT.

This Agreement and its exhibits contain the entire understanding between Consultant and City. Additional or new terms contained in this Agreement which vary from Consultant's proposal or the Letters of Engagement are controlling and are deemed accepted by Consultant. All previous proposals, offers and communications relative to this Agreement,

whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

20. PARTIAL INVALIDITY.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

21. WAIVER.

The waiver by any party to this Agreement of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

22. AUDIT.

The City's duly authorized representative shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to City under this Agreement.

Consultant agrees to retain reports, records, documents, and files related to charges under this Agreement for a period of four (4) years following the date of final payment for Consultant services. City's representative shall have the right to reproduce any of the aforesaid documents.

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persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

24. HEADINGS NOT CONTROLLING.

Headings used in the Agreement are for reference purposes only and shall not be considered in construing this Agreement.

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Consultant shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws. Consultant shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits.

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Consultant will have a City of Modesto business license.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Agreement for Consultant Services in duplicate by its City Manager and attestation by its City Clerk on the _____ day of _____, 2018, and ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES has caused this Agreement to be duly executed in duplicate as of the Effective Date.

CITY OF MODESTO,
a municipal corporation

CONSULTANT,
ROBERT SARHAD INVESTIGATIONS

BY: _____
JOSEPH P. LOPEZ, City Manager

BY: _____
ROBERT SARHAD

By _____
Name Title

ATTEST:
(Seal)

BY: _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID # _____

APPROVED AS TO FORM:

BY: _____
ADAM U. LINDGREN, City Attorney

APPROVED AS TO FORM:

BY: _____
CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

*Sole Proprietorship - signature of proprietor
required*

**STANDARD AGREEMENT
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this ___ day of _____, 2018, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City", and **ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES**, a California Sole Proprietorship, hereinafter referred to as "Consultant." Consultant and City shall be collectively referred to as "parties" or individually as a "party.

This Agreement is made with regard to the following recitals:

A. The City has determined that a consultant is necessary to assist with internal administrative investigation services.

B. Consultant represents that it is qualified, willing and able to provide the services to provide those services.

NOW, THEREFORE, in consideration of this agreement, and the mutual promises, covenants, and stipulations hereinafter contained, the parties agree as follows:

1. SCOPE OF SERVICES.

Consultant shall undertake and complete Personnel and Administrative Investigations as assigned.

Consultant shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Consultant notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Consultant estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

Consultant shall provide a status update to the City representative every sixty (60) days on any matter(s) under this Agreement.

2. **TERM OF AGREEMENT.**

This Agreement is effective as of September 11, 2018, and will continue in effect until September 11, 2020, or City's final acceptance of and payment for all services authorized by City and performed by Consultant, or until terminated in accordance with the provisions of the termination clause in this Agreement, whichever occurs first.

3. **COMPENSATION.**

Consultant agrees to accept a sum not to exceed \$100,000 as full remuneration for performing all services and furnishing all staffing and materials called for performance by Consultant of all of its duties and obligations under this Agreement.

The Compensation shall be paid pursuant in the manner and at the times set forth below:

Consultant shall be paid at a rate of \$150 per hour for those services identified in the Scope of Work and reasonable expenses, for a total amount not to exceed \$100,000.

City shall reimburse Consultant for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Consultant will not charge City for the cost of telephone calls. Costs and expenses for statutory fees, witness fees, reporters' per diem and stenographic transcriptions, and the expenses of serving process shall be advanced by Consultant and reimbursed by City.

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Consultant has represented to City that Timothy W. Armistead will be the person primarily responsible for the performance of the services referred to in this Agreement. City has entered into this Agreement in reliance on that representation by Consultant. Consultant therefore agrees that 100 percent (100%) or more of the time to be devoted to the project that is the subject of this Agreement will be that of the above-named person.

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Ownership of Documents

All reports, drawings, designs, graphics, working papers and other incidental work or materials furnished hereunder shall become and remain the property of the City, and may be used by City as it may require without any additional cost to City. No reports shall be used by the Consultant for purposes other than this contract without the express prior written consent of City.

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If, as a part of the agreement, Consultant is required to produce data such

as, but not limited to, drawings, plans, specifications, calculations, models, flow diagrams, visual aids and other related materials, the originals of all such data generated under this agreement will be delivered to City upon the completion or termination of services under the contract.

All materials, documents, data or information obtained from the City data files or any City medium furnished to Consultant in the performance of this Agreement will at all times remain the property of the City. Such data or information may not be used or copied for direct or indirect use by Consultant after termination of this Agreement without written consent of the City.

7. NEWS AND INFORMATION RELEASE.

Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Attorney or City Manager.

The City Attorney or City Manager shall serve as the point of contact for press information regarding all matters performed by Consultant under this Agreement. If any publicity is generated by the subject matter of this representation, Consultant will consult with and obtain approval of the City Attorney or City Manager before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.

Consultant understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Consultant may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Consultant agree that all information disclosed by City to Consultant shall be held in confidence and used only in performance of the services required by

this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

8. INTEREST OF CONTRACTOR.

Consultant warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant warrants that, in performance of this Agreement, Consultant shall not employ any person having any such interest. Consultant agrees to file a Statement of Economic Interests with the City Clerk at the start and end of this contract if so required at the option of City.

9. AMENDMENTS.

Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for City or Consultant to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until a change order is so executed, City will not be responsible to pay any charges Consultant may incur in performing such additional services, and Consultant shall not be required to perform any such additional services.

10. INDEPENDENT CONTRACTOR.

All acts of Consultant, its agents, officers, and employees and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of City. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Consultant has no authority or responsibility to exercise any rights or power vested in the City.

No agent, officer, or employee of the City is to be considered an employee of Consultant. It is understood by both Consultant and City that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

Consultant, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of City. However, the City may, from time to time, make space available to the Consultant to perform work.

Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement, regardless of whether the Consultant performs work on City property or elsewhere. Consultant shall be responsible to City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to City's control with respect to the physical action or activities of the Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. Consultant is permitted to provide services to others during the same period service is provided to City under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by the Consultant.

It is understood and agreed that as an independent contractor and not an employee of City neither the Consultant or Consultant's assigned personnel shall have any entitlement as a City employee, right to act on behalf of the City in any capacity whatsoever as

an agent, or to bind the City to any obligation whatsoever.

It is further understood and agreed that Consultant must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Consultant's personnel.

As an independent contractor, Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

11. ASSIGNMENT.

Neither this Agreement nor any portion thereof shall be subcontracted or assigned without the express prior written consent of the City in each and every instance.

12. PATENT/COPYRIGHT MATERIALS.

Unless otherwise expressly provided in the contract, Consultant shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. Consultant shall furnish a warranty of such right to use to City at the request of City.

13. NOTICES.

Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail if delivery is by postage paid registered or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time.

FOR CONSULTANT: Name: Timothy W. Armistead

1558 Fitzgerald Drive, Suite 323
Pinole, CA 94564

Phone: 415-608-2224

FOR CITY:

Name: City of Modesto
Address: P.O. Box 642
Modesto, CA 95353
Attention: Adam U. Lindgren, City Attorney
Phone: (209) 571-5126

14. INSURANCE REQUIREMENTS.

Consultant shall comply with the insurance requirements contained in Exhibit "A" and shall procure, at its own expense, all insurance coverages listed in Exhibit "A" for the duration of this Agreement.

City shall withhold payments to Consultant if the certificates of insurance and endorsements required in this section are canceled or Consultant otherwise ceases to be insured as required herein.

15. TERMINATION OF AGREEMENT.

Termination on Occurrence of Stated Events

This Agreement shall terminate automatically on the date on which any of the following events occur: (1) bankruptcy or insolvency of Consultant, (2) legal dissolution of Consultant, or (3) death of key principal(s) of Consultant.

Termination by City for Default of Consultant

Should Consultant default in the performance of this Agreement or materially breach any of its provisions, at its option City may terminate this Agreement by giving written notification to Consultant. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to perform required services or duties, willful destruction of City's property by Consultant, dishonesty or theft.

Termination by Consultant for Default of City

Should City default in the performance of this Agreement or materially breach any of its provisions, at its option Consultant may terminate this Agreement by giving written notice to City. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to cooperate reasonably with Consultant, willful destruction of Consultant's property by City, dishonesty or theft.

Termination by City for Convenience

The City may also terminate the Consultant's performance under the Agreement, either in whole or in part, at its own discretion, or when conditions encountered during the Work make it impossible or impracticable to proceed, or when the City is prevented from proceeding with the Agreement by act of God, by law, or by official action of a public authority, or upon a determination by the City that such termination is in the best interest and convenience of the City, or whenever the City is prohibited from completing the Work for any reason. The City shall provide no less than ten (10) calendar days written notice of its intent to terminate the Agreement for convenience, and shall endeavor to provide the Consultant with consultation with the City prior to termination.

Termination by City for Lack of Budgeted Funds

The City may terminate this Agreement effective July 1 of any given year upon the City's determination to not appropriate sufficient funds for this Agreement for the ensuing fiscal year. In such event City shall give Consultant not less than 30 days written notice.

Termination for Failure to Make Agreed-Upon Payments

Should City fail to pay Consultant all or any part of the payments set forth in this Agreement on the date due, at its option Consultant may terminate this Agreement if the failure is not remedied within thirty (30) days after Consultant notifies City in writing of such failure to pay. The termination date shall be the effective date of the notice.

Termination by City for Change of Consultant's Tax Status

If City determines that Consultant does not meet the requirements of federal and state tax laws for independent contractor status, City may terminate this Agreement by giving written notice to Consultant. The termination date shall be the effective date of the notice.

Voluntary Termination

The parties may terminate this contract upon mutual written Agreement.

In the Event of Termination

If this Agreement is terminated pursuant to this Paragraph, Consultant shall cease all its work on the project as of the termination date and shall see to it that its employees, subcontractors and agents are notified of such termination and cease their work. If City so requests, and at City's cost, Consultant shall provide sufficient oral or written status reports to make City reasonably aware of the status of Consultant's work on the project. Further, if City so requests, and at City's cost, Consultant shall deliver to City any work products whether in draft or final form which have been produced to date.

If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, City will pay Consultant an amount based on the percentage of work completed on the termination date, this percentage shall be determined by City in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by City for Default of Consultant, Consultant understands and agrees that City may, in City's sole discretion, refuse to pay Consultant for that portion of Consultant's services which were performed by Consultant on the project prior to the termination date and which remain unacceptable and/or not useful to City as of the termination date.

16. CERTIFIED PAYROLL REQUIREMENT.

For consultants performing field work on public works contracts on which prevailing wages are required: The Consultant shall comply with the provisions of Section 1776 of the California Labor Code, regarding payroll records, and shall require its subconsultants and subcontractors to comply with that section as may be required by law.

17. INDEMNITY.

The Consultant shall hold the City, its agents, officers, employees, and volunteers, harmless from and save, defend and indemnify them against any and all claims, losses, liabilities, judgments or damages from every cause, including but not limited to injury to person or property or wrongful death, including reasonable costs and expenses of defense of any judicial or administrative action, arising directly or indirectly out of any negligent or intentional act or omission of Consultant, or its agents, officers, employees, or volunteers relating to or during the performance of its obligations under this Agreement.

Consultant's obligation to defend, indemnify, and hold the City, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

18. DISPUTE RESOLUTION.

All claims, controversies, or disputes arising out of, or relating to the formation of this Agreement, or the breach, termination execution, enforcement, interpretation, or validity of this Agreement, including the determination of the scope or applicability of this contract provision shall be determined by binding arbitration in Modesto, California, by one arbitrator, except as otherwise specified in this Agreement. The American Arbitration Association shall administer the arbitration under its Arbitration Rules then in effect, subject to the modifications of those rules contained in this paragraph. This agreement to arbitrate shall be

specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration or court proceeding relating to or arising out of this provision shall be in Stanislaus County, California.

This paragraph is not intended to and does not waive the claim filing requirements found in California Government Code section 900 et seq. In the event that a timely and legally sufficient, arbitrable claim is filed by Consultant with City, and the claim is rejected in whole or in part by City, this paragraph shall result in the conclusive, final, and binding resolution of all the issues presented in the claim by Consultant so long as any issues presented by the claim are arbitrable. Claims rejected by City or by operation of law, shall be submitted by Consultant to arbitration pursuant to the Arbitration Rules of the American Arbitration Association within ninety (90) days after mailing of the written rejection by City to Consultant. Otherwise, the claim or claims shall be deemed waived in their entirety.

The “fast track” rules of the American Arbitration Association shall apply to any claim or counterclaim less than ONE HUNDRED FIFTY THOUSAND AND 00/100 (\$150,000.00) DOLLARS. In arbitration not proceeding under the “fast track” rules, the arbitrator shall have the power to order that depositions be taken and other discovery be made. Both City and Consultant shall have the right, upon written notice, to take no more than three (3) depositions of the other as a matter of right in an arbitration proceeding under the “fast track” rules.

Whether or not City and Consultant may be engaged in interstate commerce, any controversy or dispute mentioned above shall be determined by, and the parties shall be bound by, the substantive law of the State of California, and not the Federal Arbitration Act at 9 USC Section 1 et seq.

The arbitrator may grant any remedy or relief deemed by the arbitrator just and equitable under the circumstances, whether or not such relief could be awarded in a court of law. The arbitrator shall be empowered to award monetary sanctions against a party for failure of cooperation in the arbitration. The arbitrator shall, in written award, allocate all the costs of the arbitration, including the fees of the arbitrator and the reasonable attorney fees of the prevailing party, against the party who did not prevail. The prevailing party shall be the party in whose favor the majority of the central issues in the case are resolved.

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CITY OF MODESTO,
a municipal corporation

CONSULTANT,
ARMISTEAD RESEARCH AND
INVESTIGATIVE SERVICES

BY: _____
JOSEPH P. LOPEZ, City Manager

By: _____
Timothy W. Armistead

By _____
Name Title

ATTEST:
(Seal)

BY: _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID # _____

APPROVED AS TO FORM:

BY: _____
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APPROVED AS TO FORM:

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CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

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**STANDARD AGREEMENT
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this ___ day of ____, 2018, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City", and **DAVE YOUNG & ASSOCIATES**, a California Sole Proprietorship, hereinafter referred to as "Consultant."

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A. The City has determined that a consultant is necessary to assist with internal administrative investigation services.

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The City Attorney or City Manager shall serve as the point of contact for press information regarding all matters performed by Consultant under this Agreement. If any publicity is generated by the subject matter of this representation, Consultant will consult with and obtain approval of the City Attorney or City Manager before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.

Consultant understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Consultant may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Consultant agree that all information disclosed by City to Consultant shall be held in confidence and used only in performance of the services required by

this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

8. INTEREST OF CONTRACTOR.

Consultant warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant warrants that, in performance of this Agreement, Consultant shall not employ any person having any such interest. Consultant agrees to file a Statement of Economic Interests with the City Clerk at the start and end of this contract if so required at the option of City.

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Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for City or Consultant to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until a change order is so executed, City will not be responsible to pay any charges Consultant may incur in performing such additional services, and Consultant shall not be required to perform any such additional services.

10. INDEPENDENT CONTRACTOR.

All acts of Consultant, its agents, officers, and employees and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of City. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Consultant has no authority or responsibility to exercise any rights or power vested in the City.

No agent, officer, or employee of the City is to be considered an employee of Consultant. It is understood by both Consultant and City that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

Consultant, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of City. However, the City may, from time to time, make space available to the Consultant to perform work.

Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement, regardless of whether the Consultant performs work on City property or elsewhere. Consultant shall be responsible to City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to City's control with respect to the physical action or activities of the Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. Consultant is permitted to provide services to others during the same period service is provided to City under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by the Consultant.

It is understood and agreed that as an independent contractor and not an employee of City neither the Consultant or Consultant's assigned personnel shall have any entitlement as a City employee, right to act on behalf of the City in any capacity whatsoever as

an agent, or to bind the City to any obligation whatsoever.

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Neither this Agreement nor any portion thereof shall be subcontracted or assigned without the express prior written consent of the City in each and every instance.

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Unless otherwise expressly provided in the contract, Consultant shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. Consultant shall furnish a warranty of such right to use to City at the request of City.

13. NOTICES.

Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail if delivery is by postage paid registered or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time.

FOR CONSULTANT: Name: Dave Young

P.O. Box 148
Hughson, CA 95326

Phone: (209) 538-5884

FOR CITY:

Name: City of Modesto

Address: P.O. Box 642
Modesto, CA 95353

Attention: Adam U. Lindgren, City Attorney

Phone: (209) 571-5126

14. INSURANCE REQUIREMENTS.

Consultant shall comply with the insurance requirements contained in Exhibit "A" and shall procure, at its own expense, all insurance coverages listed in Exhibit "A" for the duration of this Agreement.

City shall withhold payments to Consultant if the certificates of insurance and endorsements required in this section are canceled or Consultant otherwise ceases to be insured as required herein.

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The City may also terminate the Consultant's performance under the Agreement, either in whole or in part, at its own discretion, or when conditions encountered during the Work make it impossible or impracticable to proceed, or when the City is prevented from proceeding with the Agreement by act of God, by law, or by official action of a public authority, or upon a determination by the City that such termination is in the best interest and convenience of the City, or whenever the City is prohibited from completing the Work for any reason. The City shall provide no less than ten (10) calendar days written notice of its intent to terminate the Agreement for convenience, and shall endeavor to provide the Consultant with consultation with the City prior to termination.

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The City may terminate this Agreement effective July 1 of any given year upon the City's determination to not appropriate sufficient funds for this Agreement for the ensuing fiscal year. In such event City shall give Consultant not less than 30 days written notice.

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If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, City will pay Consultant an amount based on the percentage of work completed on the termination date, this percentage shall be determined by City in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by City for Default of Consultant, Consultant understands and agrees that City may, in City's sole discretion, refuse to pay Consultant for that portion of Consultant's services which were performed by Consultant on the project prior to the termination date and which remain unacceptable and/or not useful to City as of the termination date.

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For consultants performing field work on public works contracts on which prevailing wages are required: The Consultant shall comply with the provisions of Section 1776 of the California Labor Code, regarding payroll records, and shall require its subconsultants and subcontractors to comply with that section as may be required by law.

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The Consultant shall hold the City, its agents, officers, employees, and volunteers, harmless from and save, defend and indemnify them against any and all claims, losses, liabilities, judgments or damages from every cause, including but not limited to injury to person or property or wrongful death, including reasonable costs and expenses of defense of any judicial or administrative action, arising directly or indirectly out of any negligent or intentional act or omission of Consultant, or its agents, officers, employees, or volunteers relating to or during the performance of its obligations under this Agreement.

Consultant's obligation to defend, indemnify, and hold the City, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

18. DISPUTE RESOLUTION.

All claims, controversies, or disputes arising out of, or relating to the formation of this Agreement, or the breach, termination execution, enforcement, interpretation, or validity of this Agreement, including the determination of the scope or applicability of this contract provision shall be determined by binding arbitration in Modesto, California, by one arbitrator, except as otherwise specified in this Agreement. The American Arbitration Association shall administer the arbitration under its Arbitration Rules then in effect, subject to the modifications of those rules contained in this paragraph. This agreement to arbitrate shall be

specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration or court proceeding relating to or arising out of this provision shall be in Stanislaus County, California.

This paragraph is not intended to and does not waive the claim filing requirements found in California Government Code section 900 et seq. In the event that a timely and legally sufficient, arbitrable claim is filed by Consultant with City, and the claim is rejected in whole or in part by City, this paragraph shall result in the conclusive, final, and binding resolution of all the issues presented in the claim by Consultant so long as any issues presented by the claim are arbitrable. Claims rejected by City or by operation of law, shall be submitted by Consultant to arbitration pursuant to the Arbitration Rules of the American Arbitration Association within ninety (90) days after mailing of the written rejection by City to Consultant. Otherwise, the claim or claims shall be deemed waived in their entirety.

The “fast track” rules of the American Arbitration Association shall apply to any claim or counterclaim less than ONE HUNDRED FIFTY THOUSAND AND 00/100 (\$150,000.00) DOLLARS. In arbitration not proceeding under the “fast track” rules, the arbitrator shall have the power to order that depositions be taken and other discovery be made. Both City and Consultant shall have the right, upon written notice, to take no more than three (3) depositions of the other as a matter of right in an arbitration proceeding under the “fast track” rules.

Whether or not City and Consultant may be engaged in interstate commerce, any controversy or dispute mentioned above shall be determined by, and the parties shall be bound by, the substantive law of the State of California, and not the Federal Arbitration Act at 9 USC Section 1 et seq.

The arbitrator may grant any remedy or relief deemed by the arbitrator just and equitable under the circumstances, whether or not such relief could be awarded in a court of law. The arbitrator shall be empowered to award monetary sanctions against a party for failure of cooperation in the arbitration. The arbitrator shall, in written award, allocate all the costs of the arbitration, including the fees of the arbitrator and the reasonable attorney fees of the prevailing party, against the party who did not prevail. The prevailing party shall be the party in whose favor the majority of the central issues in the case are resolved.

Notwithstanding anything in this provision to the contrary, the arbitrator shall have no power to award punitive damages or other damages not measured by the party's actual damages (excluding litigation costs and fees) against any party. This limitation of the arbitrator's powers under this Agreement shall not operate as an exclusion of the issue of punitive damages from this Agreement to Arbitrate sufficient to vest jurisdiction in a court with respect to that issue.

Consultant shall include in all subcontracts a specification whereby the subcontractor consents to being joined in an arbitration between City and Consultant involving the work of the subcontractor to be joined. Consultant's failure to do so shall be a breach of this Agreement.

The parties hereby waive any rights provided by Title 9.2 of the California Code of Civil Procedure, Section 1296. The arbitrator's award shall be deemed final, conclusive and binding to the fullest extent allowed by California law.

19. ENTIRE AGREEMENT.

This Agreement and its exhibits contain the entire understanding between Consultant and City. Additional or new terms contained in this Agreement which vary from Consultant's proposal or the Letters of Engagement are controlling and are deemed accepted by Consultant. All previous proposals, offers and communications relative to this Agreement,

whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

20. PARTIAL INVALIDITY.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

21. WAIVER.

The waiver by any party to this Agreement of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

22. AUDIT.

The City's duly authorized representative shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to City under this Agreement.

Consultant agrees to retain reports, records, documents, and files related to charges under this Agreement for a period of four (4) years following the date of final payment for Consultant services. City's representative shall have the right to reproduce any of the aforesaid documents.

23. GOVERNING LAW.

This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Stanislaus County in the State of California, and the Parties consent to jurisdiction over their

persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

24. HEADINGS NOT CONTROLLING.

Headings used in the Agreement are for reference purposes only and shall not be considered in construing this Agreement.

25. COMPLIANCE WITH LAWS.

Consultant shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws. Consultant shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits.

26. CITY BUSINESS LICENSE.

Consultant will have a City of Modesto business license.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Agreement for Consultant Services in duplicate by its City Manager and attestation by its City Clerk on the _____ day of _____, 2018, and ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES has caused this Agreement to be duly executed in duplicate as of the Effective Date.

CITY OF MODESTO,
a municipal corporation

CONSULTANT,
DAVE YOUNG & ASSOCIATES

BY: _____
JOSEPH P. LOPEZ, City Manager

BY: _____
DAVE YOUNG

By _____
Name Title

ATTEST:
(Seal)

BY: _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID # _____

APPROVED AS TO FORM:

BY: _____
ADAM U. LINDGREN, City Attorney

APPROVED AS TO FORM:

BY: _____
CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

*Sole Proprietorship - signature of proprietor
required*

**STANDARD AGREEMENT
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this ___ day of _____, 2018, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City", and **MUNICIPAL RESOURCE GROUP, LLC**, a California Sole Proprietorship, hereinafter referred to as "Consultant." Consultant and City shall be collectively referred to as "parties" or individually as a "party.

This Agreement is made with regard to the following recitals:

- A. The City has determined that a consultant is necessary to assist with internal administrative investigation services.
- B. Consultant represents that it is qualified, willing and able to provide the services to provide those services.

NOW, THEREFORE, in consideration of this agreement, and the mutual promises, covenants, and stipulations hereinafter contained, the parties agree as follows:

1. **SCOPE OF SERVICES.**

Consultant shall undertake and complete Personnel and Administrative Investigations as assigned.

Consultant shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Consultant notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Consultant estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

Consultant shall provide a status update to the City representative every sixty (60) days on any matter(s) under this Agreement.

2. TERM OF AGREEMENT.

This Agreement is effective as of September 11, 2018, and will continue in effect until September 11, 2020, or City's final acceptance of and payment for all services authorized by City and performed by Consultant, or until terminated in accordance with the provisions of the termination clause in this Agreement, whichever occurs first.

3. COMPENSATION.

Consultant agrees to accept a sum not to exceed \$100,000 as full remuneration for performing all services and furnishing all staffing and materials called for performance by Consultant of all of its duties and obligations under this Agreement.

The Compensation shall be paid pursuant in the manner and at the times set forth below:

Consultant shall be paid at a rate of \$250 per hour for those services identified in the Scope of Work and reasonable expenses, for a total amount not to exceed \$100,000.

City shall reimburse Consultant for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Consultant will not charge City for the cost of telephone calls. Costs and expenses for statutory fees, witness fees, reporters' per diem and stenographic transcriptions, and the expenses of serving process shall be advanced by Consultant and reimbursed by City.

Billings shall be submitted to City every thirty (30) days unless otherwise advised. Each task shall be distinctly and completely identified. City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.

4. OBLIGATIONS OF CONSULTANT.

Throughout the term of this Agreement, Consultant shall possess, or secure all licenses, permits, qualifications and approvals legally required to conduct business. Consultant warrants that it has all of the necessary professional capabilities and experience, as well as all tools, instrumentalities, facilities and other resources necessary to provide the City with the services contemplated by this Agreement. Consultant further warrants that it will follow the best current, generally accepted and professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this project.

5. PERFORMANCE BY KEY EMPLOYEE.

Consultant has represented to City that Mary Egan will be the person primarily responsible for the performance of the services referred to in this Agreement. City has entered into this Agreement in reliance on that representation by Consultant. Consultant therefore agrees that 100 percent (100%) or more of the time to be devoted to the project that is the subject of this Agreement will be that of the above-named person.

6. OWNERSHIP OF DOCUMENTS/TITLE TO DATA.

Ownership of Documents

All reports, drawings, designs, graphics, working papers and other incidental work or materials furnished hereunder shall become and remain the property of the City, and may be used by City as it may require without any additional cost to City. No reports shall be used by the Consultant for purposes other than this contract without the express prior written consent of City.

Title to Data

If, as a part of the agreement, Consultant is required to produce data such

as, but not limited to, drawings, plans, specifications, calculations, models, flow diagrams, visual aids and other related materials, the originals of all such data generated under this agreement will be delivered to City upon the completion or termination of services under the contract.

All materials, documents, data or information obtained from the City data files or any City medium furnished to Consultant in the performance of this Agreement will at all times remain the property of the City. Such data or information may not be used or copied for direct or indirect use by Consultant after termination of this Agreement without written consent of the City.

7. NEWS AND INFORMATION RELEASE.

Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Attorney or City Manager.

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FOR CONSULTANT: Name: Mary Egan

P.O Box 561,
Wilton, CA 95693

Phone: (916) 261-7547

FOR CITY:

Name: City of Modesto
Address: P.O. Box 642
Modesto, CA 95353
Attention: Adam U. Lindgren, City Attorney
Phone: (209) 571-5126

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17. INDEMNITY.

The Consultant shall hold the City, its agents, officers, employees, and volunteers, harmless from and save, defend and indemnify them against any and all claims, losses, liabilities, judgments or damages from every cause, including but not limited to injury to person or property or wrongful death, including reasonable costs and expenses of defense of any judicial or administrative action, arising directly or indirectly out of any negligent or intentional act or omission of Consultant, or its agents, officers, employees, or volunteers relating to or during the performance of its obligations under this Agreement.

Consultant's obligation to defend, indemnify, and hold the City, its agents, officers, and employees harmless under the provisions of this paragraph is not limited to or restricted by any requirement in this Agreement for Consultant to procure and maintain a policy of insurance.

18. DISPUTE RESOLUTION.

All claims, controversies, or disputes arising out of, or relating to the formation of this Agreement, or the breach, termination execution, enforcement, interpretation, or validity of this Agreement, including the determination of the scope or applicability of this contract provision shall be determined by binding arbitration in Modesto, California, by one arbitrator, except as otherwise specified in this Agreement. The American Arbitration Association shall administer the arbitration under its Arbitration Rules then in effect, subject to the modifications of those rules contained in this paragraph. This agreement to arbitrate shall be

specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration or court proceeding relating to or arising out of this provision shall be in Stanislaus County, California.

This paragraph is not intended to and does not waive the claim filing requirements found in California Government Code section 900 et seq. In the event that a timely and legally sufficient, arbitrable claim is filed by Consultant with City, and the claim is rejected in whole or in part by City, this paragraph shall result in the conclusive, final, and binding resolution of all the issues presented in the claim by Consultant so long as any issues presented by the claim are arbitrable. Claims rejected by City or by operation of law, shall be submitted by Consultant to arbitration pursuant to the Arbitration Rules of the American Arbitration Association within ninety (90) days after mailing of the written rejection by City to Consultant. Otherwise, the claim or claims shall be deemed waived in their entirety.

The “fast track” rules of the American Arbitration Association shall apply to any claim or counterclaim less than ONE HUNDRED FIFTY THOUSAND AND 00/100 (\$150,000.00) DOLLARS. In arbitration not proceeding under the “fast track” rules, the arbitrator shall have the power to order that depositions be taken and other discovery be made. Both City and Consultant shall have the right, upon written notice, to take no more than three (3) depositions of the other as a matter of right in an arbitration proceeding under the “fast track” rules.

Whether or not City and Consultant may be engaged in interstate commerce, any controversy or dispute mentioned above shall be determined by, and the parties shall be bound by, the substantive law of the State of California, and not the Federal Arbitration Act at 9 USC Section 1 et seq.

The arbitrator may grant any remedy or relief deemed by the arbitrator just and equitable under the circumstances, whether or not such relief could be awarded in a court of law. The arbitrator shall be empowered to award monetary sanctions against a party for failure of cooperation in the arbitration. The arbitrator shall, in written award, allocate all the costs of the arbitration, including the fees of the arbitrator and the reasonable attorney fees of the prevailing party, against the party who did not prevail. The prevailing party shall be the party in whose favor the majority of the central issues in the case are resolved.

Notwithstanding anything in this provision to the contrary, the arbitrator shall have no power to award punitive damages or other damages not measured by the party's actual damages (excluding litigation costs and fees) against any party. This limitation of the arbitrator's powers under this Agreement shall not operate as an exclusion of the issue of punitive damages from this Agreement to Arbitrate sufficient to vest jurisdiction in a court with respect to that issue.

Consultant shall include in all subcontracts a specification whereby the subcontractor consents to being joined in an arbitration between City and Consultant involving the work of the subcontractor to be joined. Consultant's failure to do so shall be a breach of this Agreement.

The parties hereby waive any rights provided by Title 9.2 of the California Code of Civil Procedure, Section 1296. The arbitrator's award shall be deemed final, conclusive and binding to the fullest extent allowed by California law.

19. ENTIRE AGREEMENT.

This Agreement and its exhibits contain the entire understanding between Consultant and City. Additional or new terms contained in this Agreement which vary from Consultant's proposal or the Letters of Engagement are controlling and are deemed accepted by Consultant. All previous proposals, offers and communications relative to this Agreement,

whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

20. PARTIAL INVALIDITY.

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

21. WAIVER.

The waiver by any party to this Agreement of a breach of any provision hereof shall be in writing and shall not operate or be construed as a waiver of any other or subsequent breach hereof unless specifically stated in writing.

22. AUDIT.

The City's duly authorized representative shall have access at all reasonable times to all reports, contract records, contract documents, contract files, and personnel necessary to audit and verify Consultant's charges to City under this Agreement.

Consultant agrees to retain reports, records, documents, and files related to charges under this Agreement for a period of four (4) years following the date of final payment for Consultant services. City's representative shall have the right to reproduce any of the aforesaid documents.

23. GOVERNING LAW.

This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court or Federal District Court located in Stanislaus County in the State of California, and the Parties consent to jurisdiction over their

persons and over the subject matter of any such litigation in such courts, and consent to service of process issued by such courts.

24. HEADINGS NOT CONTROLLING.

Headings used in the Agreement are for reference purposes only and shall not be considered in construing this Agreement.

25. COMPLIANCE WITH LAWS.

Consultant shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws. Consultant shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits.

26. CITY BUSINESS LICENSE.

Consultant will have a City of Modesto business license.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Agreement for Consultant Services in duplicate by its City Manager and attestation by its City Clerk on the _____ day of _____, 2018, and ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES has caused this Agreement to be duly executed in duplicate as of the Effective Date.

CITY OF MODESTO,
a municipal corporation

CONSULTANT,
MUNICIPAL RESOURCE GROUP, LLC

BY: _____
JOSEPH P. LOPEZ, City Manager

BY: _____
MARY EGAN

By _____
Name Title

ATTEST:
(Seal)

BY: _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID # _____

APPROVED AS TO FORM:

BY: _____
ADAM U. LINDGREN, City Attorney

APPROVED AS TO FORM:

BY: _____
CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

*Sole Proprietorship - signature of proprietor
required*

**STANDARD AGREEMENT
FOR CONSULTANT SERVICES**

THIS AGREEMENT, made and entered into in the City of Modesto, State of California, this ___ day of _____, 2018, by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City", and **DR ASSOCIATES INTERNATIONAL**, a California Sole Proprietorship, hereinafter referred to as "Consultant." Consultant and City shall be collectively referred to as "parties" or individually as a "party.

This Agreement is made with regard to the following recitals:

A. The City has determined that a consultant is necessary to assist with internal administrative investigation services.

B. Consultant represents that it is qualified, willing and able to provide the services to provide those services.

NOW, THEREFORE, in consideration of this agreement, and the mutual promises, covenants, and stipulations hereinafter contained, the parties agree as follows:

1. SCOPE OF SERVICES.

Consultant shall undertake and complete Personnel and Administrative Investigations as assigned.

Consultant shall not be compensated for services outside the scope of work identified under this Section unless prior to the commencement of such services: (i) Consultant notifies City and City agrees that such services are outside the scope of work under this Section; (ii) Consultant estimates the additional compensation required for these additional services; and (iii) City, after notice, approves in writing a Supplemental Agreement specifying the additional services and amount of compensation therefor.

Consultant shall provide a status update to the City representative every sixty (60) days on

any matter(s) under this Agreement.

2. TERM OF AGREEMENT.

This Agreement is effective as of September 11, 2018, and will continue in effect until September 11, 2020, or City's final acceptance of and payment for all services authorized by City and performed by Consultant, or until terminated in accordance with the provisions of the termination clause in this Agreement, whichever occurs first.

3. COMPENSATION.

Consultant agrees to accept a sum not to exceed \$100,000 as full remuneration for performing all services and furnishing all staffing and materials called for performance by Consultant of all of its duties and obligations under this Agreement.

The Compensation shall be paid pursuant in the manner and at the times set forth below:

Consultant shall be paid at a rate of \$190.00 per hour for Senior Partners and \$125.00 for Junior Partners those services identified in the Scope of Work and reasonable expenses, for a total amount not to exceed \$100,000.

City shall reimburse Consultant for the actual, reasonable and necessary expense of travel out of the Modesto metropolitan area, approved in advance, at \$0.56 per mile. Consultant will not charge City for the cost of telephone calls. Costs and expenses for statutory fees, witness fees, reporters' per diem and stenographic transcriptions, and the expenses of serving process shall be advanced by Consultant and reimbursed by City.

Billings shall be submitted to City every thirty (30) days unless otherwise advised. Each task shall be distinctly and completely identified. City will not pay invoices that contain block billing. Each billing entry must contain the initials of the individual performing the task, the nature of the task, the date it was performed, and the length of time it took.

4. OBLIGATIONS OF CONSULTANT.

Throughout the term of this Agreement, Consultant shall possess, or secure all licenses, permits, qualifications and approvals legally required to conduct business. Consultant warrants that it has all of the necessary professional capabilities and experience, as well as all tools, instrumentalities, facilities and other resources necessary to provide the City with the services contemplated by this Agreement. Consultant further warrants that it will follow the best current, generally accepted and professional practices to make findings, render opinions, prepare factual presentations, and provide professional advice and recommendations regarding this project.

5. PERFORMANCE BY KEY EMPLOYEE.

Consultant has represented to City that David Reuben will be the person primarily responsible for the performance of the services referred to in this Agreement. City has entered into this Agreement in reliance on that representation by Consultant. Consultant therefore agrees that 100 percent (100%) or more of the time to be devoted to the project that is the subject of this Agreement will be that of the above-named person.

6. OWNERSHIP OF DOCUMENTS/TITLE TO DATA.

Ownership of Documents

All reports, drawings, designs, graphics, working papers and other incidental work or materials furnished hereunder shall become and remain the property of the City, and may be used by City as it may require without any additional cost to City. No reports shall be used by the Consultant for purposes other than this contract without the express prior written consent of City.

Title to Data

If, as a part of the agreement, Consultant is required to produce data such

as, but not limited to, drawings, plans, specifications, calculations, models, flow diagrams, visual aids and other related materials, the originals of all such data generated under this agreement will be delivered to City upon the completion or termination of services under the contract.

All materials, documents, data or information obtained from the City data files or any City medium furnished to Consultant in the performance of this Agreement will at all times remain the property of the City. Such data or information may not be used or copied for direct or indirect use by Consultant after termination of this Agreement without written consent of the City.

7. NEWS AND INFORMATION RELEASE.

Consultant agrees that it will not issue any news releases in connection with either the award of this Agreement, or any subsequent amendment of or efforts under this Agreement, without first obtaining review and approval of said news releases from City through the City Attorney or City Manager.

The City Attorney or City Manager shall serve as the point of contact for press information regarding all matters performed by Consultant under this Agreement. If any publicity is generated by the subject matter of this representation, Consultant will consult with and obtain approval of the City Attorney or City Manager before making any statement to any media outlet (whether radio, print, internet or television) about the content and timing of such statement.

Consultant understands and agrees that during the course performing the services required by this Agreement, or in contemplation thereof, Consultant may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Consultant agree that all information disclosed by City to Consultant shall be held in confidence and used only in performance of the services required by

this Agreement. A violation of this section shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

8. INTEREST OF CONTRACTOR.

Consultant warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. Consultant warrants that, in performance of this Agreement, Consultant shall not employ any person having any such interest. Consultant agrees to file a Statement of Economic Interests with the City Clerk at the start and end of this contract if so required at the option of City.

9. AMENDMENTS.

Both parties to this Agreement understand that it may become desirable or necessary during the execution of this Agreement, for City or Consultant to modify the scope of services provided for under this Agreement. Any material extension or change in the scope of work shall be discussed with City and the change and cost shall be memorialized in a written amendment to the original contract prior to the performance of the additional work.

Until a change order is so executed, City will not be responsible to pay any charges Consultant may incur in performing such additional services, and Consultant shall not be required to perform any such additional services.

10. INDEPENDENT CONTRACTOR.

All acts of Consultant, its agents, officers, and employees and all others acting on behalf of Consultant relating to the performance of this Agreement, shall be performed as independent contractors and not as agents, officers, or employees of City. Consultant, by virtue of this Agreement, has no authority to bind or incur any obligation on behalf of City. Consultant has no authority or responsibility to exercise any rights or power vested in the City.

No agent, officer, or employee of the City is to be considered an employee of Consultant. It is understood by both Consultant and City that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture.

Consultant, its agents, officers and employees are and, at all times during the terms of this Agreement, shall represent and conduct themselves as independent contractors and not as employees of City. However, the City may, from time to time, make space available to the Consultant to perform work.

Consultant shall determine the method, details and means of performing the work and services to be provided by Consultant under this Agreement, regardless of whether the Consultant performs work on City property or elsewhere. Consultant shall be responsible to City only for the requirements and results specified in this Agreement, and, except as expressly provided in this Agreement, shall not be subjected to City's control with respect to the physical action or activities of the Consultant in fulfillment of this Agreement. Consultant has control over the manner and means of performing the services under this Agreement. Consultant is permitted to provide services to others during the same period service is provided to City under this Agreement. If necessary, Consultant has the responsibility for employing other persons or firms to assist Consultant in fulfilling the terms and obligations under this Agreement.

If in the performance of this Agreement any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. All terms of employment including hours, wages, working conditions, discipline, hiring, and discharging or any other term of employment or requirement of law shall be determined by the Consultant.

It is understood and agreed that as an independent contractor and not an employee of City neither the Consultant or Consultant's assigned personnel shall have any entitlement as a City employee, right to act on behalf of the City in any capacity whatsoever as

an agent, or to bind the City to any obligation whatsoever.

It is further understood and agreed that Consultant must issue W-2 forms or other forms as required by law for income and employment tax purposes for all of Consultant's personnel.

As an independent contractor, Consultant hereby indemnifies and holds City harmless from any and all claims that may be made against City based upon any contention by any third party that an employer-employee relationship exists by reason of this Agreement.

11. ASSIGNMENT.

Neither this Agreement nor any portion thereof shall be subcontracted or assigned without the express prior written consent of the City in each and every instance.

12. PATENT/COPYRIGHT MATERIALS.

Unless otherwise expressly provided in the contract, Consultant shall be solely responsible for obtaining the right to use any patented or copyrighted materials in the performance of this Agreement. Consultant shall furnish a warranty of such right to use to City at the request of City.

13. NOTICES.

Any and all notices permitted or required to be given hereunder shall be deemed duly given and effective (1) upon actual delivery, if delivery is by hand; or (2) five (5) days after delivery into the United States mail if delivery is by postage paid registered or certified (return receipt requested) mail. Each such notice shall be sent to the parties at the address respectively indicated below or to any other address as the respective parties may designate from time to time.

FOR CONSULTANT: Name: Dave Reuben

P.O.Box 2399
Davis, CA 95617

Phone: (530) 758-8902

FOR CITY:

Name: City of Modesto
Address: P.O. Box 642
Modesto, CA 95353
Attention: Adam U. Lindgren, City Attorney
Phone: (209) 571-5126

14. INSURANCE REQUIREMENTS.

Consultant shall comply with the insurance requirements contained in Exhibit "A" and shall procure, at its own expense, all insurance coverages listed in Exhibit "A" for the duration of this Agreement.

City shall withhold payments to Consultant if the certificates of insurance and endorsements required in this section are canceled or Consultant otherwise ceases to be insured as required herein.

15. TERMINATION OF AGREEMENT.

Termination on Occurrence of Stated Events

This Agreement shall terminate automatically on the date on which any of the following events occur: (1) bankruptcy or insolvency of Consultant, (2) legal dissolution of Consultant, or (3) death of key principal(s) of Consultant.

Termination by City for Default of Consultant

Should Consultant default in the performance of this Agreement or materially breach any of its provisions, at its option City may terminate this Agreement by giving written notification to Consultant. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to perform required services or duties, willful destruction of City's property by Consultant, dishonesty or theft.

Termination by Consultant for Default of City

Should City default in the performance of this Agreement or materially breach any of its provisions, at its option Consultant may terminate this Agreement by giving written notice to City. The termination date shall be the effective date of the notice. For the purposes of this section, material breach of this Agreement shall include but not be limited to any of the following: failure to cooperate reasonably with Consultant, willful destruction of Consultant's property by City, dishonesty or theft.

Termination by City for Convenience

The City may also terminate the Consultant's performance under the Agreement, either in whole or in part, at its own discretion, or when conditions encountered during the Work make it impossible or impracticable to proceed, or when the City is prevented from proceeding with the Agreement by act of God, by law, or by official action of a public authority, or upon a determination by the City that such termination is in the best interest and convenience of the City, or whenever the City is prohibited from completing the Work for any reason. The City shall provide no less than ten (10) calendar days written notice of its intent to terminate the Agreement for convenience, and shall endeavor to provide the Consultant with consultation with the City prior to termination.

Termination by City for Lack of Budgeted Funds

The City may terminate this Agreement effective July 1 of any given year upon the City's determination to not appropriate sufficient funds for this Agreement for the ensuing fiscal year. In such event City shall give Consultant not less than 30 days written notice.

Termination for Failure to Make Agreed-Upon Payments

Should City fail to pay Consultant all or any part of the payments set forth in this Agreement on the date due, at its option Consultant may terminate this Agreement if the failure is not remedied within thirty (30) days after Consultant notifies City in writing of such failure to pay. The termination date shall be the effective date of the notice.

Termination by City for Change of Consultant's Tax Status

If City determines that Consultant does not meet the requirements of federal and state tax laws for independent contractor status, City may terminate this Agreement by giving written notice to Consultant. The termination date shall be the effective date of the notice.

Voluntary Termination

The parties may terminate this contract upon mutual written Agreement.

In the Event of Termination

If this Agreement is terminated pursuant to this Paragraph, Consultant shall cease all its work on the project as of the termination date and shall see to it that its employees, subcontractors and agents are notified of such termination and cease their work. If City so requests, and at City's cost, Consultant shall provide sufficient oral or written status reports to make City reasonably aware of the status of Consultant's work on the project. Further, if City so requests, and at City's cost, Consultant shall deliver to City any work products whether in draft or final form which have been produced to date.

If the Agreement is terminated pursuant to any of the subsections contained in this paragraph, City will pay Consultant an amount based on the percentage of work completed on the termination date, this percentage shall be determined by City in its sole discretion. If the Agreement is terminated pursuant to the subparagraph entitled Termination by City for Default of Consultant, Consultant understands and agrees that City may, in City's sole discretion, refuse to pay Consultant for that portion of Consultant's services which were performed by Consultant on the project prior to the termination date and which remain unacceptable and/or not useful to City as of the termination date.

16. CERTIFIED PAYROLL REQUIREMENT.

For consultants performing field work on public works contracts on which prevailing wages are required: The Consultant shall comply with the provisions of Section 1776 of the California Labor Code, regarding payroll records, and shall require its subconsultants and subcontractors to comply with that section as may be required by law.

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specifically enforceable under the prevailing law of any court having jurisdiction, and the award rendered by the arbitrator may be entered in any court having jurisdiction. The appropriate venue for any arbitration or court proceeding relating to or arising out of this provision shall be in Stanislaus County, California.

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This Agreement and its exhibits contain the entire understanding between Consultant and City. Additional or new terms contained in this Agreement which vary from Consultant's proposal or the Letters of Engagement are controlling and are deemed accepted by Consultant. All previous proposals, offers and communications relative to this Agreement,

whether oral or written, are hereby superseded except to the extent that they have been incorporated into this Agreement. No future waiver of or exception to any of the terms, conditions, and provisions of this Agreement shall be considered valid unless specifically agreed to in writing by all the parties.

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Consultant shall insure compliance with all safety and hourly requirements for employees, in accordance with federal, state, and county safety and health regulations and laws. Consultant shall fully comply with all applicable federal, state, and local laws, ordinances, regulations and permits.

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Consultant will have a City of Modesto business license.

IN WITNESS WHEREOF, the City of Modesto, a municipal corporation, has authorized the execution of this Agreement for Consultant Services in duplicate by its City Manager and attestation by its City Clerk on the _____ day of _____, 2018, and ARMISTEAD RESEARCH AND INVESTIGATIVE SERVICES has caused this Agreement to be duly executed in duplicate as of the Effective Date.

CITY OF MODESTO,
a municipal corporation

CONSULTANT,
DRI ASSOCIATES INTERNATIONAL

BY: _____
JOSEPH P. LOPEZ, City Manager

BY: _____
DAVID REUBEN

By _____
Name Title

ATTEST:
(Seal)

BY: _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID # _____

APPROVED AS TO FORM:

BY: _____
ADAM U. LINDGREN, City Attorney

APPROVED AS TO FORM:

BY: _____
CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

*Sole Proprietorship - signature of proprietor
required*

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-386**

**RESOLUTION APPROVING A LEGAL SERVICES AGREEMENT WITH
SLOAN SAKAI YEUNG & WONG, LLP TO ASSIST WITH LABOR
NEGOTIATIONS, FOR AN ANNUAL AMOUNT NOT TO EXCEED \$100,000
FOR A TWO YEAR TERM, AND A TOTAL AMOUNT NOT TO EXCEED
\$200,000, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, the Human Resources Department, have determined specific labor, employment and personnel legal matters need to be addressed in preparation for the multiple upcoming Labor Contract negotiations, and

WHEREAS, there is a need for specialized legal and consultant services in the area of labor negotiations, and

WHEREAS, Sloan Sakai Yeung & Wong, LLP (Sloan Sakai) have extensive experience representing small and large public jurisdictions in California and have years of negotiations experience negotiating with the primary labor representatives in Northern California, including Public Safety and non-sworn Unions, and

WHEREAS, the attorneys within Sloan Sakai have assisted the City at the bargaining table for the past several years, and

WHEREAS, the award of proposal for negotiations consultation to Sloan Sakai Yeung & Wong, LLP, Berkeley, CA conforms to Modesto Municipal Code 8-3.204(a) as it is a Professional Services.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Modesto that it hereby approves a Legal Services Agreement with Sloan Sakai Yeung & Wong, LLP to assist with labor negotiations, for an annual amount not to exceed \$100,000 for a two year term, and a total amount not to exceed \$200,000, as provided in

Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to **Exhibit A**.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the Legal Services Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

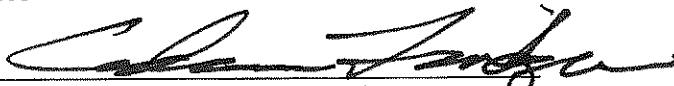
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Sloan Sakai

ATTORNEYS AT LAW

Public Sector and Non-Profit Fee Schedule Effective January 1, 2018 to December 31, 2018

Partners:	\$300 - \$450
Of Counsel:	\$265 - \$385
Senior Counsel:	\$275 - \$375
Associates:	\$215 - \$275
Law Clerks:	\$145
Paralegals:	\$105 - \$175
Analysts:	\$95 - \$135
Consultants:	\$160 - \$275

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-387**

**RESOLUTION AMENDING THE CLASS RANGE TABLE FOR REPRESENTED
MANAGEMENT AND CONFIDENTIAL NON-SWORN CLASSES**

WHEREAS, the City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective July 10, 2018 was adopted by Modesto City Council Resolution No. 2018-282, and

WHEREAS, the City Council desires to amend the Class Range Table for Represented Management and Confidential Non-Sworn Classes Attachment for Resolution 2018-282, Effective July 10, 2018, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. AMENDMENT TO RESOLUTION NO. 2018-282. **Attachment** entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective **August 1, 2018**”, is hereby amended and replaced with **Exhibit A attached** hereto and made a part hereof as though set forth in full herein and summarized as follows:

A. **Exhibit “A”** entitled “City of Modesto Class Range Table Represented Management and Confidential Non-Sworn Classes Effective September 11, 2018”, is amended to:

i. Adjust Solid Waste Enforcement Supervisor to salary range 434

2. EFFECTIVE DATE. This resolution shall become effective on and after September 11, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

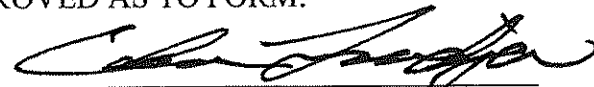
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

CITY OF MODESTO
 CLASS RANGE TABLE
 REPRESENTED MANAGEMENT AND CONFIDENTIAL NON-SWORN CLASSES
 Effective **September 11, 2018**

RANGE	TITLE
410	Administrative Office Assistant II (Confidential) Account Clerk I (Confidential)
412	Police Clerk II (Confidential) Account Clerk II (Confidential)
414	Administrative Office Assistant III (Confidential)
417	Legal Secretary I
418	Systems Technician I Senior Administrative Office Assistant (Confidential)
420	Workers' Compensation Claims Assistant
421	Administrative Services Technician I (Confidential) Legal Secretary II Executive Assistant
422	Deputy City Clerk Homeless Management Information System (HMIS) Technician Systems Technician II
423	Account Technician (Confidential) Custodian Supervisor Senior Legal Secretary Workers' Compensation Claims Examiner I
424	Buyer
425	Administrative Services Technician II (Confidential) Office Supervisor
426	Central Stores Supervisor Employee Benefits Coordinator Financial Analyst I Homeless Management Information System (HMIS) Program Coordinator Senior Systems Technician
427	Administrative Analyst I Technology Solutions Analyst I

RANGE	TITLE
	Utility Dispatch Supervisor
428	Animal Control Supervisor Human Resources Analyst I Workers' Compensation Claims Examiner II
429	Assistant Planner Parking Adjudication Program Coordinator Parking Services Supervisor Police Range and Training Center Coordinator
430	Assistant City Clerk Financial Analyst II Senior Buyer Software Analyst I Systems Engineer I
431	Administrative Analyst II Events Coordinator Police Civilian Supervisor Technology Solutions Analyst II
432	Human Resources Analyst II Junior Engineer Neighborhood Preservation Supervisor Senior Workers' Compensation Claims Examiner
433	Assistant Surveyor Associate Planner Water Resources Analyst
434	Compost Facility Supervisor Financial Analyst III Operations Supervisor Recreation Supervisor Recycling Program Coordinator Software Analyst II Solid Waste Enforcement Supervisor Systems Engineer II
435	Assistant Transportation Planner Business Analyst

RANGE	TITLE
	Cultural Services Program Manager Customer Services Supervisor Emergency Medical Services Coordinator Management Analyst Organizational Development Coordinator Parks Project Coordinator Transit Analyst Weed and Seed Program Coordinator
436	Assistant Engineer Housing Rehabilitation Supervisor Public Safety Information Coordinator Senior Crime and Intelligence Analyst
437	Electrical Supervisor
438	Economic Development Marketing Specialist Plant Maintenance Supervisor Property Agent Public Safety Business Services Analyst Risk and Loss Control Coordinator Safety Officer Senior Community Development Program Specialist Senior Financial Analyst Senior Human Resources Analyst Senior Software Analyst Senior Systems Engineer
439	Administrative Services Officer Associate Land Surveyor Associate Transportation Planner Electrical Supervisor – Utilities Senior Business Analyst Senior Planner
440	Associate Engineer Community and Media Relations Officer Environmental Services Supervisor Integrated Waste Specialist Materials Management Superintendent/City Arborist Utilities Plant Operations Supervisor Utilities Services Supervisor

RANGE	TITLE
441	Housing and Urban Development Supervisor Infrastructure Financing Program Supervisor Laboratory Supervisor Police Civilian Manager Auditor I
442	Centre Plaza Manager Construction Inspection Supervisor Principal Information Technology Administrator Purchasing Manager Auditor II
443	Associate Civil/Traffic Engineer Customer Services Manager Parks Planning and Development Manager Senior Transportation Planner
444	Building Safety Program Coordinator Building Inspection Supervisor Environmental Regulatory Compliance Manager Plant Maintenance Superintendent Recreation Program Manager Water Superintendent
445	Airport Manager Deputy Fire Marshal Facilities Manager Fleet Manager Senior Land Surveyor Streets Manager
446	Accounting Manager
447	Principal Planner Traffic Operations Engineer
448	Recreation and Neighborhoods Services Manager Transit Manager Solid Waste Program Manager
449	Assistant Chief Building Official Information Technology Manager

RANGE	TITLE
-------	-------

450	Business Center Manager Community Development Manager Planning Manager Senior Civil Engineer Wastewater Collections Systems Manager Water Quality Control Plant Manager Water Systems Manager
-----	---

451	Operations Manager
-----	--------------------

452	Traffic Engineer
-----	------------------

453	Chief Building Official Parks Recreation & Neighborhoods Operations Manager
-----	--

454	Assistant City Engineer
-----	-------------------------

459	City Engineer Engineering Division Manager
-----	---

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-388**

**RESOLUTION AMENDING THE CLASSIFICATION PLAN FOR THE
CITY OF MODESTO TO AMEND THE CLASSIFICATION OF SOLID
WASTE ENFORCEMENT SUPERVISOR, REALLOCATE THE
ADMINISTRATIVE SERVICES OFFICER AND TWO POLICE
TECHNICIANS**

WHEREAS, a Position Classification Plan for the City of Modesto was adopted by Modesto City Council Resolution No. 2018-281 pursuant to Rule 2.2 of the Personnel Rules and Regulations of the City of Modesto, and

WHEREAS, Rule 2.2 of the City of Modesto Personnel Rules provides that revisions to the Classification Plan shall be effective upon adoption of resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that the Position Classification Plan is hereby amended to adjust the classification of Solid Waste Enforcement Supervisor to salary range 434, reallocating two Police Technicians to Crime Analyst and reallocate one Administrative Services Officer to one Organizational Development Coordinator effective September 11, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-389**

**RESOLUTION AMENDING THE POSITION ALLOCATION FOR FISCAL
YEAR 2018-19 AS ADOPTED IN THE OPERATING BUDGET FOR
ADMINISTRATIVE SERVICES OFFICER AND POLICE TECHNICIAN**

WHEREAS, a Position Allocation for the City of Modesto was adopted by Modesto City Council on July 10, 2018, by resolution 2018-283, and

WHEREAS, classification studies are conducted to ensure that a classification system is equitable and consistent within an organization and that positions are correctly classified, and

WHEREAS, per Personnel Administrative Order 2.2-87-12, a classification study may be conducted in response to a reclassification request, to develop/revise a classification specification, or to assist in a reorganization, and

WHEREAS, classification studies were conducted by Human Resources to determine appropriate classification, and

WHEREAS, position changes will be effective the pay period in which September 11, 2018 falls, (Pay Period beginning September 4, 2018).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Position Allocation and the Fiscal Year 2018-19 Operating Budget for various departments as follows:

1. Reallocate two Police Technicians in the Modesto Police Department to two Crime Analysts in the Modesto Police Department.
2. Reallocate one Administrative Services Officer in the Information Technology Department to one Organizational Development Coordinator in the Human Resources Department.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

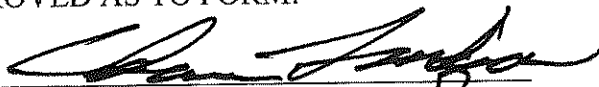
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-390**

RESOLUTION APPROVING A MEMORANDUM OF AGREEMENT WITH STANISLAUS COUNTY FOR A JOINT APPLICATION FOR FUNDING IN THE AMOUNT OF \$177,835 THROUGH THE EDWARD BYRNE JUSTICE ASSISTANCE GRANT (JAG) FORMULA PROGRAM; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE MEMORANDUM OF AGREEMENT

WHEREAS, the JAG Program allows states, tribes and local governments to support a broad range of activities to prevent and control crime based on their own local needs and conditions, and

WHEREAS, the City of Modesto Police Department is eligible to apply for \$147,207 and Stanislaus County is eligible for \$30,628, and

WHEREAS, the City of Modesto Police Department is considered “disparate” under the terms of this grant because the City is eligible to receive one and one-half times more than a County (150% more than the County with concurrent jurisdiction), and

WHEREAS, the Modesto Police Department and Stanislaus County are required to submit a joint application for the total eligible allocation of \$177,835, and

WHEREAS, the City of Modesto will use its allocation to help fund the acquisition and implementation of License Plate Reader (LPR) equipment in the form of fixed cameras and associated system components, and

WHEREAS, there is no match required for this grant, and

WHEREAS, Stanislaus County will be the fiscal agent for this grant, and

WHEREAS, the County will charge the City a three percent (3%) administrative fee in the amount of \$4,416 to cover the reporting costs associated with the grant, and

WHEREAS, the grant requires the City, as a disparate agency, to set aside three percent (3%) in the amount of \$4,416 to be used for NIBRS compliance, and

WHEREAS, the City will utilize these set-aside funds to cover costs of building, testing and training staff in the use of this reporting module, and

WHEREAS, the grant requires that a separate multi-year project account must be established for fund deposits, and funds cannot be commingled with funds from any other source, and

WHEREAS, the grant requires a signed Memorandum of Agreement between the City and County for the application.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Memorandum of Agreement with Stanislaus County for the Edward Byrne Memorial Justice Assistance Grant (JAG) Formula Program Fiscal Year 2018 Local Solicitation and authorizes a joint application with Stanislaus County.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the grant application upon award.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-391**

RESOLUTION ACCEPTING THE 2019 SELECTIVE TRAFFIC ENFORCEMENT PROGRAM GRANT IN THE AMOUNT OF \$430,000 FROM THE OFFICE OF TRAFFIC SAFETY TO INCREASE ENFORCEMENT FOR SPEED, DUI, AND OTHER SPECIAL TRAFFIC ENFORCEMENT OPERATIONS; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE NECESSARY DOCUMENTS

WHEREAS, the City of Modesto Police Department desires to undertake a certain project designated as the Selective Traffic Enforcement Program (STEP) grant from the Office of Traffic Safety (OTS), and

WHEREAS, the Police Department was awarded a grant in the sum of \$430,000 from OTS, and

WHEREAS, acceptance of said \$430,000 grant will increase enforcement for speed, DUI, and other special traffic enforcement operations, while also reducing collisions with speed, DUI, and special operations, and

WHEREAS, OTS will pay overtime for officers, training, and equipment to assist in traffic studies and other traffic related enforcement equipment, and

WHEREAS, the term of this grant will be from October 1, 2018, through September 30, 2019.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Selective Traffic Enforcement Program Grant in the amount of \$430,000 from the Office of Traffic Safety to increase enforcement for speed, DUI, and other special traffic enforcement operations.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the necessary award documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

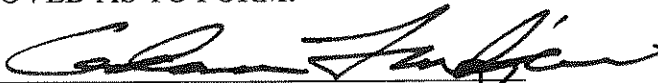
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-392**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 OPERATING AND MULTI-YEAR BUDGET TO APPROPRIATE REVENUE AND EXPENSES IN THE AMOUNT OF \$430,000 RELATED TO THE SELECTIVE TRAFFIC ENFORCEMENT PROGRAM GRANT TO INCREASE ENFORCEMENT FOR SPEED, DUI, AND OTHER SPECIAL TRAFFIC ENFORCEMENT OPERATIONS

WHEREAS, the Police Department acquired a grant award in the amount of \$430,000 from the Office of Traffic Safety (OTS) to increase enforcement for speed, DUI, and other special traffic enforcement operations, and

WHEREAS, the grant will pay overtime for officers for special enforcement operations, DUI saturation patrols, and other traffic related enforcement supplies, and

WHEREAS, there is no local match required for this grant, and

WHEREAS, certain budgetary adjustments are necessary to account for the programing of revenues and offsetting expenses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Fiscal Year 2018/2019 Operating and Multi-Year Budget is hereby adjusted as indicated on budget adjustment **attached**.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

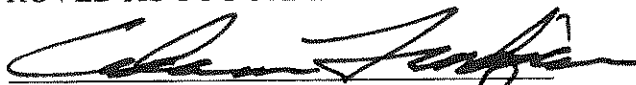
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**Request for Budget Adjustment
(Projects and Grants)**

EXHIBIT A

Contact Person: Julie Hendee
 Telephone: 572-9518
 Submitting Department: Police

Council Action Date: _____
 Resolution Number: _____
 Date Submitted by Dept: 8/7/2018

Project Name: 2018-19 OTS STEP GRANT

Fiscal Year being Adjusted: FY 2018-19

Project Fund: 1342 - Police Grants

FY	Fund	Cost Center	Account	Project	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
----	------	-------------	---------	---------	----------------	----------------------	----------------	------------------------

Revenues

FROM								
-	-	-	-	-			\$0	
TO								
MY	- 1342	- 19998	- 42141	- 101136	\$0	\$430,000	\$430,000	Intergov - State - Office of Traffic Safety
-	-	-	-	-			\$0	

FY	Project	Task	Expenditure Type	Current Budget	Increase/ (Decrease)	Revised Budget	Project Organization
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Expenses

FROM							
-	-	-	-			\$0	
-	-	-	-			\$0	
TO							
MY	- 101136	- APPR A	- 51200-Overtime	\$0	\$414,938	\$414,938	MPD.ADMINISTRATION
MY	- 101136	- APPR C	- 52010 Printing	\$0	\$2,100	\$2,100	MPD.ADMINISTRATION
MY	- 101136	- APPR C	- 52300 - Tools and Field Supplie	\$0	\$1,709	\$1,709	MPD.ADMINISTRATION
Y	- 101136	- APPR C	- 53020 - Conference Expenses	\$0	\$2,753	\$2,753	MPD.ADMINISTRATION
Y	- 101136	- APPR C	- 52038 - Police Equipment<\$5K	\$0	\$8,500	\$8,500	MPD.ADMINISTRATION
-	-	-	-				
-	-	-	-				
-	-	-	-				
						\$430,000	

Justification for Budget Adjustment

This budget amendment is being made to: 1) Program 2019 STEP grant revenue and offsetting expenses in the amount of \$430,000. This action will establish a new grant Project account for the recently awarded Office of Traffic Safety (OTS) 2018-19 Selected Traffic Enforcement Program Grant. Grant funding will be used to fund operations to and deploy best practices strategies to reduce the number of persons killed and injured in crashes involving alcohol and other primary collision factors.

Authorization	Signature	Date
Administrative Services Officer (if needed)	N/A	
Department Director or Authorized Designee		
Financial Analyst		
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: _____ Completed By: _____

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-393**

RESOLUTION APPROVING PURCHASE AGREEMENT WITH FASTENAL COMPANY INC., WINONA, MN, BY UTILIZING THE NATIONAL INTERGOVERNMENTAL PURCHASING ALLIANCE UNIVERSITY OF CALIFORNIA, OFFICE OF THE PRESIDENT, FOR INDUSTRIAL VENDING MACHINE SUPPLIES, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$283,900, AND A TOTAL AMOUNT NOT TO EXCEED \$1,419,500 OVER FIVE YEARS AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the Wastewater and Water Divisions have remote sites that make it inefficient to travel to City Stores or various businesses to pick up consumables and Personal Protective Equipment (PPE), and

WHEREAS, in 2013, the City initiated a trial program to test using vending machines to provide items such as; hard hats, gloves, sun lotion, ear plugs, batteries, hand cleaner, WD40, etc. Industrial vending machines can be easily located at various sites and provide staff with access to required PPE and supplies 24 hours a day, and

WHEREAS, with the closure of City Stores in December 2016, staff has increased the use of the industrial vending machines and they are now available to several City departments, and

WHEREAS, the City is currently using Fastenal Company Inc. (Fastenal) to provide vending machine services; Fastenal monitors vending machine inventory and restocks the vending machines on a weekly basis, and

WHEREAS, the City Manager authorized the Purchasing Division to issue formal Request for Bids (RFB) for Industrial Vending Services on January 30, 2018, and

WHEREAS, while researching to prepare for the RFB, Purchasing staff discovered a Request for Proposal (RFP) by National Intergovernmental Purchasing Alliance (National IPA), and

WHEREAS, National IPA, on behalf of the University of California issued an RFP on January 31, 2018, to establish a national cooperative contract for maintenance, repair, and operation supplies and related services, and

WHEREAS, notices of solicitation were sent to potential offerors, as well as advertised in 18 newspapers. On March 17, 2018 proposals were received from 14 offerors, and were evaluated by an evaluation committee, and

WHEREAS, using the evaluation criteria established in the RFP, the committee elected to enter into negotiations with Fastenal and proceed with a contract award upon successful completion of negotiations, and

WHEREAS, the University of California, National IPA, and Fastenal Company successfully negotiated a contract and executed the agreement with an effective date of July 1, 2018 for an initial five-year term with two additional one-year options, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, exceptions to the formal bidding process are granted in MMC 8-.204(d) "Where the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set for in Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality," and

WHEREAS, MMC 8-3.202(h) encourages to join with the State of California and other units of government in cooperative purchasing plans when the best interest of the City would be served, and

WHEREAS, this purchase qualifies for the exemption from the formal bidding process for these reasons.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves Purchase Agreement for industrial vending machine supplies from Fastenal Company Inc., Winona, MN for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$283,900, and total amount not to exceed \$1,419,500 over five years.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to issue purchase agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

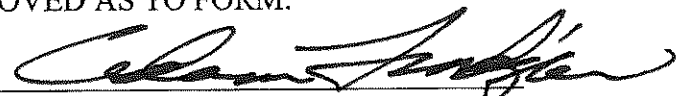
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-394**

**RESOLUTION APPROVING AN INCREASE OF \$73,710 TO THE
PURCHASING AGREEMENT WITH EAST BAY MUNICIPAL UTILITY
DISTRICT, OAKLAND, CA, FOR THE DISPOSAL OF GRAY WATER, FOR A
NEW AGREEMENT TOTAL AMOUNT NOT TO EXCEED \$208,710, AND
AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO
INCREASE THE PURCHASE AGREEMENT**

WHEREAS, the City of Modesto entered into a contract purchase agreement No. 65944 with East Bay Municipal Utility District (EBMUD), by Resolution No. 2014-305 in 2014 for an estimated annual cost of \$27,000 which equals \$135,000 over a five year period, and

WHEREAS, since 2014, the City has continued to see an increased need for disposal of gray water, and

WHEREAS, additional funding is necessary due to an increase of water production in Grayson which is resulting in additional gray water disposal, an increased number of loads to be disposed, and price increases to \$0.06/gallon, and

WHEREAS, when the current contract was written, the Water Division was disposing eleven (11) times per month with an average of 5,000 gallons each time, and

WHEREAS, to complete the remaining 13 months of the contract, the Water Services Division estimates we will need 15 loads a month at 6,300 gallons/load, at \$0.06 per gallon for a total of \$73,710, and

WHEREAS, the current purchase agreements for gray water disposal expires on August 5, 2019, and

WHEREAS, staff requests an increase to the current agreement in the amount of \$73,710 for a total contract amount not to exceed \$208,710, and

WHEREAS, per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance. Acting within the scope of this authority, the Purchasing Manager recommends staff be allowed to increase spending authority under this purchase agreement to \$208,710, in accordance with MMC Section 8-3.204(c) ensuring that the gray water is hauled away and the continued operation of the water treatment facility is not interrupted. If the waste tanks are not emptied, the potable water supply to the Grayson community will cease, and

WHEREAS, MMC Section 8-3.203(b) provides that a purchase may be exempt from the City's formal bidding requirements where the Purchasing Agency's requirements can be met solely by a single article or process. This purchase increase qualifies for exemption from formal bidding for that reason, and

WHEREAS, staff is seeking Council authority to increase the funds available under the purchasing agreement with EBMUD by \$73,710 for a total contract amount not to exceed \$208,710.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase of \$73,710 to the purchasing agreement with East Bay Municipal Utility District, Oakland, CA, for the disposal of gray water, for a new agreement total amount not to exceed \$208,710.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to increase the purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-395**

RESOLUTION FINDING THAT THE FOLLOWING SUBSEQUENT PROJECT IS WITHIN THE SCOPE OF THE PROJECT COVERED BY THE MODESTO URBAN AREA GENERAL PLAN MASTER ENVIRONMENTAL IMPACT REPORT (SCH NO. 2007072023): REZONE 0.2 ACRES FROM MEDIUM DENSITY RESIDENTIAL (R-2) ZONE AND PROFESSIONAL OFFICE (P-O) ZONE TO MEDIUM HIGH DENSITY RESIDENTIAL (R-3) ZONE, PROPERTY LOCATED AT 405 AND 409 E. ORANGEBURG AVENUE (SIMVOULAKIS)

WHEREAS, on October 14, 2008, the City Council of the City of Modesto certified the Final Master Environmental Impact Report (“Master EIR”) (SCH No. 2007072023) for the Modesto Urban Area General Plan, and

WHEREAS, George Simvoulakis has proposed the rezone 0.2 acres from Medium Density Residential Zone, R-2, and Professional Office Zone, P-O, to Medium High Density Residential Zone, R-3, property located at 405 and 409 E. Orangeburg Avenue, and

WHEREAS, pursuant to Section 21157.1 of the Public Resources Code, the City of Modesto’s Community & Economic Development Department prepared an Environmental Assessment Initial Study EA/C&ED 2018-15 (“Initial Study”) which analyzed whether the subsequent project may cause any significant effect on the environment that was not examined in the Master EIR and whether the subsequent project was described in the Master EIR as being within the scope of the report, and

WHEREAS, in accordance with CEQA guidelines beginning on August 29, 2018, the City caused to be published a 20-day notice of the City’s intent to make a finding that the subsequent project conforms with the Master EIR, and

WHEREAS, said matter was considered by the City Council at a duly noticed public hearing which was held on September 11, 2018, at 5:30 p.m., in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Council has reviewed and considered the Initial Study prepared for the proposed Rezone, a copy of which is **attached** hereto as **Exhibit "A"**, and incorporated herein by reference, and based on substantial evidence in the Initial Study makes the following findings:

1. An Initial Study was prepared by the City of Modesto that analyzed whether the subsequent project may cause any significant effect on the environment that was not examined in the Master EIR and whether the subsequent project was described in the Master EIR as being within the scope of the report.
2. The subsequent project will have no additional significant effect on the environment, as defined in subdivision (d) of Section 21158 of the Public Resources Code, that was not identified in the Master EIR.
3. No new or additional mitigation measures or alternatives are required.
4. The subsequent project is within the scope of the project covered by the Master EIR.
5. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
6. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that the Community & Economic Development Director is hereby authorized and directed to file a notice of approval or determination within five (5) business days with the Stanislaus County Clerk pursuant to Section 21152 of the Public Resources Code.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,

NOES: Councilmembers: Grewal

ABSENT: Councilmembers: Zoslocki, Mayor Brandvold

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

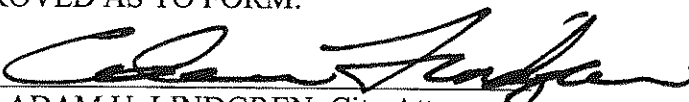
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

Initial Study

EA/C&ED 2018-15

City of Modesto

Finding of Conformance to General Plan Master EIR:

Initial Study Environmental Checklist C&ED No. 2018-15

For the proposed:

RZN-18-001

**Rezone of 0.2 Acres from
Medium Density Residential (R-2) Zone and
Professional Office (P-O) Zone to
Medium-High Residential (R-3) Zone**

**Prepared by:
City of Modesto
Community & Economic Development Department
Planning Division**

July 10, 2018

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City of Modesto

Master EIR Initial Study Environmental Checklist

I. PURPOSE

CEQA allows for the limited environmental review of subsequent projects under the City's Master Environmental Impact Report ("Master EIR" or "MEIR"). This Initial Study Environmental Checklist ("Initial Study") is used in determining whether the proposed rezone is "within the scope" of the project analyzed in the Modesto Urban Area General Plan Master EIR (SCH# 2007072023) (Public Resources Code section 21157.1). When the Initial Study supports this conclusion, the City will issue a finding of conformance.

A subsequent project is "within the scope" of the Master EIR when:

1. it will have no additional significant effects on the environment that were not addressed as significant effects in the Master EIR; and
2. no new or additional mitigation measures or alternatives are required.

"Additional significant effects" means a project-specific effect that was not addressed as a significant effect in the Master EIR. [Public Resources Code Section 21158(d)]

The determination must be based on substantial evidence in the record. "Substantial evidence" means facts, reasonable assumptions predicated upon facts, or expert opinion based on facts. It does not include speculation or unsubstantiated opinion. (CEQA Guidelines Section 15384)

II. PROJECT DESCRIPTION

- A. Title: RZN-18-001: Rezone of 0.2 acres from R-2 and P-O Zone to R-3 Zone
- B. Address or Location: 405-409 E. Orangeburg Avenue (APNs 031-006-049 and -050)
- C. Applicant: George Simvoulakis, 3620 Viader Dr., Modesto, CA 95356
- D. City Contact Person: Katharine Martin, Associate Planner

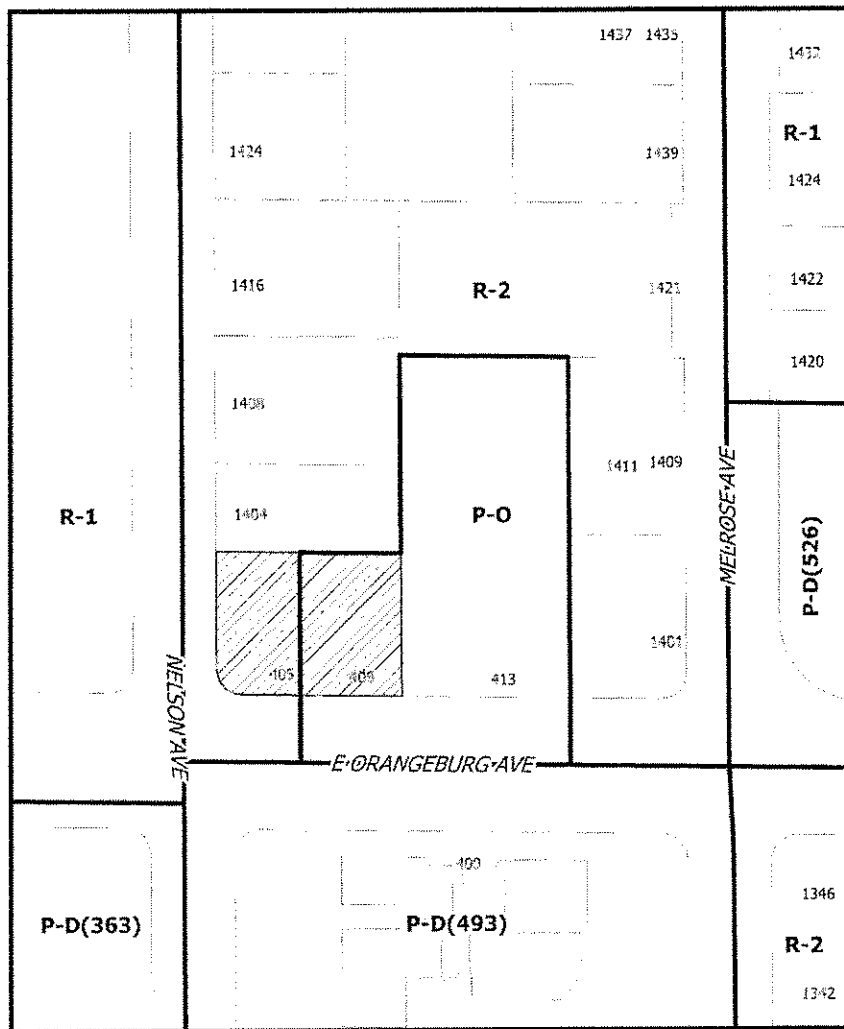
Project Manager: Katharine Martin
Department: Community & Economic Development, Planning Division
Phone Number: 209-577-5465
E-mail address: kamartin@modestogov.com

- E. Current General Plan Designation(s): Mixed Use (MU)
- F. Current Zoning Classification(s): Medium High Density Residential (R-2) Zone and Professional Office (P-O) Zone
- G. Surrounding Land Uses:
 - North: Medium Density Residential (R-2) Zone, single-family residences
 - South: Planned Development Zone P-D(493), air-space office condominiums

East: Professional Office (P-O) Zone, medical office building.
 West: Low Density Residential (R-1) Zone, church

H. Project Description, including the project type listed in Section II.C (Anticipated Future Projects) of the Master EIR (Attach additional maps/support materials as needed for complete record):

Proposed rezone of 0.2 acres comprised of two adjacent parcels of land located at 405 and 409 E. Orangeburg Avenue (APNs 031-006-049 and 006-031-050) within the Baseline Developed Area from current designations of Medium High Density Residential (R-2) Zone and Professional Office (P-O) Zone to Medium High Density Residential (R-3) Zone. Both properties are currently vacant and rezone would facilitate the development of multi-family housing under separate permits. The maximum density allowed for the site under the R-3 Zone would be four dwelling units total. No development is proposed with the rezone.



AREA OF PROPOSED REZONE
R-2 AND P-O to R-3
 RZN-18-001

I. Other Public Agencies Whose Approval is Required: None

III. FINDINGS/DETERMINATION (SELECT ONE ON THE BASIS OF THE ANALYSIS IN SECTION IV)

1. **Within the Scope** - The project is within the scope of the Master EIR and no new environmental document or Public Resources Code Section 21081 findings are required. All of the following statements are found to be true:

- A. The subsequent project will have no additional significant effect on the environment, as defined in subdivision (d) of Section 21.158 of the Public Resources Code, that was not identified in the Master EIR.
- B. No new or additional mitigation measures or alternatives are required.
- C. The subsequent project is within the scope of the project covered by the Master EIR.
- D. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
- E. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

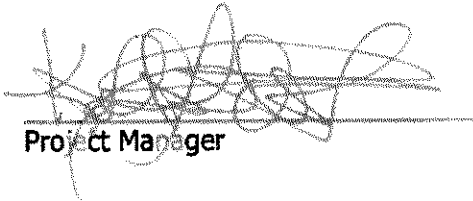
2. **Mitigated Negative Declaration Required** - On the basis of the above determinations, the project is not within the scope of the Master EIR. A mitigated negative declaration will be prepared for the project. The following statements are all found to be true:

- A. The subsequent project is within the scope of the project covered by the Master EIR.
- B. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
- C. The project will have one or more potential new significant effects on the environment that were not addressed as significant effects in the Master EIR. New or additional mitigation measures are being required of the project that will reduce the effects to a less-than-significant level.
- D. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.

3. **Focused EIR Required**- On the basis of the above determinations, the project is not within the scope of the Master EIR. A Focused EIR will be prepared for the project. All of the following statements are found to be true:

- A. The subsequent project is within the scope of the project covered by the Master EIR.

- B. All applicable policies, regulations, and mitigation measures identified in the Master EIR have been applied to the subsequent project or otherwise made conditions of approval of the subsequent project.
- C. The project will have one or more new significant effects on the environment that were not addressed as significant effects in the Master EIR. New or additional mitigation measures or alternatives are required as a result.
- D. No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified, and no new information, which was not known and could not have been known at the time that the Master EIR was certified as complete, has become available.



Project Manager

Associate Planner
Title

7-16-18
Date

4. Within the Scope Analysis of this Document:

The Master EIR allows projects to be found within the scope of the MEIR if certain criteria are met. If the following statements are found to be true for all 21 impact categories included in this Initial Study, then the proposed project is addressed by the MEIR analysis and is within the scope of the MEIR. Any "No" response must be discussed.

	YES	NO
(1) The lead agency for subsequent projects shall be the City of Modesto or a responsible agency identified in the Master EIR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(2) City policies which reduce, avoid, or mitigate environmental effects will continue to be in effect and, therefore, would be applied to subsequent projects where appropriate. The policies are described in the list of policies in place and mitigation measures attached to the Initial Study template. Project impacts would be mitigated to a less-than-significant level using MEIR mitigations only.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(3) Federal, State, regional, and Stanislaus County regulations do not change in a manner that is less restrictive on development than current law (i.e., would not offer the same level of protection assumed under the Master EIR).	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(4) No specific information concerning the known or potential presence of significant resources is identified in future reports, or through formal or informal input received from responsible or trustee agencies or other qualified sources.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(5) The development will occur within the boundaries of the City's planning area as established in this Urban Area General Plan.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(6) Development within the project will comply with all appropriate mitigation measures contained and enumerated in the 2008 General Plan Master EIR.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

5. Currency of the Master EIR Document

The MEIR should be reviewed on a regular basis to determine its currency, and whether additional analysis/mitigation should be incorporated into the MEIR via a Supplemental or Subsequent EIR (CEQA Section 21157.6). Staff has reviewed Sections 1 through 21 of this document in light of the criteria listed below to determine whether the MEIR is current. The analysis contained within the Master EIR is current as long as the following circumstances have not changed. Any "no" response must be explained.

	YES	NO
(1) Certification of the General Plan Master EIR occurred less than five years prior to the filing of the application for this subsequent project.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
(2) This project is described in the Master EIR and its approval will not affect the adequacy of the Master EIR for any subsequent project because the City can make the following findings:	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(a) No substantial changes have occurred with respect to the circumstances under which the Master EIR was certified.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(b) No new information, which was not known and could not have been known at the time the Master EIR was certified as complete, has become available.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
(c) Policies remain in effect which require site-specific mitigation, and avoidance or other mitigation of impacts as a prerequisite to future development.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Discussion:

- (1) The General Plan Master EIR was certified on October 14, 2008, so more than five years has passed since the MEIR was certified. However, the analysis contained in the MEIR is still adequate for subsequent projects, as documented in the discussion below.
- (2) The project is consistent with the analysis contained in the MEIR. This is documented in the discussion of the individual issue areas of this initial study.
 - (2)(a) There have been no substantive changes to the General Plan since the MEIR was certified that would create additional significant environmental effects that were not analyzed by the MEIR.
 - (2)(b) There has been no new information that would affect the adequacy of the analysis contained in the MEIR.
 - (2)(c) All policies contained in the MEIR that require site-specific mitigation or avoidance of impacts remain in effect and will be applied to the project as appropriate.

IV. ENVIRONMENTAL ANALYSIS

This Initial Study, in accordance with Section 21157.1(b) of the Public Resources Code, discloses whether the proposed project may cause any project-specific significant effect on the environment that was not examined in the Final Master EIR (MEIR) for the General Plan and whether new or additional mitigation measures or alternatives may be required as a result. The Initial Study thereby documents whether or not the project is "within the scope" of the Master EIR.

Pursuant to Public Resources Code Section 21157.1, no new environmental document or findings are necessary for projects that are determined to be within the scope of the MEIR. Adoption of the findings specified in Section III.1, above after completion of the Initial Study fulfills the City's obligation in that situation.

All environmental effects cited reflect 2025 conditions resulting from the Urban Area General Plan, as identified in the Master EIR.

The environmental impact analysis in the Master EIR for the Urban Area General Plan is organized in twenty-one subject areas. The following analysis is based on the impact analyses contained in Chapter V of the Master EIR. For ease of reference, the sections are numbered in the same order as the analyses in Chapter V.

1. TRAFFIC AND CIRCULATION

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable traffic and circulation impacts expected after application of mitigations / policies:

Direct Impacts

Effect: Increased automobile traffic will result in roadway segments (see MEIR on Table 1-7, pages V-1-32 to V-1-34) operating at LOS D, Modesto's significance threshold for automobile traffic, or lower (LOS E or F).

Effect: The substantial increase in traffic relative to the existing load and capacity of the street system will cause, either individually or cumulatively, the violation of automobile service standards established by StanCOG's Congestion Management Plan for designated roads and highways.

Effect: A substantial increase in automobile vehicle miles traveled and automobile vehicle hours of travel and a decrease in average automobile vehicle speed (see MEIR Table 1-6, page V-1-31).

Cumulative Impacts

Effect: Potential for growth inducement or acceleration of development resulting from highway and local road projects.

Effect: Substantial increase in traffic in relation to the existing traffic load and capacity of the street system, including a violation, either individually or cumulatively, of an automobile LOS standard established by the Congestion Management Plan for designated roads and highways.

Effect: Increased demand for capacity-enhancing alterations to existing roads or automobile traffic reduction.

Other impact categories affected by Traffic and Circulation are addressed throughout this Initial Study (see also Section 2, Degradation of Air Quality; Section 3, Generation of Noise; Section 7 Loss of Sensitive Wildlife and Plant Habitat; Section 8, Disturbance of Archaeological/Historic Sites; Section 14 Increased Demand for Fire Services; Section 18, Energy; Section 19, Visual Resources; Section 20, Land Use and Planning, and Section 21, Climate Change).

b. Master EIR and/or New Mitigation Measures Applied to the Project

Traffic and Circulation mitigation measures pertinent to this project are found on MEIR pages V-1-9 through V-1-28. All mitigation measures appropriate to the project, including any new measures, will be incorporated into or made conditions of approval of this project and are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

No mitigation measures regarding traffic from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-1.B of the Master EIR provides analysis of Traffic and Circulation impacts of development of the General Plan, the following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: A subsequent development project will have a new significant effect on the environment if it would exceed the following criteria:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
1. TRAFFIC AND CIRCULATION				
1) The proposed project exceeds traffic generation assumptions in the Master EIR for the site by 100 trips or more and City Engineering and Transportation staff has determined that the project would have additional potentially significant project-specific effects that are not avoided or reduced by the Master EIR's mitigation measures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would cause additional roadway segments in the General Plan area to exceed LOS D and/or cause additional violations of standards in the Congestion Management Plan, and/or cause an increase in automobile vehicle miles or vehicle hours of travel or a decrease in automobile travel speed, as compared to the impacts disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would cause emergency response times to exceed acceptable standards established by the Fire Department, as compared to impacts disclosed in the Master EIR (see Section 14, Increased Demand for Fire Services).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The proposed project would result in less parking than required by the Municipal Code or as determined by staff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would conflict with adopted policies, plans, or programs that support alternative transportation, including, but not limited to the Regional Transportation Plan, the Sustainable Communities Strategy, the Bicycle Action Plan, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) The proposed project would result in an increase in automobile vehicle miles traveled on a per capita	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
basis, in excess of that considered in the Urban Area General Plan MEIR.				

Discussion:

- (1) The project would rezone one residential lot from Medium Density Residential (R-2) Zone and an adjacent lot zoned Professional Office (P-O) to Medium High Density Residential (R-3) Zone to allow for future multi-family residential development on a total of 0.2 acres. The site is within the Baseline Developed Area of the General Plan, and is within an area designated as Mixed Use (MU) in the General Plan. The maximum density allowed under the R-3 Zone for the site would be four dwelling units. The rezone and subsequent future residential project would therefore not exceed traffic generation assumptions in the General Plan MEIR by 100 trips or more.
- (2) The rezone would not exceed a level of service standard established by the county congestion management agency for designated roads or highways.
- (3) The project would not cause an increase in level of service for the adjacent streets or conflict with any Congestion Management Plans, or cause an increase in vehicle miles or hours traveled.
- (4) The project would not cause emergency response times to exceed acceptable standards
- (5) Any future residential development will be required to provide parking as necessary for residential uses.
- (6) The project would not conflict with adopted alternative transportation plans or programs.
- (7) The project would not result in an increase in vehicle miles traveled in excess of what was considered by the General Plan MEIR.

2. DEGRADATION OF AIR QUALITY

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable air quality impacts expected after application of mitigations / policies:

Direct Impacts

Effect: Expected automobile traffic will result in increased operational emissions of reactive organic gases (ROG) and oxides of nitrogen (NO_x) (see MEIR Table 2-8, page V-2-27).

Effect: Expected automobile traffic will result in increased emissions of particulate matter 10 microns or less (PM₁₀) and 2.5 microns or less in diameter (PM_{2.5}) (see MEIR Table 2-8, page V-2-27).

Effect: Expected automobile traffic will result in increased carbon monoxide (CO) levels in the project area (see MEIR Table 2-7, page V-2-26, and Table 2-8, page V-2-27).

Cumulative Impacts

The Master EIR indicates the same impacts identified as direct impacts above will contribute to regional impacts on air quality for the criteria pollutants ROG, NO_x, PM₁₀, and PM_{2.5}.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Air quality mitigation measure(s) pertinent to the proposed project are found on pages V-2-13 through V-2-24 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project and are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

No mitigation measures regarding air quality from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-2.B of the Master EIR is the analysis of air quality impacts resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
2. DEGRADATION OF AIR QUALITY				
1) The proposed project exceeds the project-level emissions thresholds established for CO, ROG, NO _x , PM ₁₀ , and PM _{2.5} by the San Joaquin Valley Air Pollution Control District (SJVUAPCD) and is not consistent with the development assumptions for the project site, as established in the Urban Area General Plan and Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not incorporate the best management practices established by the SJVAPCD for CO, ROG, NO _x , PM ₁₀ , and PM _{2.5} .	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project does not comply with the air quality policies in the Modesto Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would expose sensitive	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
receptors to pollutant concentrations in excess of those expected to occur as a result of implementation of the Urban Area General Plan.				
5) The proposed project would create objectionable odors affecting a substantial number of people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The rezone would not exceed emissions thresholds established by the SJVUAPCD, and is consistent with the development standards for a residential use as established by the General Plan.
- (2) Development of the site will be required to adhere to applicable City Zoning Ordinances, Standards, and applicable best management practices during the construction process.
- (3) The rezone would comply with the air quality policies in the Urban Area General Plan with implementation of the mitigation measures cited above.
- (4) The rezone would not expose sensitive receptors to pollutant concentrations in excess of those expected to occur as a result of implementation of the Urban Area General Plan.
- (5) The rezone would not create objectionable odors affecting a substantial amount of people.

3. GENERATION OF NOISE

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable noise impacts expected after application of mitigations / policies:

Direct Impacts

Effect: Future automobile traffic noise levels and roadway construction and maintenance activities resulting from development of the Urban Area General Plan will exceed the City's noise thresholds at various locations, but particularly in areas adjacent to heavily traveled roadways (see MEIR Table 3-3, page V-3-10, and Figure VII-2 and Table 3-6, pages V-3-18 and V-3-19).

Effect: Expected noise from airport operations and airport construction projects may expose up to 468 dwellings and three churches to noise levels of 65 dB CNEL and up to eight dwellings to noise levels of 70 dB CNEL.

Effect: Expose noise-sensitive land uses to noise from the construction of bicycle and transit projects.

Effect: Expose noise-sensitive land uses to noise from freight and passenger rail operations.

Cumulative Impacts

Effect: Traffic from development in the City of Modesto would, when combined with traffic from new development in the County and other cities, contribute to a cumulative increase in roadside noise levels on major roads and highways throughout Stanislaus County.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Noise policies and mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-3-11 through V-3-15 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project and any new measures are listed in Section V, Mitigation Applied to Project.

Discussion:

No mitigation measures regarding noise from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-3.B of the MEIR discloses noise impacts resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not analyzed in the Master EIR.

Significance Criteria: Determination of the proposed project’s effects are based on the following thresholds. Project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
3. GENERATION OF NOISE				
1) The proposed project will exceed the standards for noise level and hours of operation established by the Modesto noise ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will not comply with the noise policies of, or otherwise be inconsistent with, the Modesto Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project will result in an increase in ambient noise levels in the project vicinity above those disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project will result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels disclosed in the Master EIR implementation of the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1-3) The rezone is consistent with the noise policies of the General Plan, and any future residential development is not anticipated to generate noise levels that exceed the noise thresholds of the MEIR.
- (4) The project will not result in a substantial increase in ambient noise above levels described in the MEIR.

4. EFFECTS ON AGRICULTURAL LANDS

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on agricultural lands expected after application of mitigations / policies:

Direct Impacts

Effect: Between 1995 and 2025, development of the Urban Area General Plan may convert up to approximately 26,000 acres of farmland in various categories in the Planned Urbanizing Area to urban uses.

Effect: Approximately 1,200 acres of urban development along a 28.5-mile boundary 350 feet wide between urban and agricultural uses could be affected by continued agricultural operations, including noise, dust, and chemical overspray or drift.

Cumulative Impacts

Effect: Growth within Modesto's planning area would contribute considerably to the loss of agricultural land within Stanislaus County, accounting for the conversion of as much as approximately 26,000 acres of farmland in various categories in the Planned Urbanizing Area from 1995 to 2025.

b. Master EIR and/or New Mitigation Measures Pertinent to the Project

Agricultural land mitigation measures pertinent to the proposed project are found on pages V-4-6 to and V-4-8 of the Master EIR. All mitigation measures appropriate to the project and any new mitigation to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project.

Discussion:

No mitigation measures regarding agricultural lands from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-4.B of the Master EIR discloses the impacts resulting from the implementation of the Urban Area General Plan on agricultural lands. The following is an analysis of whether the proposed project would result in a new, significant, project -specific effect not previously analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
4. EFFECTS ON AGRICULTURAL LANDS				
1) The proposed project is inconsistent with the Urban Area General Plan’s policies relating to agricultural land.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will either directly or indirectly result in the development of land outside the 2008 Urban Area General Plan’s planning area boundary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project will conflict with existing zoning for agricultural use, or there is an existing Williamson Act contract on the project site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project will involve other changes in the existing environment not anticipated in the Master EIR which, due to their location or nature, could result in conversion of farmland to non-agricultural use.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project would be consistent with the General Plan’s policies relating to agricultural land. The site is located within the Baseline Developed Area, and is designated as Mixed Use (MU) in the General Plan’s Land Use Diagram.
- (2) The project will not result in the development of land outside of the 2008 General Plan boundary. The site is within the Baseline Developed Area and is surrounded by urbanized area within the jurisdiction of the City.
- (3) The site is not zoned for agricultural uses, nor is under a Williamson Act contract.
- (4) The project will not convert existing farmland to a non-agricultural use.

5. INCREASED DEMAND FOR LONG-TERM WATER SUPPLIES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on long-term water supplies expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts have been disclosed in the Master EIR.

Cumulative Impacts

Effect: Operational yields of the Modesto and Turlock subbasins, both of which underlie the City of Modesto, are unknown, although the City is participating in a study with the United States Geological Survey in order to quantify the operational yields of both subbasins. Groundwater withdrawals from both basins by the City, when combined with other users' withdrawals, may result in overdrafting both subbasins.

Effect: Despite available options, during drought years, significant water shortages are forecast for the San Joaquin River basin, which includes both the Modesto and Turlock subbasins, by 2020. Modesto would make a cumulatively considerable contribution to the cumulative impact on water supply under drought conditions.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Water supply mitigation measures pertinent to the proposed project are found on pages V-5-6 through V-5-12 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

No mitigation measures regarding water supply from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-5.B of the Master EIR discloses impacts on long-term water supplies resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
5. INCREASED DEMAND FOR LONG-TERM WATER SUPPLIES				
1) The proposed project is inconsistent with water supply policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) Water demand for the proposed project will exceed estimates for similar projects or for	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
development on the project site anticipated in the Urban Area General Plan or sufficient water supplies are not otherwise available to serve the project from existing entitlements and resources.				
3) The proposed project would deplete groundwater supplies to a greater degree than anticipated in the Urban Area General Plan or would interfere with groundwater recharge.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed project is consistent with the water supply policies in the General Plan.
- (2) Water demand for the site will not exceed estimates for similar projects. Water service is available to the site.
- (3) The proposed project is consistent with the ground water demands assumed in the General Plan. There would be no significant effect on ground water recharge or depletion of long-term water supplies.

6. INCREASED DEMAND FOR SANITARY SEWER SERVICES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on sanitary sewer services after application of mitigations / policies:

Direct Impacts

Effect: Development resulting from implementation of the Urban Area General Plan will require substantial new sewage treatment and disposal capacity, treatment plant improvements, sewer mains and collection lines, and pump stations. The Wastewater Master Plan anticipates the need for these facilities and its EIR evaluates the impact of developing those facilities. Potential impacts include degradation of water quality through erosion and chemical releases; localized flooding; and construction noise. All of these impacts are mitigated to a less-than-significant level.

Additional impacts that are not mitigated to a less-than-significant level include loss of farmland caused by construction of the Phase IA tertiary treatment facility at the Jennings Road Secondary Treatment Facility, an increase in pollutant loads from increased wastewater flows to the San Joaquin River, and an increase in noise and criteria air pollutants due to construction activities, including traffic.

Cumulative Impacts

Effect: No additional cumulative impacts were identified in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Sewer service mitigation measures pertinent to the proposed project are found on pages V-6-3 through V-6-8 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

No mitigation measures from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-6.B of the Master EIR discloses impacts on the Increased Demand for Sanitary Sewer Service resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
6. INCREASED DEMAND FOR SANITARY SEWER SERVICES				
1) The proposed project is inconsistent with wastewater policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project will generate sewage flows greater than those anticipated in the Urban Area General Plan for the project site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project will result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the wastewater policies in the General Plan.
- (2-3) The rezone would not generate sewage flows greater than those anticipated in the General Plan. The rezone would allow for multi-family residential development of four units at maximum. Sewer service is available to the site via existing lines under E. Orangeburg Avenue and Nelson Avenue. Current connections are provided from six-inch lines adjacent to the site.

7. LOSS OF SENSITIVE WILDLIFE AND PLANT HABITAT

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on sensitive wildlife and plant habitat expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant impacts on sensitive wildlife and plant habitat are expected to occur with the application of the policies contained in the Urban Area General Plan.

Cumulative Impacts

Effect: Implementation of the Urban Area General Plan will contribute to the cumulative impact of habitat loss in the San Joaquin Valley. Requiring denser development than has occurred in the past or that is expected in the future would minimize the City's contribution to the cumulative loss of habitat. Nonetheless, this is a significant and unavoidable impact.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Wildlife and plant habitat mitigation measures pertinent to the proposed project are found on pages V-7-17 through V-7-24 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

The project does not require mitigation measures from the MEIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-7.B of the Master EIR discloses impacts on the Loss of Sensitive Wildlife and Plant Habitat resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
7. LOSS OF SENSITIVE WILDLIFE AND PLANT HABITAT				
1) The project is inconsistent with the policies pertaining to the loss of sensitive wildlife and plant	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
habitat contained in the Urban Area General Plan.				
2) Consultation with the California Department of Fish and Game or the U.S. Fish and Wildlife Service determines that the project would have a significant effect on a candidate, sensitive, or special status species in excess of the impact disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act through direct removal, filling, hydrological interruption, or other means, in excess of the impact disclosed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would substantially interfere with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) Conflict with local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would conflict with provisions of an adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or state habitat conservation plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the General Plan policies related to the loss of sensitive wildlife and plant habitat.
- (2) The project site is not within a biologically sensitive area as defined by Figures V-7-1a through V 7-1e of the MEIR. The California Department of Fish and Game and the U.S. Fish and Wildlife Service were consulted in the production of the MEIR.
- (3) The site does not qualify as a federally protected wetland per Section 404 of the Clean Water Act.
- (4) The site is not within a biologically sensitive area as defined by Figures V-7-1a through V 7-1e of the MEIR. The movement of fish or birds or other wildlife would not be significantly affected by the project.
- (5) The project would not conflict with any local policies or ordinances protecting biological resources.

- (6) There is no conflict with any adopted habitat conservation plan, natural community conservation plan, or other approved local, regional or state habitat conservation plan.

8. DISTURBANCE OF ARCHAEOLOGICAL/HISTORICAL SITES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on archaeological/historical sites expected after application of mitigations / policies:

Direct Impacts

Effect: Modification resulting in a substantial adverse change in the significance of a historic resource or the demolition of a listed or eligible historic resource.

Effect: The modification or demolition of a structure more than 50 years in age may be significant.

Effect: Discovery of archaeological resources, in areas outside of the riparian corridors, as a result of construction activities.

Effect: Construction in an area of high archaeological sensitivity.

Cumulative Impacts

Effect: No additional cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Archaeological or historic mitigation measures pertinent to the project being analyzed in this Initial Study are found on page V-8-16 through V-8-20 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

Discussion:

No mitigation measures from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-8.B of the MEIR discloses impacts on archaeological/historical resources resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
8. DISTURBANCE OF ARCHAEOLOGICAL/ HISTORICAL SITES				
1) The proposed project is inconsistent with the archaeological / historical resource policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would demolish a building eligible for listing as a historic resource or remove a landmark from the Modesto inventory.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would modify or demolish a structure more than 50 years old.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The project would adversely affect a cultural resource that is either listed or eligible for listing in the California Register of Historical Resources.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The project would adversely affect a Tribal Cultural Resource identified and/or defined by the applicable Tribe.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project would be consistent with the archeological and historical resource policies in the General Plan.
- (2-4) The lots to be rezoned are vacant with no structures. There are no cultural resources at the site that are listed or eligible for listing on the California Register of Historical Resources.
- (5) The rezone would not adversely affect a Tribal Cultural Resource.

9. INCREASED DEMAND FOR STORM DRAINAGE

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on storm drainage expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: The population of Stanislaus County is projected to increase in a fashion similar to that of Modesto, resulting in additional urban development and associated increases in impervious surface area and associated increases in storm water runoff. Cumulative hydrologic impacts of storm water

flows from Modesto urban areas and other areas of the County could occur due to the fixed capacity of MID and TID irrigation canals to convey drainage west to the San Joaquin River. If drainage channels in some areas prove insufficient to handle the increased drainage discharges, existing storm water runoff from urban and agricultural areas during large storm events would have to be interrupted until water levels receded to a point allowing the resumption of discharges to the channel. Ceasing discharges to drainage channels could cause inundation in and around the drainage conveyance pipeline systems, surface drainage channels, detention basins, and other urban areas. This cumulative impact is considered significant and unavoidable.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Storm Drainage mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-9-4 through V-9-9. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project:

Discussion:

No mitigation measures from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-9.B of the MEIR discloses impacts on the demand for storm drainage resulting from development of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
9. INCREASED DEMAND FOR STORM DRAINAGE				
1) The proposed project is inconsistent with the storm drainage policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would substantially increase the rate or amount of surface runoff in a manner that would result in flooding on- or offsite, as compared to impacts anticipated to result from the Urban Area General Plan or create substantial unanticipated sources of polluted runoff.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project does not utilize Low Impact Development strategies to reduce runoff from the site and increase infiltration, resulting in no net	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Increase in runoff before and after development.				

Discussion:

- (1) The project is consistent with the wastewater policies in the General Plan.
- (2-3) The project would not substantially increase the rate or amount of runoff. Any residential development would adhere to City Codes and Standards with regards to storm water handling and treatment.

10. FLOODING AND WATER QUALITY

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on flooding and water quality expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Flooding and Water Quality mitigation measures pertinent to the project being analyzed in this Initial Study are found on pages V-10-6 through V-10-9 of the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

Discussion:

No mitigation measures from the Master EIR are required. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-10.B of the Master EIR provides analysis of Flooding and Water Quality impacts of development of the General Plan, the following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not previously analyzed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
10. FLOODING AND WATER QUALITY				
1) The proposed project is inconsistent with the flooding and water quality policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not comply with the regulatory requirements of the federal Clean Water Act or the State Porter-Cologne Act.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would place more housing within a 100-year flood hazard zone than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would place structure within a 100-year flood hazard area so that they would impede or redirect floodwater or would substantially alter the existing on-site drainage pattern or a watercourse, in such a way as to cause flooding on- or off-site.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5) The proposed project does not comply with Modesto's Guidance Manual for New Development Storm Water Quality Control Measures.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6) The proposed project would violate water quality standards or waste discharge requirements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7) The proposed project would substantially alter the existing drainage pattern of the site or area or a watercourse in a manner that would result in substantial erosion or siltation on- or offsite in excess of the assumptions of the General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8) The proposed project would create or contribute runoff, which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff, not expected as part of General Plan implementation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed project is consistent with the flooding and water quality policies in the Urban Area General Plan.
- (2) The project would comply with the Federal Clean Water Act and the Porter Cologne Act requirements.
- (3-4) The project site is not within a 100-year flood hazard zone as established by the Federal Emergency Management Agency (FEMA).

- (5) The project will comply with the Guidance Manual for New Development Storm Water Quality Control Measures.
- (6) The project will not violate water quality standards or waste discharge requirements.
- (7) The project would not substantially alter the existing drainage pattern of the site, area or a watercourse in a manner that would result in erosion or siltation.
- (8) The project would not substantially increase the rate or amount of runoff.

11. INCREASED DEMAND FOR PARKS AND OPEN SPACE

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on parks and open space expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Parks and open space mitigation measures pertinent to the proposed project are found on pages V-11-3 through V-11-9 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project:

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-11.B of the MEIR discloses impacts of the Urban Area General Plan on parks and open space. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
11. INCREASED DEMAND FOR PARKS AND OPEN SPACE				
1) The proposed project is inconsistent with the parks and open space policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would eliminate parks or open space.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would cause an increase in the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility in question would occur or be accelerated or the proposed project would include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the parks and open space policies in the General Plan.
- (2-3) The project will not impact parks or open space, or cause an increase in the use of existing parks. The project involves rezoning 0.2 acres to Medium High Density Residential (R-3) uses which would not impact parks.

12. INCREASED DEMAND FOR SCHOOLS

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on school facilities expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR. By statute, the impact of new students is considered to be mitigated below a level of significance by payment of school impact fees and the exercise of any or all of the financing options set out in Government Code Section 65997.

Cumulative Impacts

Effect: Similar to direct impacts of implementation of the Urban Area General Plan, no residual significant direct impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Mitigation relies upon the implementation of the policies in place under the Modesto Urban Area General Plan. As long these policies are applied to all subsequent projects, no new mitigation is necessary. Further, payment of school impact fees and compliance with SB 50 is statutorily deemed to be full mitigation of school impacts (Government Code Section 65995).

The following schools mitigation measures on pages V-12-5 through V-12-7 of the Master EIR are pertinent to the proposed project. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures are listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-12.B of the Master EIR discloses impacts resulting from implementation of the Urban Area General Plan associated with increased demand for schools. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
12. INCREASED DEMAND FOR SCHOOLS				
1) The proposed project is inconsistent with the policies relating to schools in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project does not comply with SB 50/Proposition 1A funding provisions, or succeeding measures which state that compliance results in less-than-significant impacts on schools.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed rezone would not conflict with policies related to schools in the General Plan.
- (2) The project would not conflict with SB50/Proposition 1A funding provisions, or succeeding measures.

13. INCREASED DEMAND FOR POLICE SERVICES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on police services expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Police services mitigation measures pertinent to the proposed project are found on pages V-13-2 through V-13-5 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-13.B of the Master EIR discloses impacts on police services resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
13. INCREASED DEMAND FOR POLICE SERVICES				
1) The proposed project is inconsistent with policies relating to police services in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would result in the need for new or significantly altered facilities not considered as part of the Urban Area General Plan or Master EIR which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times, or other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
performance objectives.				

Discussion:

- (1) The project is consistent with the policies relating to police services in the General Plan.
- (2) The project would not result in the need for construction of new or significantly altered facilities which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times or other performance objectives.

14. INCREASED DEMAND FOR FIRE SERVICES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on fire services expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Fire Services mitigation measure(s) pertinent to the project being analyzed in this Initial Study are found on pages V-14-4 through V-14-7 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-14.B of the Master EIR discloses impacts on fire services resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
14. INCREASED DEMAND FOR FIRE SERVICES				
1) The proposed project is inconsistent with the fire service policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would result in the need for new or significantly altered facilities not considered as part of the Urban Area General Plan or Master EIR which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times, or other performance objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project, based upon substantial evidence, would cause the erosion or elimination of fire protection services in adjoining fire protection districts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The proposed rezone is consistent with the fire service policies in the General Plan.
- (2) The rezone would not result in the need for construction of new or significantly altered facilities which could cause new significant environmental impacts in order to maintain acceptable service ratios, response times or other performance objectives.
- (3) The rezone would not cause the erosion or elimination of fire protection services. Development of residential uses as a result of the rezone will meet City Standards for emergency services access.

15. GENERATION OF SOLID WASTE

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on solid waste expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Solid waste mitigation measures pertinent to the proposed project are found on pages V-15-4 through V-15-7 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-15.B of the Master EIR discloses solid waste impacts resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
15. GENERATION OF SOLID WASTE				
1) The project is inconsistent with the solid waste policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The County is unable to expand its solid waste disposal capacity, as expected, causing all new development to result in cumulative impacts on the County's disposal capacity.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the solid waste policies in the General Plan.
- (2) The project would not cause an impact to the disposal capacity of solid waste facilities in the County.

16. GENERATION OF HAZARDOUS MATERIALS

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts regarding hazardous materials expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Hazardous materials mitigation measures pertinent to the proposed project are found on pages V-16-8 through V-16-13 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of this project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-16.B of the Master EIR discloses impacts on hazardous materials resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
16. GENERATION OF HAZARDOUS MATERIALS				
1) The project is inconsistent with the hazardous materials policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
2) The proposed project would emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and as a result, would create a significant hazard to the public or the environment.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project would be constructed on a contaminated site not known to the State of California as of March 2008.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the hazardous materials policies in the General Plan.
- (2) The project will comply with all applicable federal, state, and county standards and regulations relative to the handling, storage, disposal, and transport of hazardous or toxic materials or wastes. (No hazardous materials will be involved with this project).
- (3) The project is not located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and as a result, would not create a significant hazard to the public or the environment.
- (4) The project site is not known to contain any contaminants.

17. GEOLOGY, SOILS, AND MINERAL RESOURCES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts related to geology, soils, and mineral resources expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

Geology, soils, and mineral resource mitigation measures pertinent to the proposed project are found on pages V-17-9 and V-17-10 of the Master EIR. All mitigation measures appropriate to the project to be incorporated into or made conditions of approval of the proposed project are listed in Section V, Mitigation Measures Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-17.B of the Master EIR discloses geology, soils, and mineral resource impacts resulting from implementation of the Urban Area General Plan. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. Project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
17. GEOLOGY, SOILS, AND MINERAL RESOURCES				
1) The project is inconsistent with policies relating to geology, soils, and mineral resources contained in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would expose people or structures to potential substantial adverse effects including the risk off loss, injury, or death involving fault rupture, strong seismic activity; location on an expansive soil; result in the loss of topsoil; location on soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems in areas where sewers are not available for the disposal of wastewater; result in the loss of known mineral resources that would be of value to the region and the state; or result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with policies relating to geology, soils, and mineral resources in the General Plan.
- (2) The project site is not be located on soil that is unstable, or that would become unstable as a result of the project. There are no known mineral resources of value to the region and the state on the property.

18. ENERGY

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to energy expected after application of mitigations / policies:

Direct Impacts

Effect: Continued development in the Planned Urbanizing Area would have an impact on available energy supplies. Energy consumption likely would increase substantially by 2025 as a result of implementation of the Urban Area General Plan.

Cumulative Impacts

Effect: Implementation of the Urban Area General Plan will have a cumulatively considerable impact on energy consumption.

b. Master EIR and/or New Mitigation Measures Applied to the Project

The following energy mitigation measures pertinent to the proposed project are found on pages V-18-2 through V-18-8 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on energy resources. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
18. ENERGY				
1) The proposed project is inconsistent with policies relating to energy in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
2) The proposed project would result in energy consumption during construction, operation, maintenance, or removal that is more wasteful, inefficient, and unnecessary than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the energy policies in the General Plan.
- (2) The project would not result in energy consumption during construction, operation, maintenance or removal that is more wasteful, inefficient and unnecessary than assumed in the General Plan.

19. EFFECTS ON VISUAL RESOURCES

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts on visual resources expected after application of mitigations / policies:

Direct Impacts

Effect: New development in the Planned Urbanizing Area will occur in areas that are in agricultural production or are otherwise lightly developed, which could lead to the introduction of light and glare in areas that have little nighttime illumination.

Cumulative Impacts

Effect: No additional cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

The following visual resources mitigation measures pertinent to the proposed project are found on pages V-19-3 and V-19-4 in the Master EIR. All mitigation measures appropriate to the proposed project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on energy resources. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
19. EFFECTS ON VISUAL RESOURCES				
1) The proposed project is inconsistent with policies relating to visual resources in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project would degrade views from riverside areas and parks to a greater degree than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would degrade views of riverside areas from public roadways and nearby properties to a greater degree than assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the policies relating the visual resources in the General Plan.
- (2-3) The project would not impact views from riverside areas and parks, nor would degrade views of riverside areas and parks from public roadways.

20. LAND USE AND PLANNING

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to land use and planning expected after application of mitigations / policies:

Direct Impacts

Effect: No residual significant direct impacts were disclosed in the Master EIR.

Cumulative Impacts

Effect: No residual significant cumulative impacts were disclosed in the Master EIR.

b. Master EIR and/or New Mitigation Measures Applied to the Project

The following land use and planning mitigation measures pertinent to the proposed project are found on pages V-20-6 through V-20-17 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-20.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on land use and planning. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
20. LAND USE AND PLANNING				
1) The proposed project is inconsistent with land use and planning policies in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2) The proposed project contains elements that would physically divide an established community in a way not assumed in the Urban Area General Plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project conflicts with a land use plan, policy or regulation established for the purpose of avoiding or mitigating an environmental impact by an agency that has jurisdiction over the proposed project.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4) The proposed project conflicts with an applicable habitat conservation plan or natural community conservation plan.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the Redevelopment Planning District (RPD) land use designation in the General Plan.
- (2) The project would not divide an established community.
- (3) The project is consistent with the land use plan, policies and regulations of the City of Modesto designed to mitigate project impacts.

- (4) The project does not conflict with applicable habitat conservation plans or natural community conservation plans.

21. CLIMATE CHANGE

a. Significant Effects Identified in the Master EIR

The Master EIR discloses the following residual significant and unavoidable impacts pertaining to climate change expected after application of mitigations / policies:

Direct Impacts

Effect: Impacts resulting from implementation of the Urban Area General Plan are not substantial enough to result in a significant direct impact on climate change, as disclosed in the Master EIR.

Cumulative Impacts

Effect: Implementation of the Urban Area General Plan will have a cumulatively considerable impact on climate change.

b. Master EIR and/or New Mitigation Measures Applied to the Project

The following climate change mitigation measures pertinent to the proposed project are found on pages V-21-7 through V-21-10 in the Master EIR. All mitigation measures appropriate to the project will be incorporated into or made conditions of approval of this project. Those measures will be listed in Section V, Mitigation Applied to Project.

Discussion:

There are no applicable mitigation measures from the Master EIR. No new or additional mitigation measures or alternatives are required to reduce project impacts to a less-than-significant level.

c. Project-Specific Effects

Section V-18.B of the Master EIR discloses impacts of implementing the Urban Area General Plan on climate change. The following is an analysis of whether the proposed project would result in a new, significant, project-specific effect not disclosed in the Master EIR.

Significance Criteria: Determination of project effects will be based on the following thresholds. The project-specific effects will be less than significant unless:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
21. CLIMATE CHANGE				
1) The proposed project is inconsistent with policies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
relating to climate change in the Urban Area General Plan.				
2) The proposed project would result in average automobile trip lengths or CO ₂ emissions higher than those assumed in the Master EIR.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3) The proposed project would conflict with the Sustainable Communities Strategy or Alternative Planning Strategy that the Air Resources Board has agreed will achieve the goals of AB 32.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Discussion:

- (1) The project is consistent with the policies relating to climate change in the Urban Area General Plan. The project would not have a significance effect on climate change.
- (2) The project would not affect automobile trip lengths or CO₂ emissions.
- (3) A Sustainable Communities Strategy has not yet been implemented by the ARB. Future development will be required to comply with the provisions of the Sustainable Communities Strategy once it is established.

V. MITIGATION MEASURES APPLIED TO THE PROPOSED PROJECT

If the Initial Study results in the determination that a Finding of Conformance can be adopted for the proposed project Section A below applies. If the Initial Study results in the determination that a Finding of Conformance cannot be adopted and a Mitigated Negative Declaration/EIR must be prepared for the project then Section B, below applies.

A. Master EIR Mitigation Measures Applied to the Project

Pursuant to Public Resources Code Section 21157.1(c), in order for a Finding of Conformance to be made, all appropriate mitigation measures from the Master EIR shall be incorporated into the proposed project. Urban Area General Plan Policies/Master EIR mitigation measures shall be made part of the proposed project prior to approval by means of conditions of project approval or incorporation into the appropriate document or plan.

All applicable and appropriate mitigation measures have been applied to the project (see mitigation measures listed below).

B. New or Additional Mitigation Measures or Alternatives Required

Where the project's effects would exceed the significance criteria for each environmental impact category, a mitigated negative declaration or Focused EIR must be prepared. Staff has reviewed the project against the significance criteria thresholds established in the Master EIR for all impact categories in this Initial Study.

A Mitigated Negative Declaration or Focused EIR shall be prepared for the project. The following additional project-specific mitigation measures listed below are necessary to reduce the identified new significant effect:

Traffic and Circulation:

N/A

Degradation of Air Quality:

N/A

Generation of Noise:

N/A

Effects on Agricultural Lands:

N/A

Increased Demand for Long-Term Water Supplies:

N/A

Increased Demand for Sanitary Sewer Services:

N/A

Loss of Sensitive Wildlife and Plant Habitat:

N/A

Disturbance of Archaeological/Historic Sites:

N/A

Increased Demand for Storm Drainage:

N/A

Flooding and Water Quality:

N/A

Increased Demand for Parks and Open Space:

N/A

Increased Demand for Schools:

N/A

Increased Demand for Police Services:

N/A

Increased Demand for Fire Services:

N/A

Generation of Solid Waste:

N/A

Generation of Hazardous Materials:

N/A

Geology, Soils, and Mineral Resources:

N/A

Energy:

N/A

Effects on Visual Resources:

N/A

Land Use and Planning:

N/A

Climate Change:

N/A

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-396**

RESOLUTION APPROVING AN INCREASE TO THE PAYMENT AMOUNT OF VARIOUS EQUIPMENT MAINTENANCE AGREEMENTS FOR FISCAL YEAR 2018-2019 WITH MULTIPLE EQUIPMENT MANUFACTURERS FOR ALL CITY DEPARTMENTS BY \$41,393 FOR AN ANNUAL COST NOT TO EXCEED FROM \$492,490 TO \$533,883; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ROUTINE RENEWAL AGREEMENTS ASSOCIATED WITH EXHIBIT B

WHEREAS, the City purchases office and operational equipment through the purchasing bidding process based on the requirements of the City of Modesto Municipal Code Title 8 Chapter 3, and

WHEREAS, with the purchase of this equipment, on-going maintenance will be necessary and technical support will be required which can be provided under maintenance/support agreements for the equipment, and

WHEREAS, for all new purchases of equipment made, the City will purchase on-going maintenance service for the equipment for a period of one to three years based upon what is available through the manufacturer when the initial purchase is made, and

WHEREAS, on June 12, 2018, via Resolution 2018-246, Council approved both an itemized list of the annual equipment agreements utilized by all City departments below the \$50,000 contract limit and an itemized list of the equipment maintenance agreements utilized throughout the City that are greater than the \$50,000 contract limit and require authorization of the Council, and

WHEREAS, further review by City staff found several equipment maintenance agreements which were not included or had incorrect information as part of the original **Exhibit A and B** that were approved by Council on June 12, 2018, and

WHEREAS, the Finance Department has worked in conjunction with all City departments to capture the revised maintenance agreements and amended costs and have compiled the amended totals in the **attached Exhibit B** and that all amended amounts have been budgeted in their Fiscal Year 2018-2019 budgets.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the payment amount of various equipment maintenance agreements for Fiscal Year 2018-2019 with multiple equipment manufacturers for all City Departments by \$41,393 for an annual cost not to exceed from \$492,490 to \$533,883; and authorizing the City Manager, or his designee, to execute routine renewal agreements associated with **Exhibit B**.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000) - Amended

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
3SI SECURITY SYSTEMS	Investigatory Tool	\$ 1,080	\$ 1,296	Increase to reflect correct amount.	General Fund
ACTION TARGET, INC.	Target shooting system at the Tactical Training Center	\$ 3,900	\$ 4,085	Increase amount to include CPI	General Fund
ADT	Alarm monitoring	\$ 2,712	\$ (2,712)	This item is related to monitoring services not maintenance of the equipment and should be removed. A separate agenda item will be presented to Council for the City alarm monitoring services.	Building Services
AIR WEST FILTRATION / BENZ AIR	Station Facilities	\$ 3,000	\$ 20,000	Increase amount to include all fire stations.	General Fund
AIRGAS	Life saving equipment	\$ 500	\$ 1,000	Increase to reflect correct amount.	General Fund
AMERICAN CHILLER CO	Heating and Cooling of the Modesto Centre Plaza for its Events and patrons	\$ 20,000	\$ 20,000		Center Plaza
ARC	Plotter is used to print large size maps of job sites, etc	\$ 700	\$ 735	Increase amount to include CPI	Water Fund
ARC		\$ 800	\$ 840	Increase amount to include CPI	Capital Improvement Fund
ARC	Printing of Maps for Planning division	\$ 2,000	\$ 2,100	Increase amount to include CPI	General Fund
ASAP TECHNICAL SOLUTIONS	Copy documents for program use in camps, business, after school programs, etc.	\$ 900	\$ 945	Increase amount to include CPI	General Fund
BARTON OVERHEAD	Station facility	\$ 30,000	\$ 30,000		General Fund
BMI IMAGING	Fujitsu scanner is used by Records to scan and store electronic records for storage.	\$ 1,000	\$ 1,300	Increase to reflect correct amount.	General Fund
BOSS BUSINESS SYSTEMS	Copier for Jennings WWTP - Training Center	\$ 487	\$ 511	Increase amount to include CPI	Wastewater Fund
CALLYO	Investigatory Tool	\$ 2,480	\$ 2,480		General Fund
CAREDING	Department Copier/Printer/Scanner	\$ 4,200	\$ 4,500	Increase to reflect correct amount.	General Fund
CELPLAN TECHNOLOGIES	Security cameras downtown; police compound, etc.	\$ 40,835	\$ 40,940	Increase to reflect correct amount.	General Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 520	\$ 505	Reduce amount to reflect actual cost	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 600	\$ 582	Reduce amount to reflect actual cost	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 600	\$ 582	Reduce amount to reflect actual cost	Water Fund
CUMMINS	Currency Counter - detect counterfeit	\$ 525	\$ 580	Increase amount to include CPI	Water Fund
CYBERNETIC	Tape Library Backup/Utility Billing System	\$ 4,000	\$ 4,200	Increase amount to include CPI	Water Fund
DELTA WIRELESS	Radio Communications equipment	\$ 8,500	\$ 8,925	Increase amount to include CPI	General Fund
EXCEL FITNESS	Fitness equipment	\$ 1,000	\$ 1,050	Increase amount to include CPI	General Fund
FARO TECHNOLOGIES	Annual Calibration and Certification of 3-D Laser Scanner to Diagram traffic collisions and homicide scenes	\$ 4,900	\$ 5,200	Increase to reflect correct amount.	General Fund

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000) - Amended

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
FIRE SERVICE SPECIFICATION & SUPPLY	Life saving equipment	\$ 3,000	\$ 3,150	Increase amount to include CPI	General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
FITGUARD INC.	MYC Members train on a variety of fitness equipment apparatus, treadmills, elliptical machines, stationary bike, cable cross over machines, specialized benches, dumbbells, olympic bars and weight machines.	\$ 250	\$ 250		General Fund
HOT TANK SUPPLY	Parts cleaner for fire fighting equipment	\$ 3,000	\$ 3,150	Increase amount to include CPI	General Fund
IT SOLUTIONS CURRIE	Printer	\$ 1,500	\$ 1,575	Increase amount to include CPI	Wastewater Fund
KODAK ALARIS		\$ 1,500	\$ 1,575	Increase amount to include CPI	General Fund
LUCAS BUSINESS SYSTEMS	Scan documents, limited color copy use	\$ 400	\$ 420	Increase amount to include CPI	General Fund
LUCAS BUSINESS SYSTEMS	Department Copier/Printer/Scanner -not currently using	\$ 915	\$ (915)	Copier has been surplusd and no longer in service.	General Fund
LUCAS BUSINESS SYSTEMS	Copier for Sutter WWTP - Buildign 3 - Maintenance	\$ 321	\$ 337	Increase amount to include CPI	Wastewater Fund
LUCAS BUSINESS SYSTEMS	Printing for day-to-day work activities	\$ 400	\$ 420	Increase amount to include CPI	General Fund
LUCAS BUSINESS SYSTEMS	Printing for day-to-day work activities	\$ 3,000	\$ 3,150	Increase amount to include CPI	Capital Improvement Fund
LUCAS BUSINESS SYSTEMS	Printer	\$ 898	\$ 943	Increase amount to include CPI	Building Services
MO-CAL OFFICE SOLUTIONS	Copier for Jennings WWTP - Administration	\$ 499	\$ 524	Increase amount to include CPI	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Copier for Sutter WWTP - Building 1 - Administration	\$ 2,371	\$ 2,489	Increase amount to include CPI	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Copier is used to make copies, scan, fax	\$ 3,000	\$ 4,000	Increase to reflect correct amount.	Water Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500	\$ 525	Increase amount to include CPI	Housing Development Fund

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000) - Amended

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500	\$ 525	Increase amount to include CPI	Community Facilities Districts
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500	\$ 525	Increase amount to include CPI	Community Facilities Districts
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 500	\$ 525	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 1,116	\$ 1,172	Increase amount to include CPI	Capital Improvement Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 400	\$ 420	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 4,000	\$ 4,200	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 175	\$ 184	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS	Printing for day-to-day work activities	\$ 175	\$ 184	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS	Copier/Printer/Scanner	\$ 7,500	\$ 7,875	Increase amount to include CPI	General Fund
MO-CAL OFFICE SOLUTIONS		\$ 1,698	\$ 1,783	Increase amount to include CPI	Solid Waste
MO-CAL OFFICE SOLUTIONS	Printer/Copier/Scanner	\$ 2,000	\$ 2,100	Increase amount to include CPI	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Printer/Copier/Scanner	\$ 2,000	\$ 2,100	Increase amount to include CPI	Wastewater Fund
MO-CAL OFFICE SOLUTIONS	Printer	\$ 552	\$ 580	Increase amount to include CPI	General Fund
ARC MO-CAL OFFICE SOLUTIONS	Copy documents for City Manager, Council and Auditor's office	\$ 3,300	\$ 3,465	Increase amount to include CPI	General Fund
NEC CORPORATION OF AMERICA	Automated Fingerprint Identification System - fingerprinting	\$ 7,304	\$ 7,524	Increase to reflect correct amount.	General Fund
NEO POST	Mail Room Postage & Label Machine	\$ 10,000	\$ 10,500	Increase amount to include CPI	General Fund
OPEX	Mail Opener & sorter	\$ 2,700	\$ 2,835	Increase amount to include CPI	Water Fund
OPEX	Envelope Opener - opens mixed sized envelopes	\$ 480	\$ 504	Increase amount to include CPI	Water Fund
PHYSIO CONTROL	Life saving equipment	\$ 8,500	\$ 11,500	Increase to reflect correct amount.	General Fund
PROTECTION ONE	Alarm monitoring	\$ 29,155	\$ (29,155)	This item is related to monitoring services not maintenance of the equipment and should be removed. A separate agenda item will be presented to Council for the City alarm monitoring services.	Building Services
PUNTES TECHNOLOGIES		\$ 775	\$ 1,000	Increase to reflect correct amount.	General Fund
QPCS	Stationary LPR Service Warranties	\$ 1,000	\$ 1,050	Increase amount to include CPI	General Fund
RAPID COPY	Make copies for in-house programs and public on an as needed basis	\$ 350	\$ 368	Increase amount to include CPI	General Fund
RAPID COPY EQUIPMENT	Printing and making copies for in-house programs and public on an as needed basis	\$ 500	\$ 525	Increase amount to include CPI	General Fund

Exhibit A - Fiscal Year 2018-2019 Equipment Maintenance Agreements (Less than \$50,000) - Amended

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
RAY MORGAN CO.	Large Format Printer/Scanner	\$ 3,000	\$ 3,150	Increase amount to include CPI	Wastewater Fund
RAY MORGAN CO.	Copier is used to make copies	\$ 2,060	\$ 3,000	Increase to reflect correct amount.	Water Fund
RICOH USA	Printing for day-to-day work activities	\$ 2,312	\$ 2,428	Increase amount to include CPI	General Fund
SCANNER ONE	Check Scanner - uploads to RemitPlus for Electronic check file to bank	\$ 600	\$ 630	Increase amount to include CPI	Water Fund
SCANTRON	Scantron Reader for Recruitment Tests	\$ 311	\$ 400	Increase to reflect correct amount.	General Fund
SPECIAL SERVICES GROUP LLC	Investigatory Tool	\$ 5,400	\$ 6,600	Increase to reflect correct amount.	General Fund
SSD SYSTEMS	Alarm service	\$ 1,500	\$ 1,575	Increase amount to include CPI	General Fund
THE RADAR SHOP	Annual Calibration and Certification and repair of Radar and Lidar Guns for mitigating traffic safety.	\$ 3,000	\$ 3,150	Increase amount to include CPI	General Fund
USBANK - LEASE OF EQUIPMENT - CVB COPIER	Printing for day-to-day work activities	\$ 1,700	\$ 1,785	Increase amount to include CPI	General Fund
SEAL ANALYTICAL	Seal Lab Equipment Service Contract	\$ -	\$ 7,345	Added	Wastewater Fund
MANSCI INC.	Mansci Lab Equipment Extended Warrant	\$ -	\$ 5,997	Added	Wastewater Fund
AXON ENTERPRISE, INC.	Axon Interview Room	\$ -	\$ 49,808	Added	General Fund
RAY MORGAN CO.	Copier for Building Safety and Neighborhood Preservation	\$ -	\$ 2,331	Added	General Fund
Total		\$ 264,206	\$ 293,864		

Exhibit B - Fiscal Year 2018-2019 Equipment Maintenance Agreements (More than \$50,000) - AMENDED

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
NEOLOGY FORMERLY 3M COMPANY	Annual Maintenance on mobile LPR Camera systems - to locate lost/stolen cars.	\$ 173,126	\$ 173,126		General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 303	\$ 1,026	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier for day-to-day	\$ 519	\$ 752	Increase to reflect correct amount.	Airport Fund
ZOOM IMAGING SOLUTIONS	Copier for day-to-day	\$ 560	\$ 588	Increase amount to include CPI	Surface Transportation Fund
ZOOM IMAGING SOLUTIONS	Copier for day-to-day	\$ 606	\$ 877	Increase to reflect correct amount.	Fleet Fund
ZOOM IMAGING SOLUTIONS	Copier	\$ 650	\$ 683	Increase amount to include CPI	Water Fund
ZOOM IMAGING SOLUTIONS	Copier for day-to-day	\$ 692	\$ 727	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Printing for day-to-day work activities	\$ 700	\$ 735	Increase amount to include CPI	Centre Plaza
ZOOM IMAGING SOLUTIONS	Accounting Copier	\$ 725	\$ 698	Decrease to reflect actual amount	General Fund
ZOOM IMAGING SOLUTIONS	Copier is used to make copies	\$ 750	\$ 788	Increase amount to include CPI	Water Fund
ZOOM IMAGING SOLUTIONS	Copier for Sutter WWTP - Building 2 - Crew Leader Office	\$ 833	\$ 875	Increase amount to include CPI	Wastewater Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 840	\$ 3,000	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 842	\$ 1,000	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 1,110	\$ 1,825	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier/Printer/Scanner	\$ 1,200	\$ 2,800	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 1,287	\$ 1,800	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	High volume Copier	\$ 1,493	\$ 1,568	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Printer/Copier	\$ 1,500	\$ 1,575	Increase amount to include CPI	Capital Improvement Fund

Exhibit B - Fiscal Year 2018-2019 Equipment Maintenance Agreements (More than \$50,000) - AMENDED

Vendor/Contractor Name	Business Purpose of Equipment	Original - FY 18-19 Maintenance Cost	Amended - FY 18-19 Maintenance Cost	Comments for Amendment	Funding Source
ZOOM IMAGING SOLUTIONS	Purchasing Copier	\$ 1,550	\$ 1,628	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 2,000	\$ 2,100	Increase amount to include CPI	Information Technology
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 2,153	\$ 3,152	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier and Scanner	\$ 2,400	\$ 2,520	Increase amount to include CPI	Water Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 3,151	\$ 3,800	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 4,050	\$ 4,800	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ 4,252	\$ 4,800	Increase to reflect correct amount.	General Fund
ZOOM IMAGING SOLUTIONS	Printing for day-to-day work activities	\$ 4,825	\$ 5,066	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Printing for day-to-day work activities	\$ 4,922	\$ 5,168	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Printing and making copies for in-house programs and public on an as needed basis	\$ 5,000	\$ 5,250	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	Printing and making copies for in-house programs and public on an as needed basis	\$ 5,000	\$ 5,250	Increase amount to include CPI	General Fund
ZOOM IMAGING SOLUTIONS	To print agendas for Council Meetings, and to make copies of various items.	\$ 1,244	\$ 1,244		General Fund
ZOOM IMAGING SOLUTIONS	Copier, Fax, Scanner	\$ -	\$ 700	Added	General Fund
Total		\$ 228,284	\$ 239,919		

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-397**

RESOLUTION APPROVING AN INCREASE TO THE AMOUNT APPROVED FOR THE PAYMENT OF HARDWARE AND SOFTWARE MAINTENANCE SUPPORT AGREEMENTS FOR FISCAL YEAR 2018-2019 OF \$401,411, FOR AN ANNUAL COST NOT TO EXCEED FROM \$4,852,275 TO \$5,253,686; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ROUTINE RENEWAL AGREEMENTS ASSOCIATED WITH EXHIBIT B, INCLUDING AGREEMENTS WHERE THE VENDOR NAME HAS CHANGED

WHEREAS, the City has an ongoing need for maintenance/support agreements for hardware and software assets utilized by the City of Modesto; and

WHEREAS, the expenditures for maintenance/support agreements have been approved by Council through the budget process; and

WHEREAS, on June 12, 2018, by Resolution No. 2018-246, Council approved the payment of invoices for various hardware and software maintenance/support agreements for Fiscal Year 2018-2019 for an estimated cost not to exceed \$4,852,275; and

WHEREAS, City staff discovered several software maintenance agreements which either needed corrections or were not included as part of the original **Exhibit A and B** presented at the June 12th, 2018 Council meeting; and

WHEREAS, City staff discovered that there are occasions where the vendor name for a specific product may change, either through the bid process at renewal time or because of mergers/acquisitions; and

WHEREAS, the Finance Department has worked in conjunction with all City departments to capture the additional software maintenance agreements; and

WHEREAS, staff requests the amendment of the approval for payment of invoices for various hardware and software maintenance/support agreements presented

for Fiscal Year 2018–2019 to increase by \$401,411 for an annual cost not to exceed from \$4,852,275 to \$5,253,686.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the amount approved for the payment for invoices for various hardware and software maintenance/support agreements from software companies for Fiscal Year 2018-2019 for an annual cost not to exceed from \$4,852,275 to \$5,253,686.

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby authorized to execute routine renewal agreements over \$50,000, as listed in **Exhibit B**, for hardware and software maintenance support during Fiscal Year 2018-2019.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Website Hosting for www.visitmodesto.com. Application Development & Maintenance	Site Jockey	PRN - Administration	Fund 0100 - General Fund	07/01/15	12/31/19	\$2,860	\$2,860	\$0	Added Term End Date
Adobe Creative Cloud Subscription	Adobe	GED - Planning	Fund 0100 - General Fund			\$0	\$264	(\$264)	Deleted - Duplicate was \$264
Cube Base & Voyager maintenance	Citilabs	GED - Planning	Fund 0100 - General Fund		03/31/19	\$3,069	\$3,069	\$0	Added Term end Date Renews Annually
NIGP 5-Digit Commodity Code License Renewal	Periscope Holdings In	Finance - Purchasing	Fund 0100 - General Fund	06/01/18	05/31/19	\$589	\$578	\$11	Added Term Dates Renews Annually Cost changed from \$578 to \$579
Go To Meeting - online-based meeting platform for station-to-station conference call communication	Go To Meeting	Fire Department	Fund 0100 - General Fund		09/14/18	\$1,650	\$1,650	\$0	Month-to-month billing
Callback Staffing - crew scheduling and call back/hire back system	Callback Staffing / Crewsense	Fire Department	Fund 0100 - General Fund		09/01/18	\$4,400	\$4,400	\$0	Month-to-month billing
Fire Inspection software	Streamline	Fire Department	Fund 0100 - General Fund		see notes	\$5,500	\$5,500	\$0	Contract has yet to be awarded
Creative suite software for design and editing	Adobe Creative Suite	Fire Department	Fund 0100 - General Fund			\$0	\$660	(\$660)	Deleted - Duplicate was \$660
MediaStar Evolution Digital Content Management (DCM) Software SMS - Projection of real-time CAD status updates on calls for service, heat maps, subject and other crime stats and crime bulletin information throughout the Police Department.	CABLETIME USA - MEDIA STAR - for ISD Decoders	Police Department	Fund 0100 - General Fund	02/10/19	02/09/20	\$2,266	\$2,263	\$3	Change Term Dates 2/10/18 - 2/9/19 to 2/10/19 - 2/9/20 Cost changed from \$2,263 to \$2,266
MediaStar Evolution Digital Content Management (DCM) Software SMS - Projection of real-time CAD status updates on calls for service, heat maps, subject and other crime stats and crime bulletin information throughout the Police Department.	CABLETIME USA - MEDIA STAR - for ISD Decoders	Police Department	Fund 0100 - General Fund	10/25/18	10/24/19	\$1,518	\$1,514	\$4	Cost changed from \$1,514 to \$1,518
Renewal for two (2) WaveStore Video Management Software Premium Licenses and Annual Maintenance and Support. Used by MPD Pod camera digital data management - RTCC.	QPCS	Police Department	Fund 0100 - General Fund	04/05/19	04/04/20	\$196	\$196	\$0	
Annual Renewal for UFED Ultimate Support Services for Cellebrite Unit for SGU. Investigatory tool.	CELLEBRITE	Police Department	Fund 0100 - General Fund	08/31/18	08/30/19	\$3,739	\$3,739	\$0	Change Vendor from H-11 Digital Forensics to Cellebrite
FTK - 2 Stand Alone Perpetual Lic and SMS - High Tech Crimes Unit investigatory tool.	ACCESS DATA GROUP	Police Department	Fund 0100 - General Fund	05/30/19	05/30/21	\$5,907	\$5,907	\$0	
Blacklight Subscription Renewal; MacQuisition License Subscription Renewal. High Tech Crimes Unit Investigatory tool.	BLACK BAG TECHNOLOGIES	Police Department	Fund 0100 - General Fund	05/13/19	05/12/20	\$1,638	\$1,638	\$0	
Annual Renewal to ADFS SMART Justice. Allows MPD staff to access DOJ database application similar to COPLink. Paid for three years through DigCERT	DIGICERT, INC.	Police Department	Fund 0100 - General Fund	11/14/17	11/13/20	\$1,568	\$1,568	\$0	
Renewal of Annual Maintenance and Support of IPro Software with CI Technologies, as the sole source manufacturer and distributor of this proprietary software utilized by MPD Internal Affairs.	CI TECHNOLOGIES INC	Police Department	Fund 0100 - General Fund	08/01/18	07/31/19	\$2,861	\$2,861	\$0	Change dates from 8/1/2017 - 7/31/2018 to 8/1/2018 - 7/31/2019

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Renewal of Annual Maintenance and Support of BlueTeam Software with CI Technologies, as the sole source manufacturer and distributor of this proprietary software utilized by MPD Internal Affairs.	CI TECHNOLOGIES INC	Police Department	Fund 0100 - General Fund	08/01/18	07/31/19	\$1,571	\$1,571	\$0	Change dates from 8/1/2017 - 7/31/2018 to 8/1/2018 - 7/31/2019
CLEAR Search Software utilized by Crime Analysts as an investigatory tool.	THOMSON-REUTERS	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$2,112	\$2,112	\$0	
Annual Software Subscription to Crash Data Recorder (CDR). This is utilized by the Traffic Unit for imaging Air Bag Control Modulators in the event of a fatal accident.	CRASH DATA GROUP INC	Police Department	Fund 0100 - General Fund	08/22/18	08/22/19	\$1,155	\$1,155	\$0	
Deepnet Dualshield Software licensing and annual support services - 300 licenses, plus 25 more (3/12/18). Dual factor authentication of key fobs in use by MPD personnel when signing on to the MDC's.	DEEPNET SECURITIES	Police Department	Fund 0100 - General Fund	08/27/18	08/26/19	\$4,884	\$4,153	\$732	Change Term End Date from 8/27/19 to 8/26/19 Cost changed from \$4,153 to \$4,884
Deepnet Dualshield Software licensing and annual support services - 25 additional licenses and user support for same.(Purchased 3/12/18). Dual factor authentication of key fobs in use by MPD personnel when signing on to the MDC's.	DEEPNET SECURITIES	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$2,273	\$2,273	\$0	
AutoCite Annual Maintenance contract including devices and AutoIssue Citation Issuance Software. Utilized by officers issuing traffic citations.	DUNCAN SOLUTIONS	Police Department	Fund 0100 - General Fund	11/01/18	10/31/19	\$6,468	\$6,468	\$0	
Dynamic Design - Multi User Internal WEB Easy Tracking Software and Annual Subscription Renewal. Used to track crime free housing inspections and number and details of each complex.	DYNAMIC DESIGN	Police Department	Fund 0100 - General Fund	03/01/19	03/01/20	\$468	\$1,533	(\$1,066)	Change Term Start date from 2/1/19 to 3/1/19 Cost changed from \$1,533 to \$468
FEX Annual SMS Renewal for Forensic Explorer and Mount Image Pro. High Tech Crimes Unit investigatory tool.	GETDATA FORENSICS USA	Police Department	Fund 0100 - General Fund	08/30/18	08/31/19	\$545	\$1,216	(\$671)	Change Vendor from H-11 Digital Forensics to Detdata Fornesics Change Term Dates 8/31/18 - 8/30/19 to 8/30/18 - 8/31/19 Cost changed from \$1,216 to \$545
Annual Renewal for Cellebrite UFED Cloud Analyzer Annual License Renewal. Investigatory Tool	H-11 DIGITAL FORENSICS	Police Department	Fund 0100 - General Fund	08/31/18	08/30/19	\$2,888	\$2,888	\$0	
Annual Maintenance Renewal for GoAnywhere MFT Software. Utilized in the transfer of data from MPD Scheduling and Payroll software to Oracle Payroll system.	HELPSYSTEMS (LINOMA)	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$1,471	\$1,428	\$43	Cost changed from \$1,428 to \$1,471
IQRMS Interface Annual Maintenance - MPD share of SIRE System.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$2,507	\$2,507	\$0	
IBM Analyst's Notebook Concurrent User Annual Software Subscription and Support Renewal. Proprietary Software tool utilized by MPD Crime Analysts.	IBM ANALYSTS NOTEBOOK	Police Department	Fund 0100 - General Fund	11/01/18	10/31/19	\$1,252	\$1,160	\$92	Cost changed from \$1,160 to \$1,252

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Renewal of Annual Maintenance and Support for SMS Magnet IEF; SMS Magnet IEF Triage Module; SMS Magnet IEF Module Mobile Artifacts; SMS Magnet IEF Module Business Applications. Investigatory tool.	MAGNET FORENSICS	Police Department	Fund 0100 - General Fund	01/01/19	12/31/19	\$1,238	\$1,238	\$0	
Annual Renewal of IQ/RMS Interface utilized at the 9-1-1 Communications Center	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	05/01/18	05/02/19	\$2,632	\$2,632	\$0	
Renewal of TRITECH.COM IQ ANALYTICS 5 Concurrent User Bundle One Year Subscription	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$2,750	\$2,750	\$0	
Renewal of Training Innovations TMS software annual maintenance and support. MPD utilizes this to track employee training and certification.	TRAINING INNOVATIONS INC	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$825	\$825	\$0	
TLO Annual Fees Subscription to database. Utilized by Crime Analysts as an investigatory tool.	TRANS UNION RISK AND DATA SOLUTIONS	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$1,793	\$1,793	\$0	
Annual renewal of Visual Statement software subscription.	VA VISUAL STATEMENT INC	Police Department	Fund 0100 - General Fund	07/13/16	07/12/17	\$1,385	\$1,385	\$0	
Annual Renewal of Two (2) License Subscriptions for X-Ways Forensics BYOD Software. Forensics Investigatory tool.	X-WAYS SOFTWARE TECHNOLOGY	Police Department	Fund 0100 - General Fund	03/05/19	03/04/20	\$5,564	\$5,564	\$0	
Genetec SDK Licenses for 10 concurrent cameras.	CELPLAN TECHNOLOGIES	Police Department	Fund 0100 - General Fund	09/25/18	09/24/19	\$2,695	\$2,695	\$0	
California Peace Officers Legal Sourcebook Site License for 201-300 Sworn Officers. Provides sworn personnel with an on-line resource for accessing this information.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$2,585	\$2,585	\$0	
California Peace Officers Legal Sourcebook and California Codes Mobile App License for 201-300 Sworn Officers. Provides sworn personnel with an app to connect to this resource on their cell phones.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$902	\$902	\$0	
CopWare California Codes Site License for 201-300 Sworn Officers. Provides sworn personnel with an online resource for accessing California law enforcement codes.	COPWARE	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$1,925	\$1,925	\$0	
Annual Software Subscription for Critical Reach APNet Crime Bulletin Services. Includes use of Critical Reach software, national servers, network and user support for maintenance term.	CRITICAL REACH	Police Department	Fund 0100 - General Fund	01/01/19	12/31/19	\$908	\$908	\$0	
3D Scene Maintenance Software Licensing and Maintenance Agreement for the Faro Technologies Laser Scanner. This software is used to capture and process datapoints into diagrams and is used by both Traffic Officers for collision scenes and ISD Detectives and ID Techs for homicide scenes. Year 1 of a 3-Year Agreement.	FARO TECHNOLOGIES	Police Department	Fund 0100 - General Fund	07/01/18	06/30/21	\$2,794	\$2,794	\$0	
Annual Renewal of proprietary software license for XRY Logical and Physical. Investigatory tool.	MSAB	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$3,295	\$3,295	\$0	
SkipTracing Services (Collection Process)	Lexis Nexis Risk Solutions	Finance - Customer Service	Fund 0100 - General Fund/Fund 4100 - Water Fund	06/01/18	06/01/21	\$6,600	\$4,510	\$2,090	Change Term Dates 12/13/16-12/13/20 to 6/1/18-6/1/21 Cost changed from \$4,510 to \$6,600

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
StreetSaver	Metropolitan Transportation	CED - Transportation Engineering & Design	Fund 1300	03/01/18	02/28/19	\$3,850	\$3,850	\$0	Added Term Dates Renews Annually
Monitoring and notification of IBM system jobs	HelpSystems	Finance - Customer Service	Fund 4100 - Water Fund	07/01/18	06/30/19	\$2,915	\$2,860	\$55	Change Term dates 7/1/17-6/30/18 to 7/1/18-6/30/19 Renews Annually Cost Changed from \$2,860 to \$2,915
Remit Plus, Remote Deposits	Jack Henry	Finance - Customer Service	Fund 4100 - Water Fund	07/01/18	06/30/19	\$5,940	\$6,050	(\$110)	Change Term dates 7/1/17-6/30/18 to 7/1/18-6/30/19 Renews Annually Cost changed from \$6,050 to \$5,940
Connects and transfers data between various platforms	Linoma software/Go Anywhere	Finance - Customer Service	Fund 4100 - Water Fund	07/01/18	06/30/19	\$5,225	\$5,060	\$165	Change Term dates 7/1/17-6/30/18 to 7/1/18-6/30/19 Renews Annually Cost changed from \$5,060 to \$5,225
Cash Receipting Software program	Quadrant Systems Inc.	Finance - Customer Service	Fund 4100 - Water Fund	01/01/18	12/31/19	\$3,410	\$3,119	\$292	Change Term dates 1/1/17-12/31/18 to 1/1/18-12/30/19 Renews Annually Cost changed from \$3,119 to \$3,410
Document management system for Utility Billing statements	S4i Systems Inc.	Finance - Customer Service	Fund 4100 - Water Fund	07/01/18	06/30/19	\$3,520	\$3,300	\$220	Change Term dates 6/15/17-6/14/18 to 7/1/18-6/30/19 Renews Annually Cost changed from \$3,300 to \$3,520
Virtual back-up library for Utility Billing database	Cybernetics Virtual Information Systems	Finance - Customer Service	Fund 4100 - Water Fund	12/06/17	12/06/19	\$4,400	\$4,400	\$0	Change Term dates 12/3/17-12/3/19 to 12/6/17-12/6/19
Safety Training Software	TRA, Inc. - IndustrySafe	Utilities - Environmental Compliance/Safety	Fund 4210 - Wastewater	10/11/18	09/10/19	\$1,430	\$1,430	\$0	Added Term Dates Renews Annually
Event Reservation System	RIC Corp - Concentrics	PRN - Administration	Fund 4700- Cultural Services Administration	1988	TBD	\$5,500	\$5,500	\$0	Added Term Dates
Kaspersky AntiVirus Software	PCMG	Information Technology	Fund 5230 - Information Technology	01/26/18	01/25/21	\$9,900	\$9,900	\$0	Term Dates changed from 12/20/16 - 12/20/19 to 01/26/18 - 01/25/21

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Vertex (Payroll SW for Cosmo)	Vertex	Information Technology	Fund 5230 - Information Technology	08/31/17	08/31/18	\$9,413	\$9,413	\$0	Term dates changed from 08/31/17 - 08/31/18 to 09/01/18 - 08/31/19
Toad (Oracle Reporting Maintenance)	DLT	Information Technology	Fund 5230 - Information Technology	04/30/18	04/30/19	\$5,979	\$5,979	\$0	
NEC Software Maintenance (Telephone System	ATI	Information Technology	Fund 5230 - Information Technology	08/01/17	08/01/18	\$4,917	\$4,917	\$0	
Netmotion	Mobile Wireless	Information Technology	Fund 5230 - Information Technology	01/17/18	01/16/19	\$8,318	\$8,318	\$0	
Manage Engine Password Manager	PCMG	Information Technology	Fund 5230 - Information Technology	05/01/18	04/30/19	\$1,218	\$1,218	\$0	Term dates changed from 04/26/18 - 04/26/19 to 5/1/18 - 4/30/19
Innotas	Planview	Information Technology	Fund 5230 - Information Technology	12/01/17	11/30/18	\$9,453	\$9,453	\$0	
Tableau - Data Graphics Software	Tableau	Information Technology	Fund 5230 - Information Technology	11/11/18	11/10/19	\$3,299	\$3,299	\$0	Term dates changed from 11/11/15 - 11/10/16 to 11/11/18 - 11/10/19
Baracuda	Hula Networks	Information Technology	Fund 5230 - Information Technology	09/30/15	09/30/18	\$5,918	\$5,918	\$0	
Kemp Load Balancer	PCMG	Information Technology	Fund 5230 - Information Technology	11/01/13	11/01/18	\$5,500	\$5,500	\$0	Changed Term Dates from blank to 11/01/13-11/01/18
Total						\$203,345	\$202,409	\$936	
Added Items Since Council Approval on June 12, 2018									
CoStar - Commercial Real Estate Information	CoStar	CED - Economic Development	Fund 0100 - General Fund	06/01/18	06/01/19	\$5,334	\$0	\$5,334	Added
Annual renewal of Tiburon System Annual Maintenance. Stanislaus Regional 911 fronts the full cost and then invoices MFD for its share of costs for the 9-1-1 Communications Center. \$5,000	TIBURON - TRITECH / Stanislaus Regional 9-1-1	FIRE DEPARTMENT	Fund 0100 - General Fund	05/01/18	05/02/19	\$5,500	\$0	\$5,500	Added
Annual maintenance of the AD HOC database created to support the SitStat application for field situational awareness	TIBURON-TRITECH	FIRE DEPARTMENT	Fund 0100 - General Fund	11/01/18	11/01/19	\$5,500	\$0	\$5,500	Added
Annual maintenance and calibration of the fit testing machines to ensure they are calibrated to the original manufacturer's specifications/the National Institute of Standards and Technology (NIST)	TSI INCORPORATED	FIRE DEPARTMENT	Fund 0100 - General Fund	01/01/19	01/01/20	\$1,650	\$0	\$1,650	Added
Testing for Recruitment	Scantron	Human Resources - HR Administration	Fund 0100 - General Fund	06/25/18	06/24/18	\$385	\$0	\$385	Added Renews Annually

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
HR Electronic Document Management System (ECM/Capture)	Sire/Hyland	Human Resources - HR Administration	Fund 0100 - General Fund	11/15/13	11/14/18	\$880	\$0	\$880	Added Renews Annually
Creative Suite Software for design and editing. 2 Licenses at \$660/each	Adobe Creative Suite	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$1,452	\$0	\$1,452	Added
Adobe Creative Cloud Subscription Fund. 2 Licenses for design and editing	Adobe	Police Department	Fund 0100 - General Fund	07/01/18	06/30/19	\$581	\$0	\$581	Added
MediaStar Evolution Digital Content Management (DCM) Software SMS - Projection of real-time CAD status updates on calls for service, heat maps, subject and other crime stats and crime bulletin information throughout the Police Department. This unit is for Records Unit Decoder and one spare.	CABLETIME USA - MEDIA STAR	Police Department	Fund 0100 - General Fund	08/31/18	09/01/19	\$1,518	\$0	\$1,518	Added
Bosch Workstation Software License	DELTA WIRELESS, INC.	Police Department	Fund 0100 - General Fund	08/31/18	09/01/19	\$407	\$0	\$407	Added
CopLink Integration Services	FORENSIC LOGIC, LLC	Police Department	Fund 0100 - General Fund	09/01/18	08/31/19	\$2,200	\$0	\$2,200	Added
Hyland Local Government Production Document Imaging License and Annual Maintenance.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	09/01/18	08/31/19	\$1,056	\$0	\$1,056	Added
STAR*NET Pro (Annual Maintenance Subscription)	MicroSurvey	Utilities - Construction Administration	Fund 1300 - Capital Improvement Services	N/A	06/29/19	\$545	\$0	\$545	Added- Renews Annually
InfoSWMM - Hydraulic Sewer Model	Innovyze	Utilities - Engineering	Fund 4100 - Water Fund	06/15/18	06/14/19	\$4,125	\$0	\$4,125	Added
InfoWater - Hydraulic Water Model	Innovyze	Utilities - Engineering	Fund 4100 - Water Fund	06/15/18	06/14/19	\$4,714	\$0	\$4,714	Added
Cabletime - Mediarstar (program - post notices, deadlines for staff)	Cabletime	Utilities - Water Services	Fund 4100 - Water Fund	02/01/18	02/01/19	\$2,035	\$0	\$2,035	Added
IndustrySafe - Safety Database (employee safety training class tracking)	IndustrySafe	Utilities - Water Services	Fund 4100 - Water Fund	07/01/18	06/30/19	\$1,568	\$0	\$1,568	Added
XC2 - BackflowDatabase and Records	XC2	Utilities - Water Services	Fund 4100 - Water Fund	01/01/18	12/31/19	\$1,623	\$0	\$1,623	Added
Badger - National Meter (meter reading system/equip. software)	National Meter	Utilities - Water Services	Fund 4100 - Water Fund	07/01/18	06/30/19	\$2,508	\$0	\$2,508	Added
Structural Engineering Library - Design/Analysis Tool	Enercalc	Utilities - Engineering	Fund 4210 - Wastewater Fund			\$501	\$0	\$501	Added
MDT Auto Save	Wonderware	Utilities - Wastewater Division	Fund 4210 - Wastewater Fund	08/01/18	08/01/22	\$2,358	\$0	\$2,358	Added
Techconnect Support Agreement	Rockwell Automation	Utilities - Wastewater Division	Fund 4210 - Wastewater Fund	08/01/18	08/01/22	\$4,145	\$0	\$4,145	Added
Surpass	Surpass Software LLC	Utilities - Wastewater Division	Fund 4210 - Wastewater Fund	05/01/18	04/30/19	\$528	\$0	\$528	Added
Seal	Seal Analytical	Utilities - Wastewater Division	Fund 4210 - Wastewater Fund	08/28/17	08/27/18	\$8,080	\$0	\$8,080	Added
Laboratory Equipment	Mansci Inc.	Utilities - Wastewater Division	Fund 4210 - Wastewater Fund	09/30/17	09/29/18	\$6,597	\$0	\$6,597	Added
Wasteworks and Waste Wizard solid waste software	Carolina Software	Public Works - Compost	Fund 4890 - Compost Fund	07/01/18	6/30/2019* * Updated Term Pending	\$1,760	\$0	\$1,760	Added

**Exhibit A - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Under \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Adobe Annual Subscriptions	PCMG	Information Technology	Fund 5230 - Information Technology	11/11/15	07/10/19	\$11,220	\$0	\$11,220	Added - Annual Renewal
Nessus Website Vulnerability Scanner	SHI	Information Technology	Fund 5230 - Information Technology	09/18/17	09/18/18	\$1,986	\$0	\$1,986	Added
Total Additions						\$80,753	\$0	\$80,753	
Grand Total						\$284,097			

**Exhibit B - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Citation Processing Software	T2 Systems Inc.	Finance - Customer Service	Fund 0100 - General Fund	12/01/17	11/30/22	\$20,900	\$20,790	\$110	Added Description Changed Term Start Date from 11/1/17 to 12/1/17 Cost changed from \$20,790 to \$20,900
HDL Business License Software	HDL Software, LLC	Finance - Customer Service	Fund 0100 - General Fund	08/02/17	08/01/22	\$18,700	\$16,712	\$1,988	Change Term End Date from 7/31/18 to 8/1/22 Cost changed from \$16,712 to \$18,700
Bid Management	Planet Bid	Finance - Purchasing	Fund 0100 - General Fund		Evergreen	\$9,032	\$9,032	\$0	
ePCR - Fire Department patient care reporting system and records management system for advanced life support calls	ZOLL	Fire Department	Fund 0100 - General Fund		11/14/18	\$11,000	\$11,000	\$0	Term End Date Added Renews Annually
RMS - Fire Department Incident and other uses records management system	ZOLL	Fire Department	Fund 0100- General Fund		12/31/18	\$11,000	\$11,000	\$0	Added Term End Date Renews Annually
TargetSolutions - online training hosting/tracking/recording platform	Target Solutions	Fire Department	Fund 0100 - General Fund		11/15/18	\$13,200	\$13,200	\$0	Term End Date Added Renews Annually
SitStat - emergency operations situational awareness platform and resource alerting system	PSOMAS	Fire Department	Fund 0100 - General Fund		09/30/18	\$35,200	\$35,200	\$0	Term End Date Added Renews Annually
Perfect Mind, Recreation Software, used for Facility Rentals and Program Registrations	Perfect Mind	Parks, Recreation, Neighborhoods	Fund 0100 - General Fund	06/27/17	06/27/22	\$13,466	\$13,466	\$0	
Includes Genetec Software upgrades - Police Portion of PTZ and Downtown Cameras Annual Maintenance Plan	CELPLAN TECHNOLOGIES	Police Department	Fund 0100 - General Fund	04/03/17	04/02/19	\$45,028	\$45,028	\$0	Term End Date Changed from 4/2/18 to 4/2/19
Purchase of INFORM RMS - MPD's new Records Management System including annual maintenance and licensing fees. Year One	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/17	05/01/18	\$640,421	\$640,421	\$0	
Officer Safety Plan - Evidence.com licensing	AXON ENTERPRISES INC	Police Department	Fund 0100 - General Fund	08/31/16	08/30/21	\$260,754	\$260,754	\$0	
Annual Maintenance for Geoshield Annual Subscription renewal for 30 users at \$54,000/yr for five years.	CYBERTECH SYSTEMS AND SOFTWARE INC	Police Department	Fund 0100 - General Fund	02/14/17	02/13/22	\$108,900	\$108,900	\$0	
Renewal of Digital Networks Group Annual Software Maintenance and Support. Video wall Software in the RTCC enables the output of video wall content via IP.	DIGITAL NETWORKS GROUP	Police Department	Fund 0100 - General Fund	12/08/15	12/07/20	\$129,082	\$129,082	\$0	
Annual Maintenance and Support for Investigatory Tool.	GRAYSHIFT LLC	Police Department	Fund 0100 - General Fund	04/12/19	04/11/20	\$16,500	\$16,500	\$0	

**Exhibit B - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Annual Maintenance and Support Services for UFED 4 PC Ultimate (3 cellebrite devices); Annual SMS for UFED Touch Ultimate (1 device).	H-11 Digital Forensics CELLEBRITE, INC.	Police Department	Fund 0100 - General Fund	08/31/18	09/30/19	\$16,346	\$15,946	\$400	Change Vendor from H-11 Digital Forensics to Cellebrite, Inc. Cost changed from \$15,946 to \$16,346
SIRE XML-M Loader/Batch Import Maintenance @ \$399.99; Sire Maintenance @ \$11,090. MPD share of SIRE System	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$12,638	\$12,638	\$0	
OnBase Annual Maintenance and Support for Local Government Web Server.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/18	04/30/19	\$19,646	\$19,646	\$0	
OnBase Local Government Workflow Concurrent Client SL (20 count) and Annual Maintenance on Workflow Licenses. Additional Lic for MPD RMS.	HYLAND SOFTWARE	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$4,400	\$4,400	\$0	
Annual Software (\$6,562.12)and Hardware (\$1,973.24) Maintenance LE Renewal for Imageware. Imageware is a software and hardware system utilized in creating police department employee ID badges.	IMAGEWARE	Police Department	Fund 0100 - General Fund	07/01/19	06/30/20	\$9,389	\$9,389	\$0	
Annual Maintenance for InTime Solutions Software. Scheduling and payroll system for MPD allows for electronic capture and transfer of data to City's Oracle Payroll system. 21,272/yr. plus tax 1675.17 = \$22,947.17	IN TIME SOLUTIONS	Police Department	Fund 0100 - General Fund	05/17/19	03/06/20	\$25,242	\$25,242	\$0	
Annual renewal of Lexipol LE Policy Manual Update Subscription; LE Procedures Manual On-Line; LE Management Services. Utilized by MPD to provide online version of Policy Manual, policy manual updates; electronic signature tracking for disbursal to staff and training bulletins.	LEXIPOL	Police Department	Fund 0100 - General Fund	10/01/18	09/30/19	\$37,413	\$37,413	\$0	
COPLogic DORS Annual Maintenance. On-line reporting system allowing citizens to file police reports online.	LEXIS NEXIS RISK SOLUTIONS	Police Department	Fund 0100 - General Fund	05/01/19	04/30/20	\$15,160	\$15,160	\$0	
Renewal of Annual Maintenance and Support for the NEC AFIS (Automated Fingerprint Identification System) used by the Police Department to take and send fingerprints to DOJ as part of background process for new applicants.	NEC CORP OF AMERICA	Police Department	Fund 0100 - General Fund	12/26/18	12/25/19	\$8,034	\$8,034	\$0	
Renewal of NetMotion Software with two-year premium maintenance for two mobility XE Server SW Licenses for mobile devices (127 MDC's and 1 additional server Police Module. Allows for network communications with the MDC units installed in police vehicles.	Mobile Wireless (for NetMotion Software)	Police Department	Fund 0100 - General Fund	04/01/18	03/30/20	\$13,948	\$13,948	\$0	
Renewal of PenLink Ltd. proprietary software Annual Maintenance and Support Services Agreements for Collection Maintenance Premium and Analytical Maintenance premiums. This is an investigatory tool used by PD. \$16,010. plus tax	PENLINK LTD	Police Department	Fund 0100 - General Fund	01/01/19	12/31/19	\$18,998	\$18,998	\$0	
Annual Maintenance on PLX Software upgrade. Investigatory tool used by PD.	PENLINK LTD	Police Department	Fund 0100 - General Fund	06/15/18	06/14/19	\$11,000	\$11,000	\$0	

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for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Renewal of Predictive Policing Agreement for proprietary software program PREDPOL utilized by MPD Field Operations in identifying hot spots for crime for targeted enforcement operations. Current Agreement will expire on 10/14/2018. Entering into a 3-year Agreement to take advantage of 10% cost savings.	PREDPOL	Police Department	Fund 0100 - General Fund	10/15/18	10/14/21	\$103,950	\$103,950	\$0	
2019-20 CAD System Maintenance - \$98,981.00; IQ/RMS Interface - \$2,393. Total: 101,374. MPD share of 911 Communications Center	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	04/01/19	03/31/20	\$111,511	\$111,511	\$0	
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeMapping software. Crime Analyst crime mapping tool.	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	01/10/19	01/09/20	\$2,703	\$2,703	\$0	
Annual renewal of TriTech Software Systems End-User License and Software Support Agreement for CrimeView software. Crime Analyst crime mapping tool.	Omega Group now TriTech Software Systems	Police Department	Fund 0100 - General Fund	12/17/13	12/18/18	\$84,538	\$84,538	\$0	
Annual renewal of Proprietary COPLINK Software licensing and Data Source Integration Maintenance with Forensic Logic. MPD will front costs and invoice Sheriff's Department for 50% of costs. Total Cost to MPD is \$34,489.50.	FORENSIC LOGIC LLC	Police Department	Fund 0100 - General Fund	04/01/18	03/31/19	\$75,877	\$75,877	\$0	
Annual renewal of Tiburon System Annual Maintenance. Stanislaus Regional 911 fronts the full cost and then invoices MPD for its share of costs for the 9-1-1 Communications Center. \$98,981.00	TIBURON - TRITECH	Police Department	Fund 0100 - General Fund	05/01/18	05/02/19	\$108,879	\$108,879	\$0	
Annual Maintenance Fees for Inform RMS	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$100,973	\$100,973	\$0	
Renewal of IQ Search (251-500) Users One Year Subscription. MPD's Records Management System Licensing	TRITECH SOFTWARE SYSTEMS	Police Department	Fund 0100 - General Fund	05/02/18	05/01/19	\$10,560	\$10,560	\$0	
Annual Maintenance and Support Services renewal for Veripic Software. MPD utilizes this software program for digital data storage.	VERIPIC INC	Police Department	Fund 0100 - General Fund	03/01/18	02/28/19	\$9,277	\$9,277	\$0	
Annual Renewal of ESRI proprietary Small Public Safety Term Enterprise License Agreement. Year 2 of 5 @\$45,000/yr for a total of \$225,000 plus tax \$16,593.75 for a grand total of \$241,594.75. Used for GEO-Shield application in Real Time Crime Center (RTCC).	ESRING Cybertech Systems and Software, Inc.	Police Department	Fund 0100 - General Fund	05/22/17	05/21/22	\$49,500	\$49,500	\$0	Revise Vendor Name from ESRI to Cybertech
Utility Billing Software	Superior (Formerly H.T.E. and SunGard Public Sector)	Finance - Customer Service	Fund 0100 - General Fund/Fund 4100 - Water Fund	08/27/97	Evergreen	\$91,300	\$88,339	\$2,961	Added Description Changed Term Start Date from 10/1/16 to 8/27/97 Renews Annually Cost changed from \$88,339 to \$91,300

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for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
ZoomGrants - Online Grant RFP and processing management	Grant Analyst.com, LLC DBA Zoom Grants	CED - Community Development	Fund 1130 - CDBG Administration	03/09/16	03/09/19	\$49,500	\$49,500	\$0	
Rehab Pro Direct- Online Housing Rehabilitation and Inspection software	Happy Software	CED-Community Development	Fund 1130 - CDBG Housing Rehabilitation	02/03/16	Evergreen	\$5,500	\$5,500	\$0	
Clinet Track - Online HMIS data entry and analysis software	Eccovia Inc.	CED - Community Development	Fund 1185 HMIS Administration	07/01/17	07/01/20	\$32,935	\$32,935	\$0	
Annual Licensing for ArcGIS Geo-Event Server (Windows) Up to four cores, 365-day Term License @ \$6,000/yr; plus ArcGIS Geo-Event Additional Core (up to 32 per server) @\$1,500/yr for a total annual cost of \$7,500/yr. for 5 years for a grand total of \$40,265.62 w/ tax. This is Year 2 of 5. Real Time Crime Center (RTCC); 5-Year Agreement @7,500/yr for a total with tax of \$40,265.63	ESRI INC	Police Department	Fund 1342 - Grants - Police	07/28/17	07/27/22	\$8,250	\$8,250	\$0	
Genetec Enterprise Camera Licensing and Genetec Camera Advantage for 32 cameras. These camera licenses will integrate 32 cameras into the existing Genetec Video Management System owned by the PD	CELPLAN TECHNOLOGIES	Police Department	Fund 1342 - Grants - Police	05/01/19	04/30/20	\$10,025	\$10,025	\$0	
Utility Billing Online Web Portal	Superion Click2Gov3	Finance - Customer Service	Fund 4100 - Water Fund	10/01/16	06/30/21	\$56,100	\$42,900	\$13,200	Added Description Change Term Dates 7/1/17 - 6/30/18 to 10/1/16 - 6/30/21 Cost changed from \$42,900 to \$56,100
HSQ - CMMS manage and maintain regulatory process data	HSQ	Utilities - Jennings & Sutter Electrical, Maintenance and Operations	Fund 4100 - Water Fund 4210 - Wastewater	11/01/16	10/03/21	\$48,312	\$48,312	\$0	
LabWorks - LIMS system manage and maintain data base for state reporting	LabWorks	Utilities - Sutter Laboratory	Fund 4210 - Wastewater	08/01/17	07/31/18	\$17,058	\$17,058	\$0	
Lucity - GIS CMMS - manage and maintain assets and coordinate tracking of sewer calls and maintenance	Lucity	Utilities - Collections	Fund 4210 - Wastewater Fund 4480 - Stormwater	05/01/18	04/30/23	\$66,000	\$66,000	\$0	
Maintenance Connection (CMMS) - manage and maintain assets and coordinate maintenance of sewer plants	Maintenance Connection	Utilities - Jennings & Sutter Electrical, Maintenance and Operations	Fund 4210 - Wastewater Fund 4480 - Stormwater	04/24/17	04/23/22	\$7,065	\$7,065	\$0	
IPACS	EnviroTech & Consulting, Inc.	Utilities - Environmental Compliance/Pretreatment	Fund 4210- Wastewater	07/01/13	06/30/18	\$12,733	\$12,733	\$0	

**Exhibit B - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
	Seletron Technologies Inc.	Finance - Customer Service	Fund 5230 - Information Technology	11/01/08	Evergreen	\$0	\$41,415	(\$41,415)	Delete - this is a duplicate. IT Pays the Invoice and distributes the costs.
Liebert Uninterruptable Power Supply (UPS)	Vertiv	Information Technology	Fund 5230 - Information Technology	11/29/17	11/29/18	\$16,500	\$16,500	\$0	
IBM - Customer Service - Utility Billing and Accounts Receivable Systems	SPS Var LLC	Information Technology	Fund 5230 - Information Technology	08/17/16	08/16/19	\$247,940	\$247,940	\$0	
Quantum Scalar - LTO Drives and Library for Backup tape and Offsite Disasater Recovery	Quantum	Information Technology	Fund 5230 - Information Technology	05/21/18	05/20/19	\$26,400	\$26,400	\$0	
SANs: Commvault	SHI	Information Technology	Fund 5230 - Information Technology	06/08/17	06/07/19	\$25,386	\$25,386	\$0	Changed Term End from 06/07/18 to 06/07/19
Compellant - Storage Area Network	Solid Networks	Information Technology	Fund 5230 - Information Technology	05/01/14	05/01/19	\$118,800	\$118,800	\$0	
CGI (PBS) - Budget Software	CGI	Information Technology	Fund 5230 - Information Technology	04/01/16	04/01/26	\$112,200	\$112,200	\$0	
IVR - IWR Interactive Voice Response (IVR) System for Utility Billing	Seletron Technologies Inc.	Information Technology	Fund 5230 - Information Technology	07/01/03	Evergreen	\$41,415	\$41,415	\$0	Change Term Dates 11/1/17 - 10/31/18 7/1/03 - Evergreen Renews Annually
Tidemark Building Permit System	Accela	Information Technology	Fund 5230 - Information Technology	01/01/18	12/31/18	\$39,380	\$39,380	\$0	
Cisco Smartnet	Sigmanet ConvergeOne	Information Technology	Fund 5230 - Information Technology	09/30/15	09/30/18	\$137,500	\$137,500	\$0	Change Vendor Name
ESRI - GIS	ESRI	Information Technology	Fund 5230 - Information Technology	05/31/18	05/30/19	\$36,245	\$36,245	\$0	
Virus Scan (McAfee)	PCMG	Information Technology	Fund 5230 - Information Technology	06/06/18	06/05/19	\$11,644	\$11,644	\$0	Term Date Changed from 06/06/17-06/05/18 to 06/06/18 - 06/05/19
Help Desk (Track It)	Taborda Solutions	Information Technology	Fund 5230 - Information Technology	10/15/17	10/14/18	\$9,176	\$9,176	\$0	
Agenda Plus (Sire)	Hyland	Information Technology	Fund 5230 - Information Technology	05/01/18	04/30/19	\$26,843	\$26,843	\$0	
Oracle Database	Oracle	Information Technology	Fund 5230 - Information Technology	06/01/18	05/31/19	\$129,497	\$129,497	\$0	
Manage Engine Desktop	PCMG	Information Technology	Fund 5230 - Information Technology	04/20/18	04/20/19	\$10,272	\$10,272	\$0	

**Exhibit B - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Forcepoint Security Software	MicroAge	Information Technology	Fund 5230 - Information Technology	12/19/17	12/19/20	\$18,150	\$18,150	\$0	
Microsoft Enterprise Agreement	Insight	Information Technology	Fund 5230 - Information Technology	05/02/17	05/02/20	\$263,409	\$263,409	\$0	
AutoCad	DLT	Information Technology	Fund 5230 - Information Technology	08/17/17	08/16/18	\$26,892	\$26,892	\$0	
Public Stuff	Accela	Information Technology	Fund 5230 - Information Technology	11/16/17	11/15/18	\$47,761	\$47,761	\$0	Corrected Term End date from 01/11/00 to 11/15/18
Open Gov	Open Gov	Information Technology	Fund 5230 - Information Technology	12/31/17	12/30/18	\$70,950	\$70,950	\$0	
Cornerstone - HR - Employee Performance Mgt	Cornerstone	Information Technology	Fund 5230 - Information Technology	11/30/16	11/02/17	\$34,452	\$34,452	\$0	
Oracle ERP	Oracle	Information Technology	Fund 5230 - Information Technology	Multiple	Multiple	\$281,089	\$281,089	\$0	
Civic Plus - Website	Civic Plus	Information Technology	Fund 5230 - Information Technology	10/01/15	09/30/18	\$34,209	\$34,209	\$0	
Enterprise Camera System Annual Maintenance	Celplan	Information Technology	Fund 5230 - Information Technology	08/01/18	07/31/19	\$71,500	\$71,500	\$0	Added Term Dates
Claims management software and software support for management of general liability claims	JDI	Human Resources	Fund 5330 Liability Insurance	8/17/17	08/16/19	\$167,750	\$167,750	\$0	Add Department Name
AssetWorks (FA Suite)	AssetWorks	Public Works	Fund 5409 - Fleet	12/01/18	11/30/19	\$33,807	\$33,807	\$0	
Total						\$4,627,110	\$4,649,866	(\$22,756)	
Added Items Since Council Approval on June 12, 2018									
Electronic Recruitment and Onboarding System	NeoGov	Human Resources - HR Administration & EE Benefits Administration	Fund 0100 - General Fund	02/15/17	02/14/21	\$31,460	\$0	\$31,460	
Maintenance Connection computerized maintenance management system	Maintenance Connection, Dan Buljan	PRN - Parks Operations	Fund 0100 - General Fund	06/01/18	05/31/19	\$4,180	\$0	\$4,180	Added
e-Builder, Inc. Program Management Information System (Enterprise Capital Program license)	e-Builder, Inc.	Utilities - Construction Administration	Fund 1300 - Capital Improvement Services	04/05/16	04/04/21	\$96,031	\$0	\$96,031	Added
CassWorks maintenance management software	RJN Group, Inc.; Jesse Arzola	Public Works - Curbs, Gutters, Sidewalks	Fund 1700 - Surface Transportation Fund	05/02/18	05/01/19	\$880	\$0	\$880	Added
CassWorks maintenance management	RJN Group, Inc.; Jesse Arzola	Public Works - Street Maintenance	Fund 1700 - Surface Transportation Fund	05/02/18	05/01/19	\$880	\$0	\$880	Added

**Exhibit B - Amended Hardware/Software Maintenance Support Agreements
for Fiscal Year 2018-2019 (Over \$50,000)**

Software Name, Description, & Business Purpose	Vendor/Contractor Name	Department	Fund	Term Start Date	Term End Date	New Maintenance Cost Due	June 12, 2018 Maintenance Cost Due	Net Difference	Comments for Amendment
Transparity - ATMS Management Software	McCain	Public Works - Traffic	Fund 1700 - Surface Transportation Fund	04/13/18	04/13/19	\$9,350	\$0	\$9,350	Added
Automated parking system	Amano McGann	Public Works - Parking	Fund 4000 - Parking	01/04/17	03/31/20	\$19,312	\$0	\$19,312	Added
CassWorks maintenance management software	RJN Group, Inc.; Jesse Arzola	Public Works - Water Services Admin	Fund 4100 - Water	05/02/18	05/01/19	\$3,080	\$0	\$3,080	Added
Lucity - New work order system	Lucity	Utilities - Water Services	Fund 4100 - Water Fund	07/01/18	06/30/19	\$19,360	\$0	\$19,360	Added
iWater - Software for Inframaps	iWater	Utilities - Water Services	Fund 4100 - Water Fund	11/01/18	10/31/19	\$7,920	\$0	\$7,920	Added
ESRI - GIS for new work order system (Lucity)	ESRI	Utilities - Water Services	Fund 4100 - Water Fund	07/01/18	06/30/19	\$29,040	\$0	\$29,040	Added
RJN - Cassworks (work order and service records)	RJN Group, Inc.; Jesse Arzola	Utilities - Water, PW Streets, Green Waste	Fund 4100 - Water Fund	05/01/18	05/01/19	\$5,335	\$0	\$5,335	Added
Computer Aided Dispatch/Automatic Vehicle Location system for MAX buses	Avail Technologies	Public Works - Transit	Fund 4540 - Transit	04/19/18	04/18/21	\$0	\$0	\$0	Added Already paid for FY 18-19.
Transit Route Planning and Analysis	Remix Software	Public Works - Transit	Fund 4540 - Transit	11/01/17	10/31/21	\$60,500	\$0	\$60,500	Added
CassWorks maintenance management software	RJN Group, Inc.; Jesse Arzola	Public Works - Community Forestry	Fund 4892 - Green Waste Fund	05/02/18	05/01/19	\$638	\$0	\$638	Added
Electronic Insurance Certificate Management System	PINS Advantage	Human Resources - Risk Management	Fund 5310 - Insurance Administration	10/24/17	10/24/22	\$9,900	\$0	\$9,900	Added
Electronic Employee Benefit Platform	Benefitfocus	Human Resources - Employee Benefits Administration	Fund 5520 - Employee Benefits Administration	12/28/18	12/28/19	\$40,983	\$0	\$40,983	Added
Maintenance Connection - Annual Technical Support Renewal, including hosting, software maintenance, technical support, and upgrades.	Maintenance Connection, Dan Buljan	Public Works - Building Services	Fund 5800 - Building Services	07/01/18	06/30/19	\$3,630	\$0	\$3,630	Added
Total Additions						\$342,478	\$0	\$342,478	
Grand Total						\$4,969,588			

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-398**

**RESOLUTION APPROVING THE SUBMISSION OF THE CITY'S
TRANSPORTATION DEVELOPMENT ACT (TDA) TRANSIT CLAIM FOR
TRANSPORTATION CENTER IMPROVEMENTS FOR FISCAL YEAR 2018-19
TO THE STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) IN THE
AMOUNT OF \$4,069,996**

WHEREAS, the Stanislaus Council of Governments (StanCOG) has informed the Transit Division that Transportation Development Act (TDA) funds are available for Transportation Center improvements in preparation for the Altamont Corridor Express (ACE) to stop in Modesto, and

WHEREAS, the City has prepared a TDA claim for Fiscal Year 2018-2019 to access these additional funds, and

WHEREAS, the Transportation Center Capital Budget for these improvements is \$5,597,911, and

WHEREAS, Council action authorizing submission of the Claim is required by StanCOG pursuant to Section 99233.11 of the California Public Utilities Code before any TDA funding can be released to the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the TDA Transportation Center capital claim for Fiscal Year 2018-2019 to StanCOG in the amount of \$4,069,996.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

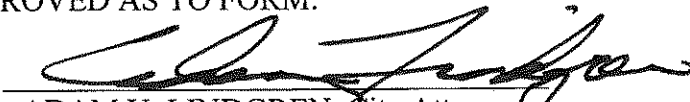
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-399**

RESOLUTION AUTHORIZING A BUDGET ADJUSTMENT AMENDING FISCAL YEAR 2018-19 CAPITAL IMPROVEMENT PROJECT BUDGET IN THE AMOUNT OF \$4,069,996 TO FUND IMPROVEMENTS TO THE TRANSPORTATION CENTER IN PREPARATION FOR THE ALTAMONT CORRIDOR EXPRESS (ACE) AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, Stanislaus Council of Governments (StanCOG) has adopted Local Transportation Fund (LTF) Supplemental Apportionments to be used for Transportation Center improvements, and

WHEREAS, City staff has estimated the total cost of the improvements to the Transportation Center in preparation for ACE at \$5,597,911, and

WHEREAS, this claim is the formal request to StanCOG to release \$4,069,996 reserved for regional transit projects, and

WHEREAS, the Fiscal Year 2018-19 budget for capital improvement project 101095 – PW.Facilities Improvement – Transit Center, must be amended by \$4,069,996.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-19 operating budget.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

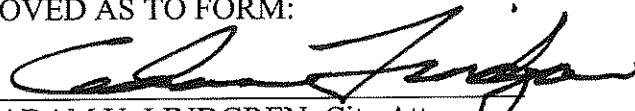
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-400**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH ESCROW INSTRUCTIONS WITH G3 ENTERPRISES, INC. A DELAWARE CORPORATION, IN THE AMOUNT OF \$15,000 FOR A SURPLUS PROPERTY LOCATED AT 705 E. WHITMORE AVE (APN 086-014-006) AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT DEED AND ALL SALE DOCUMENTS REQUIRED TO CLOSE ESCROW

WHEREAS, the City of Modesto owns a parcel of real property located at 705 E. Whitmore Ave. (APN 086-014-006), and

WHEREAS, the parcel is a former well site 19 and is no longer used, and

WHEREAS, the well has been closed and all the equipment removed, and

WHEREAS, an adjacent property owner wishes to purchase the property for the appraised value of \$15,000, and

WHEREAS, the former well site is surplus property and

WHEREAS, a lot line adjustment is required to incorporate the small City property into the buyer's larger adjacent property, and

WHEREAS, the City has approved a Certificate of Compliance for Lot Line Adjustment and a Certificate of Approval of Lot Line Adjustment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sale of the surplus property located on 705 E. Whitmore Ave, (APN 086-014-006) to G3 Enterprises, Inc., in the amount of \$15,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Grant Deed and the Purchase and Sale Agreement for sale of the property, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

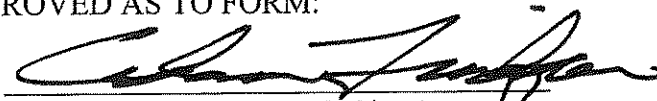
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-401**

**RESOLUTION DECLARING A CITY-OWNED PARCEL AS SURPLUS
PROPERTY LOCATED ON 705 E. WHITMORE AVE (APN 086-014-006)**

WHEREAS, the City of Modesto owns a parcel of real property, and

WHEREAS, the property is located on 705 E. Whitmore Ave. with an APN of 086-014-006, and

WHEREAS, the property contains an area of approximately 15,000 square feet, and

WHEREAS, this property was originally purchased in 1957 from the Tidewater Southern Railway Company and was used as City Well Site 19, and

WHEREAS, the well is no longer in use and has been destroyed and the property has been cleared of all equipment and is now vacant, and

WHEREAS, there are no other current or future uses for this property by the City, and

WHEREAS, this parcel has no legal access and will be merged with the adjoining property through a lot line adjustment to create one larger parcel, and

WHEREAS, staff recommends the vacant real property be declared as surplus property.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the real property located on 705 E. Whitmore Ave. (APN 086-014-006) be declared as surplus property.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-402**

RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT WITH ESCROW INSTRUCTIONS WITH MICHEAL T. EYERLY AND LUANNA K. EYERLY, IN THE AMOUNT OF \$30,000 FOR A SURPLUS PROPERTY LOCATED AT FAIRBAIRN DRIVE (APN 067-029-032) AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE GRANT DEED AND ALL SALE DOCUMENTS REQUIRED TO CLOSE ESCROW

WHEREAS, the City of Modesto owns a parcel of real property located at Fairbairn Drive (067-029-032), and

WHEREAS, the parcel is a former well site 32 and is no longer used, and

WHEREAS, the well has been closed and all the equipment removed, and

WHEREAS, an adjacent property owner wishes to purchase the property for the appraised value of \$30,000, and

WHEREAS, the former well site is surplus property, and

WHEREAS, a lot line adjustment is required to incorporate the small City property into the buyer's larger adjacent property, and

WHEREAS, the City has approved a Certificate of Compliance for Lot Line Adjustment and a Certificate of Approval of Lot Line Adjustment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sale of the surplus property located on Fairbairn Drive, (APN 067-029-032) to Micheal T. Eyerly and Luanna K. Eyerly, in the amount of \$30,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Grant Deed and the Purchase And Sale Agreement for sale of the property, in a form approved by the City Attorney.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-403**

**RESOLUTION DECLARING A CITY-OWNED PARCEL AS SURPLUS
PROPERTY LOCATED ON FAIRBAIRN DRIVE (APN 067-029-032)**

WHEREAS, the City of Modesto owns a parcel of real property, and

WHEREAS, the property is located on Fairbairn Drive in Modesto with an APN of 067-029-032, and

WHEREAS, the property contains an area of approximately 3500 square feet, and

WHEREAS, this property was originally developed in 1948 for City Well Site 32, and

WHEREAS, the well is no longer in use and has been destroyed and the property has been cleared of all equipment and is now vacant, and

WHEREAS, there are no other current or future uses for this property by the City, and

WHEREAS, the adjoining property owner desires to purchase this surplus property from the City, and

WHEREAS, this parcel will be merged with the adjoining property through a lot line adjustment to create one larger parcel, and

WHEREAS, staff recommends the vacant real property be declared as surplus property.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the real property located on Fairbairn Drive. (APN 067-029-032) be declared as surplus property.

The foregoing resolution was introduced at a special meeting of the Council of the City of Modesto held on the 11th day of September, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Mayor Brandvold

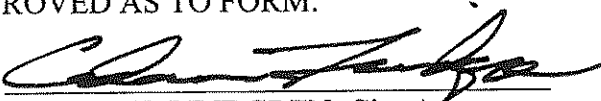
NOES: Councilmembers: None

ABSENT: Councilmembers: Zoslocki

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-404**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND CTC INVESTORS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY TO CONNECT TO THE CITY OF MODESTO'S EXISTING SEWER SYSTEM FOR THE PROPERTY LOCATED AT 4024 MCHENRY AVENUE (APN: 052-060-002), AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO SIGN THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, CTC Investors, LLC, a California limited liability company owns the mobile home park located at 4024 McHenry Avenue which is located outside of Modesto City Limits and inside the City's Sphere of Influence, and

WHEREAS, the property located at 4024 McHenry Avenue, is not connected to City's sewer system and is requesting a sewer connection due to a failing septic system, and

WHEREAS, on November 25, 2014, City Council approved Resolution No. 2014-473 amending City Council Policy 5.002, and

WHEREAS, on December 9, 2014, City Council approved adoption of Ordinance No.3612-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS both of these amendments included language allowing the City Manager, upon the recommendation of the Director responsible for utility system planning to approve standard agreements of service for extension of sewer services into certain unincorporated areas without City Council approval, and

WHEREAS, the property located at 4024 McHenry Avenue is not located within one of those designated areas and therefore requires City Council approval prior to allowing the sewer connection, and

WHEREAS, City staff has completed an analysis and determined that it is reasonable for the City of Modesto to provide sewer service to this property, and

WHEREAS, consistent with adopted LAFCO Policy 15, the extension of sewer service is proposed to remedy a health and safety concern in an area with a failing septic system, and

WHEREAS, the sewer connection fees shall be paid and associated permits will be obtained prior to connecting to the City sewer system, and

WHEREAS, the property owner has executed an Outside Service Agreement for sewer service with the City as required to receive sewer service outside the City limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for sewer service for the property located at 4024 McHenry Avenue (APN: 052-060-002) in Modesto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to approve the Will Serve letter and execute the Outside Service Agreement for sewer service.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

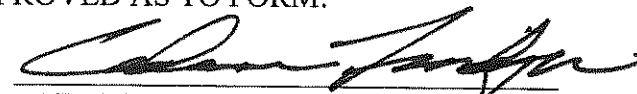
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-405**

**RESOLUTION ACCEPTING THE LANDMARK PRESERVATION
COMMISSION ANNUAL REPORT FOR FISCAL YEAR 2017 - 2018**

WHEREAS, Section 1104 of the City Charter specifies that appointed commissions shall report on their fiscal year activities to City Council on or before September 1 of each year, and Section 9-10.03(d) of the Modesto Municipal Code specifies that the Landmark Preservation Commission shall report its activities to City Council on or before June 30 of each year, and

WHEREAS, the Landmark Preservation Commission has had difficulty reaching quorum, and

WHEREAS, at its regular meeting of August 20, 2018, at 1010 10th Street, Modesto, California, the Landmark Preservation Commission accepted the Annual Report for Fiscal Year 2017 - 2018, and

WHEREAS, said matter was scheduled for the regular City Council meeting of September 25, 2018, in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby finds and determines that the Landmark Preservation Commission Annual Report for Fiscal Year 2017 - 2018 as described in **Exhibit "A"**, attached hereto and incorporated herein by reference, is accepted.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

Landmark Preservation Commission Annual Report for FY 2017 - 2018

LANDMARK PRESERVATION COMMISSION ANNUAL REPORT FOR FISCAL YEAR 2017-2018

The City of Modesto Landmark Preservation Commission (Commission) was formed by the City Council to promote public recognition and appreciation for Landmark Preservation Sites and for the City's history; to conduct continuing surveys and research in order to identify and classify as to their relative importance, properties which have historic, architectural, archaeological, engineering, or cultural significance to the community; to recommend properties which meet the criteria of significance for designation as Landmark Preservation Sites; to protect Landmark Preservation Sites by public review of proposed alterations, relocations, demolitions, or new construction affecting those properties; and to advise property owners and educate the public in appropriate maintenance, rehabilitation, or restoration methods and to encourage continued use of such properties. The Commission is also responsible for requesting of the Board of Zoning Adjustment, the Planning Commission, various City departments, or the City Council adoption of measures required or appropriate for the preservation, protection, or maintenance of Landmark Preservation Sites; providing general preservation plans and guidelines to owners of Landmark Preservation Sites regarding appropriate maintenance, restoration, and rehabilitation; promoting public recognition and appreciation for Landmark Preservation Sites; and for the solicitation of gifts and contributions to support the activities and purposes of the Commission.

The Commission meets on the third Monday of the month at 1:00 p.m. The 2017-2018 Annual Report highlights a few key projects the Commission has worked on this year.

I. MEMBERSHIP

The Landmark Preservation Commission is currently comprised of a total of five (5) registered voters residing in Modesto, with two vacant positions. A total of nine (9) commissioners have served during the past fiscal year.

Current Commissioners:

- Joseph Cahill
- Joanna Esparza
- David Leamon (Culture Commission appointee)
- Matthew Lippert (Chair)
- David Roddick (Vice Chair)
- vacant
- vacant

Former Commissioners:

- Jonathon Bruno *
- Samuel Gonzalez *
- Joseph Sanchez *
- Barrett Lipomi

* Resigned from Landmark Preservation Commission for personal reasons.

II. BYLAWS

No bylaws amendments were proposed or adopted during the fiscal year.

III. PROJECTS

Submittal Requirements and Processing of Applications

As part of the transfer of the Landmark Preservation Program into the Planning Division, the Commission and City Council established formal application procedures to ensure the uniform collection of information to support decision making. Procedures and forms for Mills Act contracts were completed and approved. No additional procedures are expected to be needed. Fees to process each entitlement have been proposed as part of the 2018 Fees Update, which are expected to become effective fiscal year 2018 - 2019.

Web Pages

In addition to the Landmark Preservation Commission page, the Landmark Preservation Program now has web pages to promote Modesto's history and raise the profile of established landmarks, as well as other historic properties. The web site is regularly updated with agendas, minutes, and resolutions. A new [Historic Guide to Modesto: Modesto Landmarks 1870 - 1940](http://www.modestogov.com/1967/History-of-Modesto) (<http://www.modestogov.com/1967/History-of-Modesto>) brochure has been added to the web site that can be used on mobile phones or printed.

Mills Act Contract Monitoring

In accordance with the existing Mills Act contracts on 12 landmark properties, staff has requested property owners update the list of improvements that is attached to each contract. Mills Act contracts require the list be updated to ensure the properties are being maintained as required by the contract. Nine of the 12 property owners have responded by providing an updated list of improvements.

Applications and Permits Reviewed

Landmark 19: The Commission reviewed and approved an expansion of the Southern Pacific Transportation Center building to better accommodate modern transit dispatch service for Modesto Area Express.

Future Projects

In addition to evaluating resources nominated for landmark status, the Commission is responsible for reviewing proposed alterations to historic resources and proposed demolitions. Applications are processed on a case-by-case basis.

Other projects that may be undertaken by the Commission include:

Update the status of buildings in the historic resources survey More than 20 years have passed since Modesto hired Carey & Co. to prepare a survey of some of Modesto's historic resources that were 50 years old or older at the time of the survey. During that time, many buildings have been altered or demolished and the city's records should be updated. This is a multi-year project.

Develop historic brochures Cities often highlight their historic resources by preparing walking tours or brochures, often themed. Brochures promote the city's unique history, civic involvement and pride, and offer added appeal for visitors. Three brochures have been produced to date highlighting Modesto's landmarks, buildings from the Establishment Period, and Mid-Century Modern buildings. Additional brochures will feature other periods of Modesto's development. This is a multi-year project.

Develop a list of high-priority resources and pursue landmark status Modesto's historic resources survey, prepared in the 1990s by Carey & Co., has been used as a starting point for preservation efforts. The survey was performed in-depth on a few properties known to have significance in addition to architectural qualities, but most of the survey was limited to architecture. In the past, the historic resources survey served to promote designation of potential historic resources for landmark status by the Commission. This is a multi-year project.

IV. PURPOSE OF THE ANNUAL REPORT

This annual report is prepared in compliance with Article XI, Section 1104, of the City Charter, which states in part, "Each board and commission shall prepare and submit to the Council an annual report of its activities. Such report shall be made on the fiscal year basis and shall be submitted on or before September 1 of each year." Modesto Municipal Code Section 9-10-03(d) requires the Annual Report to be submitted to City Council on or before June 30. Staff intends to propose updates to the Municipal Code to make it consistent with the City Charter.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-406**

RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT WITH ASSOCIATED RIGHT OF WAY SERVICES FOR ADDITIONAL RIGHT OF WAY SERVICES FOR THE HETCH HETCHY AND CLARATINA AVENUE STRUCTURAL CROSSING PROJECT FOR AN AMENDED AMOUNT OF \$11,085, A NEW NOT TO EXCEED AMOUNT OF \$57,585 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, the Hetch Hetchy and Claratina Avenue Structural Crossing Project (Project) intends to build a structural utility crossing as part of its widening of Claratina Avenue between McHenry Avenue and Coffee Road, and

WHEREAS, in order to construct the Project, the City will need to acquire narrow strips of land from five properties along Claratina Avenue, and

WHEREAS, on May 31, 2017, City Manager approved an agreement with Associated Right of Way Services (ARWS) to provide negotiation and acquisition services in an amount not to exceed \$36,500, and

WHEREAS, it was discovered that the existing residence at A.P.N. 082-009-003, Parkwood Seventh-Day Adventist Church has renters and would require relocation planning and assistance services as part of property acquisition, and

WHEREAS, on October 9, 2017, City Manager approved the First Amendment to the Agreement to provide relocation planning and assistance services pertaining to 301 Claratina Avenue, Modesto CA for an amount not to exceed \$10,000, and

WHEREAS, as right of way services continued additional services were needed outside the current scope of services for drafting/obtaining permits to enter, coordination and preparation of additional documentation requested by Hetch Hetchy, and review of additional appraisals completed by property owners, and

WHEREAS, the cost of the Second Amendment to the Agreement with ARWS is \$11,085, and

WHEREAS, the total cost of the original Agreement, First Amendment, and Second Amendment for ARWS equates to \$57,585, and

WHEREAS, per Modesto Municipal Code 8-3.102 – Contracting Authority, “The City Manager may approve and authorize all contracts and purchase orders involving an expenditure of City funds in the total amount of fifty thousand dollars or less. Except as noted below, no contract involving an expenditure in excess of fifty thousand dollars may be authorized, approved, or executed without City Council approval.”

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Second Amendment to the Agreement with Associated Right of Way Services for additional right of way services for the Hetch Hetchy and Claratina Avenue Structural Crossing Project for an amended amount of \$11,085, and a new not to exceed amount of \$57,585.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-407**

RESOLUTION CLAIMING FISCAL YEAR 2017-2018 UNCLAIMED FUNDS OF \$38,003 HELD IN THE CITY'S TRUST FUND FOR MORE THAN THREE YEARS AND AUTHORIZING THE TRANSFER TO THE GENERAL FUND

WHEREAS, the City issues checks from time to time that remain uncashed the payee, and such checks that are not cashed remain in the accounting records as Outstanding Checks; and

WHEREAS, California Government Code Sections 50050-50053 and 50055 establishes provisions for the escheatment of such unclaimed money to the City's General Fund; and

WHEREAS, State law requires unclaimed funds in the amount of \$15 or more, held in the City's Trust fund, be published in a newspaper of general circulation in the City of Modesto, for two successive weeks; and

WHEREAS, after a forty-five day period from the date of the first publication any funds that are not claimed become the property of the City of Modesto.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves \$38,003 in Fiscal Year 2017-2018 unclaimed funds to be transferred to the General Fund.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this Resolution.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvoid

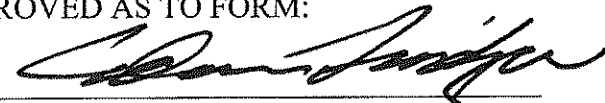
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-408**

**RESOLUTION APPROVING THE ACCOUNTS RECEIVABLE WRITE-OFF
REPORTS FROM THE CITY MANAGER AND FINANCE DIRECTOR
THROUGH JUNE 30, 2018 TOTALING \$857,108 AND DIRECTING A REPORT
OF DISPOSITION TO BE FILED WITH THE CITY CLERK**

WHEREAS, the Finance Department maintains a billing system to track monies owed to the City, and

WHEREAS, occasionally the responsible party does not pay the City as required, and

WHEREAS, it is the City's policy to actively pursue collection of past-due accounts and write off amounts deemed to be uncollectible, and

WHEREAS, the City employs various different means of trying to collect past-due accounts, and

WHEREAS, collection efforts continue until the legal statute restricts the City's collections actions, and

WHEREAS, the City's Write-off of Uncollectible Accounts Receivable policy, as allowed under by Section 2-3.406 of Article 4 of Title 2 of the Municipal Code, requires the following approval authority: the Director of Finance is authorized to approve the write-off of accounts with an outstanding balance due of up to \$5,000, and the City Manager is authorized to approve the write-off of accounts with an outstanding balance due in excess of \$5,000 and up to \$25,000; and

WHEREAS, the following amounts with an outstanding balance less than \$5,000 have been approved for write-off by the Director of Finance for the Fiscal Year 2017-

2018 and as such all available collection remedies have been exhausted: (1) Utilities Accounts - \$530,109 and (2) Miscellaneous Receivables - \$294,837 and

WHEREAS, the following amounts with an outstanding balance less than \$25,000 have been approved for write-off by the City Manager for the Fiscal Year 2017-2018 and as such all available collection remedies have been exhausted: (1) Utilities Accounts – \$6,075 and (2) Miscellaneous Receivables - \$26,087.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the City Manager’s and Director of Finance reports of uncollectible utility and accounts receivable in the total amount of \$857,108, and approve a report of disposition be filled with the City Clerk.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-409**

RESOLUTION APPROVING THE SOLE SOURCE AGREEMENT WITH CIVICPLUS FOR THE CONTINUED WEBSITE MAINTENANCE FOR THE CITY OF MODESTO (WWW.MODESTOGOV.COM) AND MODESTO AREA EXPRESS (WWW.MODESTOAREAEXPRESS.COM) FOR A FOUR YEAR AGREEMENT IN AN ESTIMATED COST OF \$61,702 WITH A 5% CONTINGENCY IN THE AMOUNT OF \$3,085, FOR A TOTAL AMOUNT NOT TO EXCEED \$64,787; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, on September 22, 2015, by Resolution No. 2015-356, Council approved the award of agreement for website maintenance to CivicPlus, and

WHEREAS, during the period of the initial contract Modesto Area Express website (www.modestoareaexpress.com) funded and added to the agreement an additional \$3,000 in annual maintenance, which caused separate agreement dates for each website, and

WHEREAS, the City's website agreement and the Modesto Area Express website agreement will be co-terminated into one agreement for easier management for a total cost of \$61,701.70, which will be broken down in payments over four years and there is a pro-rated amount of \$1,275 that will be included in the year one payment, and

WHEREAS, the contingency amount of 5%, in the amount of \$3,085 is being included to cover various items such as implementation work, logo and branding, training and consulting, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, staff recommends the upgrade and renewal of this agreement to CivicPlus should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) since they are the sole provider of this service, and

WHEREAS, MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirement where the Purchasing Agency's requirements can be met solely by a single article or process, and

WHEREAS, this purchase of these services conforms to the Modesto Municipal Code, and

WHEREAS, under this agreement, the maintenance for year one will be \$15,190.30 that includes the pro-rated amount of \$1,275 for the Modesto Area Express website maintenance, and

WHEREAS, this additional amount is required to co-terminate agreements for both the City of Modesto and Modesto Area Express website maintenance, and

WHEREAS, the maintenance for year two will be \$14,761.07 and includes a 5% increase of maintenance for both websites and a charge of \$150.00 to renew the security sockets layer (SSL) certificates for the City of Modesto Website, and

WHEREAS, the maintenance for year three will be \$15,341.62 and includes a 5% increase of maintenance for both websites, and

WHEREAS, the maintenance cost for year four will be \$16,408.71 and includes a 5% increase of maintenance for both websites and \$300.00 to renew the security sockets layer (SSL) certificates for both websites.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the sole source agreement with CivicPlus for the continued

website maintenance for the City of Modesto and Modesto Area Express for a four year agreement in an estimated cost of \$61,702 with a 5% contingency in the amount of \$3,085, for a total amount not to exceed \$64,787.

BE IT FURTHER RESOLVED, that the City Manager or his designee are hereby authorized to execute the agreement.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-410**

RESOLUTION IN SUPPORT OF THE REAUTHORIZATION OF AND FULL FUNDING FOR THE LAND AND WATER CONSERVATION FUND (LWCF)

WHEREAS, the Land and Water Conservation Fund (LWCF), established by Congress in 1964, is one of the most successful government programs in preserving our country's precious natural and cultural resources and improving equitable access to the outdoors in urban and rural communities, which is essential to California's health, culture, economic opportunity and the future of our children and grandchildren, and

WHEREAS, LWCF has been instrumental in creating opportunities for Californians in urban, suburban, and rural areas to get outdoors; it has been a critical tool in conserving national parks and historic sites; national wildlife refuges and monuments; watersheds; working forests; wildlife areas; and state and local parks, trails and ball fields, and

WHEREAS, LWCF is based on the simple premise that as we extract natural resources that belong to our nation – offshore oil and gas – we should in turn protect and invest in onshore resources for future generations, and

WHEREAS, LWCF takes a portion of royalties from offshore oil and gas development and invests that money in protecting America's important public lands for future generations – be that an iconic national park or an urban playground, and

WHEREAS, though LWCF is authorized to receive \$900 million annually, this cap has been met only twice during the program's nearly five decades of existence and, instead of being fully funded, nearly every year Congress diverts much of this funding to purposes other than conserving our most important lands and waters, and

WHEREAS, despite receiving only a fraction of its intended funding over the last 53 years, LWCF has led to the protection of land in every state and nearly every county, has improved access to these public lands, and has provided matching grants for the creation of more than 41,000 state and local park projects, and

WHEREAS, LWCF supports and maintains the economic asset that our federal, state and local public lands represent; Hunting, fishing, camping, hiking, paddling and other outdoor recreation activities contribute to California's economy and support jobs in our state, and

WHEREAS, California has received more than 1,500 state side LWCF grants to local governments and state parks, totaling over \$2.4 billion and touching all of the state's counties, and

WHEREAS, over the last 53 years, LWCF funding has contributed to the enhancement of local parks and recreational opportunities that are part of the fabric of the City of Modesto, including the Tuolumne River Regional Park Gateway, Creekwood Neighborhood Park, George Rogers Neighborhood Park, Dry Creek Regional Park, Mark Twain Neighborhood Park and Mellis Neighborhood Park, Fairway Neighborhood Park, Beyer Community Park, Muncy Neighborhood Park, and the Virginia Corridor Trail, and

WHEREAS, the parks, trails, and recreation projects dependent upon LWCF funding are green spaces that contribute to the health and well-being of Californian families, and

WHEREAS, the Land and Water Conservation Fund was initially authorized in 1965 by the President and Congress and will expire on September 30, 2018.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it expresses support for, and urges Congress to act swiftly to enact full funding for and permanent reauthorization of the Land and Water Conservation Fund given the important contributions it makes to our nation's and California's health, well-being, economic opportunity and access to our nation's natural treasures.

BE IT FURTHER RESOLVED, that a copy of this resolution shall be forwarded to the entire California Congressional Delegation to show support for the fully funding and permanent reauthorization of the Land and Water Conservation Fund.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

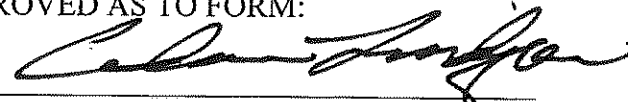
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-411**

**RESOLUTION APPROVING THE AWARD OF BID AND PURCHASE OF
FOUR BACKHOE LOADERS FROM GARTON TRACTOR, TURLOCK, CA,
FOR A TOTAL COST NOT TO EXCEED \$432,031 AND AUTHORIZING THE
PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE
PURCHASING AGREEMENT**

WHEREAS, funds were approved and allocated in the budget adoption for Fiscal Years 2017-2018 for the purchase of four new backhoe loaders to be assigned to various departments and divisions, and

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for new vehicles and heavy equipment through various competitive processes, and

WHEREAS, in April 2018, the Purchasing Division issued RFB 1718-54 for the purchase of four backhoe loaders on the City's website under the commodity codes for automotive vehicles and related transportation equipment, trucks (one ton and less capacity), trucks (over one ton capacity, trucks (with specialized bodies), and

WHEREAS, all bids had detailed bid specifications posted on Planet Bids per the City's purchasing guidelines and prospective bidders were notified online of the bid opportunity, and

WHEREAS, on May 15, 2018, the City received four completed bids and all bids received were compliant per bid specifications and based on providing the overall lowest responsive and responsible bid, staff recommends the award of bid for the purchase of four backhoe loaders to Garton Tractor, Turlock, CA, and,

WHEREAS, sufficient funds for four backhoe loaders were encumbered in Fiscal Year 2017-2018 and subsequently been carryforward and budgeted in FY 2018-2019, in

the Fleet Replacement Fund No: 5409-53246-57003.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of bid for the purchase of four backhoe loaders from Garton Tractor, Turlock, CA for a total cost not to exceed \$432,031.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchase agreement.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-412**

**RESOLUTION APPROVING THE RELEASE OF \$1,500,000 OF PROPOSITION
1B FUND SAVINGS BACK TO THE CALIFORNIA TRANSPORTATION
COMMISSION (CTC) FOR THE STATE ROUTE 99 / PELANDALE AVENUE
INTERCHANGE RECONSTRUCTION PROJECT**

WHEREAS, the State Route 99 / Pelandale Avenue Interchange Reconstruction Project is a project to increase safety, relieve congestion, and enhance traffic operations within the Interchange and along the adjacent streets, and

WHEREAS, State Route 99/Pelandale Avenue Intersection Reconstruction Project funds were programmed in accordance with California Department of Transportation's (Caltrans) Project Development Procedures Manual, and

WHEREAS, an initial study with Mitigated Negative Declaration was prepared by the City's consultant and submitted to the State of California Department of Transportation (Caltrans) for approval. This Document (SCH# 2009072012) was approved by Caltrans on September 28, 2009, and

WHEREAS, on July 10, 2012, by Resolution No. 2012-277, Council approved an Agreement between the City and Caltrans for maintenance of improvements within State Highway Right of Way on Route 99 (Pelandale Avenue) within the City of Modesto for the State Route 99 and Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on February 25, 2014, by Resolution No. 2014-71, Council approved the contract with Teichert/MCM, a Joint Venture, Fowler, California in an amount of \$30,999,969, and authorized the City Manager, or his designee, to execute the contract, and

WHEREAS, on April 25, 2017, by Resolution number 2017-154, Council accepted the State Route 99/Pelandale Avenue Interchange Reconstruction Project improvements as complete, and

WHEREAS, a Record of Survey must be submitted to the State for final closeout of the project to be completed, and

WHEREAS, for the Record of Survey to be submitted, Council must first approve the relinquishment of land to both County and State, and

WHEREAS, on January 23, 2018, by Resolution number 2018-42, Council approved the transfer of portions of APNs 135-029-038 and 135-029-039 to both Stanislaus County and State of California, portions of APNs 135-029-040 and 135-029-041 to the State of California, and portions of Salida Boulevard and Sisk Road to the State of California for the State Route 99/Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on June 20, 2018, Caltrans requested the City submit estimated completion costs of the construction funds since the project has been substantially completed, and

WHEREAS, Caltrans is currently paying interest on the \$41.6 million Prop 1B money designated for construction and wanted to return the money back to CTC to be used on other projects, and

WHEREAS, there are currently \$2,055,888 of Proposition 1B savings remaining in the State Route 99/Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, only \$1,500,000 will be released back to CTC at this time because of projected future costs.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the release of \$1,500,000 of Proposition 1B fund savings back to the California Transportation Commission for the State Route 99 / Pelandale Avenue Interchange Reconstruction Project.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

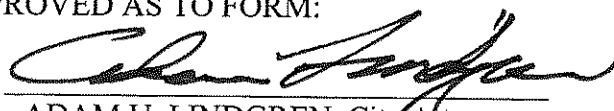
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-413**

**RESOLUTION APPROVING THE TRANSIT ASSET MANAGEMENT (TAM)
PLAN, AND AUTHORIZING THE TRANSIT MANAGER TO IMPLEMENT
THE PLAN**

WHEREAS, according to the Federal Transit Administration (FTA), transit asset management is a set of strategic and systemic processes and practices for managing performance, risks, and costs of transit assets across the entirety of their lifecycle in order to deliver service reliably, safely, and cost effectively, and

WHEREAS, the Transit Asset Management (TAM) plan is a business model that prioritizes funding based on the condition of transit assets, and

WHEREAS, in July 2016, the FTA issued a final rule requiring transit agencies to maintain, document and report minimum TAM standards, and

WHEREAS, federal law requires recipients and sub-recipients of federal dollars to develop a TAM plan that is due to be completed by October 1, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Transit Asset Management (TAM) Plan.

BE IT FURTHER RESOLVED, that the Transit Manager is hereby authorized to implement the plan.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

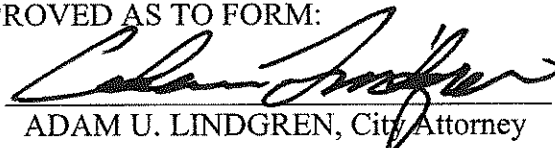
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-414**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE AGREEMENT WITH KENNEDY/JENKS CONSULTANTS, INC., SACRAMENTO, CA, FOR CONTINUED ENGINEERING SERVICES DURING CONSTRUCTION FOR THE NEW DEL RIO WELL 68 PROJECT IN THE AMOUNT OF \$35,198, PLUS \$16,764 FOR ADDITIONAL SERVICES, IF NEEDED, FOR A TOTAL NOT TO EXCEED AMOUNT OF \$184,413 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the City owns and operates the outlying water system in the community of Del Rio, located in Stanislaus County, and

WHEREAS, per the City's 2010 Water System Engineer's Report, a hydraulic assessment of the system was performed to evaluate the system's ability to meet the community's current and build-out demands, and

WHEREAS, this assessment identified the need to construct a new 1,000-gallon per minute domestic well, 250,000-gallon storage tank, and 1 million-gallon per day booster pump station to correct existing supply and pressure deficiencies, and

WHEREAS, on December 12, 2017, by Resolution No. 2017-517, Council approved an agreement with Kennedy/Jenks Consultants, Inc. to provide Engineering Services During Construction for the New Del Rio Well 68 project and awarded a construction contract to Roadrunner Drilling Company, by Resolution No. 2017-516 to drill the New Del Rio Well 68, and

WHEREAS, Kennedy/Jenks Consultants, Inc. was required to oversee Roadrunner Drilling Company's drilling activities to ensure that the design, as intended, was able to be met and that the goal of producing a 1,000 gpm production well for the Del Rio Well 68 could be achieved, and

WHEREAS, during the course of drilling operations, water quality sampling results indicated the presence of dibromochloropropane (DBCP). Sample test results indicated a DBCP concentration of 0.55 micrograms per liter (ug/L) which exceeds California Title 22 Drinking Water Standard of 0.2 ug/L, and

WHEREAS, staff is requesting Kennedy/Jenks Consultants, Inc. continue with engineering services during construction and coordinate with Roadrunner Drilling Company to perform additional step testing with water quality analysis to determine the source of the DBCP to explore the potential methods to rehabilitate the well and reduce the concentrations to acceptable levels below the maximum containment level of 0.2 ug/L, and

WHEREAS, it is in the best interest of the project moving forward to have continuity with the same hydro-geologist and thus seek an amended agreement with Kennedy/Jenks Consultants, Inc., and

WHEREAS, the scope of services to be provided under the amended engineering services during construction agreement will include increases to the following tasks: Post Construction Services, Well Completion Report and Project Management.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a first amendment to the agreement with Kennedy/Jenks Consultants, Inc., Sacramento, CA, for Engineering Services During Construction for the New Del Rio Well 68 Project in the amount of \$35,198, plus \$16,764 for additional services, if needed, for a revised not to exceed amount of \$184,413,

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the first amendment to the agreement in a form approved by the City Attorney.

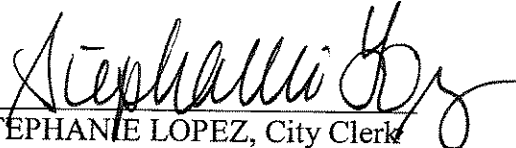
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AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-415**

RESOLUTION APPROVING AN AGREEMENT WITH ATLAS COPCO COMPRESSORS OF FREMONT, CA, FOR LABOR AND PARTS FOR ATLAS COPCO COMPRESSORS, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$15,000, AND A TOTAL NOT TO EXCEED \$75,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the City of Modesto, Wastewater Division owns and operates seven Atlas Copco air compressors for various treatment processes at the Wastewater Treatment Plant located at 7007 Jennings Road, and

WHEREAS, these air compressors are critical for the day-to-day operations of the plant and an outage of compressed air can cause a cascading effect, shutting down critical processes which ultimately affect the City's ability to produce recycled water and could potentially initiate permit violations, and

WHEREAS, to maintain and repair these air compressors, parts and onsite services are required on a regular basis, and

WHEREAS, parts and materials for these types of services are procured through open market sources through the competitive bid process, City plant mechanics also perform major repairs to the compressors in-house, utilizing Atlas Copco replacement parts, and

WHEREAS, Atlas Copco performs the computer diagnosis and new programming when the City has Human Machine Interface or Programmable Logic Control failures (computer controlled systems), and also supplies the City with replacement parts for repairs, and

WHEREAS, staff has attempted to obtain bids for parts and computer programming/diagnosis services through alternate sources and vendors for these air compressors, and

WHEREAS, while many vendors can perform preventative services and mechanical repairs of the Atlas Copco compressors, parts must still be obtained directly through Atlas Copco, as none of the compressor repair companies are able to diagnose or service the electronic computer controllers, and

WHEREAS, the computer controlled system services are done with proprietary software and programs that are not accessible to other vendors, and

WHEREAS, staff has also been unable to obtain bids for replacement parts (except for common filters, oil and belts) through any other sources, and

WHEREAS, an annual agreement for Atlas Copco Compressor Repairs, Agreement No. 50352, was initiated by the Purchasing Department with a contract term amount of \$45,000 over five years and expires on October 30, 2018, and

WHEREAS, expenditures during the term of the agreement are \$26,450, and

WHEREAS, the original agreement covered four compressors at the Jennings facilities, but the city now has three additional compressors that were installed with the Phase 2 Biological Nutrient Removal/Tertiary Treatment project, and

WHEREAS, this new agreement will cover these additional compressors and any additional Atlas Copco compressors purchased, and

WHEREAS, Modesto Municipal Code Section 8-3.204 states that all purchases, in excess of fifty thousand dollars (\$50,000), or when directed by the City Manager for

any purchase of fifty thousand dollars (\$50,000) or less, shall follow formal bid procedures, except for the following which shall be exempt from the bid requirement, and

WHEREAS, the agreement with Atlas Copco meets 8-3.204(b) where the Purchasing Agency's requirements can be met solely by a single article or process and 8-3.204(d) where the Purchasing Manager, in her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, Atlas Copco should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) and (d) since they are the original equipment manufacturer and therefore are the desired provider of labor and parts, and

WHEREAS, this purchase qualifies for exemption from formal bidding for that reason.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Atlas Copco Compressors of Fremont, CA, for labor and parts for Atlas Copco Compressors, for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$15,000, and a total not to exceed \$75,000 over five years.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

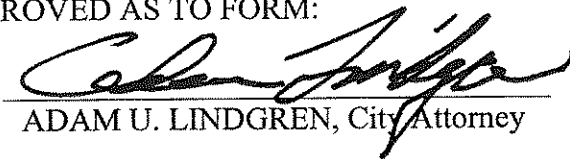
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-416**

RESOLUTION APPROVING AN AGREEMENT FOR THE PURCHASE OF CHESTERTON SEALS AND RELATED PARTS TO PAN-PACIFIC SUPPLY COMPANY, CONCORD, CA, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$45,000, AND A TOTAL NOT TO EXCEED \$225,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, Chesterton Seals and parts are used for different pumps at the Sutter and Jennings Treatment Plants, Lift Stations, water wells and tanks throughout the City, and

WHEREAS, Chesterton seals have been specified by Engineering and installed on most pumps with mechanical seals, and

WHEREAS, staff solicited vendors of alternative seals pricing on an equivalent complete seal replacement and seal repair kit, and

WHEREAS, after receiving quotes from two alternate manufacturers, the Chesterton Seals were less expensive from the two alternative seal manufacturers by \$518 to \$4,406 and the Chesterton Seal Kits were less expensive from other manufacturer by \$1,467 to \$3,110, and

WHEREAS, based on this information and employee time to reconfigure all of the current pump seals as they fail, staff has confirmed that continuing to utilize the Chesterton seal is the best value to the City, and

WHEREAS, Pan-Pacific Supply Company is the exclusive authorized distributor of all Chesterton products for Northern California, and

WHEREAS, on November 6, 2013, by Resolution No. 2013-390, Council authorized the award of sole source procurement for the purchase of Chesterton seals and related parts from Pan-Pacific Supply Company, Concord, CA, and

WHEREAS, the agreement for Chesterton Seals from Pan-Pacific Supply Company expires on November 14, 2018, and

WHEREAS, staff would like to award sole source procurement to Pan-Pacific Supply Company for another five year agreement, and

WHEREAS, Modesto Municipal Code Section 8-3.204 states that all purchases, in excess of fifty thousand dollars (\$50,000), or when directed by the City Manager for any purchase of fifty thousand dollars (\$50,000) or less, shall follow formal bid procedures, except for the following which shall be exempt from the bid requirement, and

WHEREAS, the agreement with Pan-Pacific meets 8-3.204(b) where the Purchasing Agency's requirements can be met solely by a single article or process and 8-3.204(d) where the Purchasing Manager, in her discretion, determines that a process other than the formal bid procedure set forth in Section 8-3.203 will result in a procurement for the City at the lowest possible cost commensurate with the desired quality and

WHEREAS, Pan-Pacific should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) and (d) since they are the original equipment manufacturer and therefore are the desired provider of labor and parts, and

WHEREAS, this purchase qualifies for exemption from formal bidding for that reason.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement for the purchase of Chesterton seals and related

parts to Pan-Pacific Supply Company, Concord, CA, for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$45,000, and a total not to exceed \$225,000 over five years.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

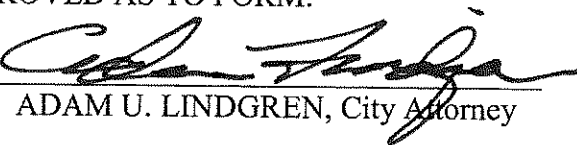
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-417**

RESOLUTION REJECTING ALL BIDS RECEIVED FOR RFB NO. 1718-59 FOR PAINTING AT WATER WELL AND TANK SITES AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO REISSUE A RFB AT A FUTURE DATE, WITH AN AMENDED SCOPE OF SERVICES

WHEREAS, the Water Services Division has a need for painting of water well and tank site services on an “as needed” basis, and

WHEREAS, the City Manager authorized the Purchasing Manager to issue a formal Request for Bids (RFB) for Painting at Water Well and Tank Sites, and

WHEREAS, on March 22, 2018, the Purchasing Division issued RFB No. 1718-59 for the Painting of Water Well and Tank Sites, and posted the RFB on the City’s website and formally advertised as required by law, and

WHEREAS, on July 24, 2018, bids closed and were opened in the City Clerk’s office, and

WHEREAS, eight companies chose to respond, and

WHEREAS, after reviewing the bids received and bid package, it was determined that staff needed to amend the original Scope of Services to ensure a more competitive process and eliminate ambiguity in the original scope. This determination was based on the significant price variances between vendors (\$10,720 - \$446,124), and

WHEREAS, further amendments may be needed to the Pricing Schedule and Bidding Process, and

WHEREAS, on August 8, 2018, Council approved Resolution No. 2018-317 approving the Water Well and Tank Sites Painting Services Agreement to be extended to December 31, 2018, and

WHEREAS, staff will work with the Finance Department to amend the Scope of Services to better define the project and Purchasing will work on updating the bid process.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby rejects all bids received for RFB No. 1718-59 for Painting at Water Well and Tank Sites.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to reissue the RFB at a future date, with an amended Scope of Services.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

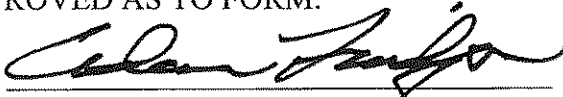
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-418**

**RESOLUTION APPROVING IMPLEMENTATION OF CHANGES TO
VARIOUS EXISTING MODESTO AREA EXPRESS (MAX) ROUTE
SCHEDULES EFFECTIVE JANUARY 1, 2019 AND JULY 1, 2019, AND
AUTHORIZING THE TRANSIT MANAGER TO IMPLEMENT THE CHANGES**

WHEREAS, to make the MAX system more efficient and productive, Transit staff recommends modifications to the schedules for various MAX routes, and

WHEREAS, transit staff distributed a survey to get further information on route performance and made modifications to the initial plan based on input received, and

WHEREAS, transit staff held two public meetings to discuss these routes, and made modifications to the initial plan based on input received.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves changes to various existing route schedules effective January 1, 2019 and July 1, 2019.


BE IT FURTHER RESOLVED, that the Transit Manager is hereby authorized to implement the changes.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-419**

**RESOLUTION APPROVING THE ANNUAL WATER RATE REVIEW AND
ADOPTING 9% WATER RATE INCREASES TO BE EFFECTIVE JANUARY 1,
2019 FOR FISCAL YEAR 2018-19**

WHEREAS, the City of Modesto provides water service to over 73,000 accounts consisting of residential, multi-family, commercial, and industrial customers located within the City of Modesto, as well as the communities of Salida, Empire, Grayson, Del Rio and portions of Ceres, Turlock and unincorporated Stanislaus County, and

WHEREAS, the City of Modesto's water sources are groundwater and treated surface water purchased from the Modesto Irrigation District; and

WHEREAS, the City's water utility is a self-supporting utility enterprise funded by customer revenues; and

WHEREAS, Modesto Municipal Code Section 11-6.05 authorizes Council, by resolution, to establish charges for metered water services, and Section 11-6.06 authorizes the Council, by resolution, to establish charges for unmetered water services; and

WHEREAS, Proposition 218 amended the California Constitution to establish a process that public agencies must follow when imposing new or increasing "property related fees" (Cal. Const. Article XIID); and

WHEREAS, water service fees are property-related fees and thus subject to Proposition 218's procedural and substantive requirements; and

WHEREAS, the City engaged Bartle Wells Associates ("BWA") in July 2015 to conduct a comprehensive review of the City's water rates and charges in accordance with Proposition 218; and

WHEREAS, BWA prepared a report dated May 2016 entitled “City of Modesto Water Rate and Fee Study” (“Report”), containing analyses and recommendations for adjusting the City’s water rates and charges; and

WHEREAS, the Report analyzes the number of water customers, projections for customer growth, water revenues, water capital improvement programs, operations and maintenance needs, customer services costs, and volumetric use; and

WHEREAS, the Report concludes that the revenues generated under existing water rates are insufficient to meet water utility’s revenue requirements for fiscal year 2016-17 and subsequent years, given changes and new developments in the City’s water system, including new capital improvement projects identified in the soon to be completed Water Master Plan; and

WHEREAS, the Report recommends increasing the City’s existing water rates and charges, and makes certain recommendations for the City’s water services rates for the period beginning fiscal year 2016-17; and

WHEREAS, the Report demonstrates that the recommended rates do not exceed the reasonable cost of providing such service or regulatory activity and, as such, the proposed rates are not levied for general revenue purposes; and

WHEREAS, the Report also demonstrates that the recommended rates result in charges to property owners or ratepayers that do not exceed the proportionate cost of providing water services attributable to the parcel or persons; and

WHEREAS, the City mailed a notice of the public hearing, and notice of oral and written protest procedures against the proposed rate increases to all affected property owners and ratepayers in compliance with California Constitution Article XIII D, Section

6; at least forty-five days in advance of the public hearing at which this Resolution was considered; and

WHEREAS, on August 9, 2016, the City Council duly held the public hearing , and at its conclusion the City Clerk tabulated the number of written and oral protests received, if any, and reported that there was not a majority protest of the proposed rates by owners or authorized representatives of identified property owners or ratepayers receiving water services; and

WHEREAS, the City Council subsequently approved a new water rate structure in accordance with Proposition 218 by Resolution No. 2016-343 and adopted a five-year schedule of new maximum water service rates beginning in Fiscal Year 2016-17 and increasing those rates by up to 25.04% in Fiscal Year 2016-17; 11.08% in Fiscal Year 2017-18; 9.00% in Fiscal Years 2018-19 through 2020-21; and

WHEREAS, on December 12, 2017, by Resolution 2017-522, Council approved the annual review of water rates as required by Resolution 2016-343, which lowered the maximum water service rates for Fiscal Year 2017-18 from 11.08% to 9.00%, effective April 1, 2018; and

WHEREAS, City staff has recently conducted an annual review of the water rates as required by Resolution 2016-343 to ensure that the approved 9.00% increase for Fiscal Year 2018-19 meets the enterprise's revenue needs based on anticipated expenses and the City's policies; and

WHEREAS, upon review of the FY 2018-19 proposed Water Fund proforma, the City's Budget Division agrees that the approved rate schedule increase of 9.00% in annual rate would allow the fund to maintain a minimum 1.5 debt service coverage ratio

required by Council policy, and maintain a 2.0 debt coverage ratio in future years as recommended in the recent Fitch Rating review; and

WHEREAS, the Budget Division also recommends a 9.00% increase in water rates for FY 2018-19 based on the anticipated revenues and proposed operating and capital expenses for the upcoming fiscal years; and

WHEREAS, pursuant to amended Resolution 2004-627, the approved increase in water rates for Fiscal Year 2018-19 will become effective 90 days after completion of the annual review, unless the City Council directs otherwise, and Staff recommends the FY 2018-19 rate increase become effective on January 1, 2019.

NOW, THEREFORE, BE IT RESOLVED, by Council of the City of Modesto as follows:

1. WATER RATE SCHEDULE- METERED WATER RATES.

Metered ratepayers shall pay a water (volume) rate for water as follows, and the drought water rates shall be imposed when the State Water Resources Control Board imposes a mandatory conservation target that exceeds the City’s self-imposed conservation target.

Meter Size	Current	FY2018/19	FY2019/20	FY2020/21
Fixed Meter Charges (\$/month)				
5/8 inch	\$21.47	\$23.34	\$25.42	\$27.73
3/4 inch	\$21.47	\$23.34	\$25.42	\$27.73
1 inch	\$30.39	\$33.48	\$36.90	\$40.72
1.5 inch	\$52.71	\$58.83	\$65.62	\$73.19
2 inch	\$79.49	\$89.25	\$100.08	\$112.16
3 inch	\$164.30	\$185.59	\$209.19	\$235.57
4 inch	\$289.28	\$327.55	\$370.00	\$417.42
6 inch	\$588.33	\$667.24	\$754.78	\$852.58
8 inch	\$1,079.32	\$1,224.95	\$1,386.51	\$1,567.01
10 inch	\$1,704.21	\$1,934.76	\$2,190.53	\$2,476.29
12 inch	\$2,239.84	\$2,543.16	\$2,879.69	\$3,255.67

Water Rate (\$/ccf)

Drought	\$1.98	\$2.07	\$2.17	\$2.27
Non-drought	\$1.82	\$1.93	\$2.05	\$2.17

2. WATER RATE SCHEDULE- UNMETERED WATER RATES. The following contains the maximum water (volume) rate service charges for unmetered ratepayers. The drought water (volume) rate shall be imposed when the State Water Resources Control Board imposes a mandatory conservation target that exceeds the City's self-imposed conservation target.

DROUGHT Unmetered Fixed Charge (\$/month)				
Rate Code	Current	FY2018/19	FY2019/20	FY2020/21
PRO1 - 0 to 5,000 sq ft	\$50.39	\$54.39	\$58.82	\$63.65
PRO2 - 5,001 to 7,000 sq ft	\$58.51	\$62.87	\$67.71	\$72.95
PRO3 - 7001 to 11,000 sq ft	\$74.54	\$79.64	\$85.29	\$91.34
PRO4 - 11,001 to 17,000 sq ft	\$98.50	\$104.69	\$111.55	\$118.81
PRO5 - Over 17,000 sq ft	\$110.58	\$117.32	\$124.79	\$132.66

NON-DROUGHT Unmetered Fixed Charge (\$/month)				
Rate Code	Current	FY2018/19	FY2019/20	FY2020/21
PRO1 - 0 to 5,000 sq ft	\$48.77	\$52.97	\$57.61	\$62.64
PRO2 - 5,001 to 7,000 sq ft	\$56.23	\$60.89	\$66.01	\$71.53
PRO3 - 7001 to 11,000 sq ft	\$70.98	\$76.52	\$82.62	\$89.11
PRO4 - 11,001 to 17,000 sq ft	\$93.00	\$99.87	\$107.42	\$115.37
PRO5 - Over 17,000 sq ft	\$104.10	\$111.65	\$119.93	\$128.61
TUR - Turlock Fire Charge	\$4.19	\$4.19	\$4.19	\$4.19

3. EFFECTIVE DATE. This Resolution shall go into effect and be in full force and operation on or after January 1, 2019.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-420**

**RESOLUTION APPROVING AN INCREASE TO THE DISCOUNT AMOUNT
OF THE WATER RATE ASSISTANCE PROGRAM FROM \$10.00 PER MONTH
TO \$15.00 PER MONTH ON THE FIXED BASE WATER CHARGE FOR ALL
CUSTOMERS ELIGIBLE FOR THE PROGRAM**

WHEREAS, on November 8, 2016, by Resolution 2016-462, Council approved the Water Rate Assistance Program (WRA). The WRE currently offers a \$10.00 per month discount off of the fixed base water charge for low income customers, and

WHEREAS, to provide relief to low income customers impacted by water rate increases who are eligible to participate in the WRA program, effective January 1, 2019 staff will increase the monthly discount from \$10.00 per month to \$15.00 per month off of the base water charge, and

WHEREAS, staff will review annually for potential increase to monthly discount amount based on relevant water rate increases, and

WHEREAS, funding for the WRA Program is revenue generated by the City Utility Billing and Collections Division from various delinquency charges with any increase in utilization of these programs to be paid for by continued budgeted revenue from these delinquency charges, and

WHEREAS, staff recommends increasing the amount of the discount from \$10.00 per month to \$15.00 per month off of the base water charge for the Water Rate Assistance Program.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to the discount amount of the Water Rate Assistance

Program from \$10.00 per month to \$15.00 per month on the fixed base water charge for all customers eligible for the program.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-421**

RESOLUTION APPROVING THE CITY OF MODESTO'S CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT FOR PROGRAM YEAR 2017-2018; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE REQUIRED DOCUMENTS FOR SUBMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires entitlement grantees adopt a comprehensive, long-term plan for the use of its HUD funds, and

WHEREAS, the Five-Year Consolidated Plan, also referred to as the Strategic Plan, analyzes the City's housing and community development needs, with a priority focus on low- and moderate-income individuals, households, and neighborhoods, and describes long-term strategies for meeting those needs, and

WHEREAS, HUD also requires entitlement grantees to submit a Consolidated Annual Performance Evaluation Report (CAPER) to HUD, and

WHEREAS, a CAPER describes how the City used its Community Development Block Grant, HOME Investment Partnerships Program, and Emergency Solutions Grant funds in a particular fiscal year to address the needs and priorities established in the Consolidated Plan, and

WHEREAS, a notice informing the public of the availability of the Program Year 2017-2018 CAPER, and the start of the public comment period, was published in the Modesto Bee and Vida en el Valle on August 22, 2018, and

WHEREAS, the minimum 15-day public review comment period will close on September 25, 2018, and

WHEREAS, the Citizens' Housing and Community Development Committee

(CH&CDC) considered the proposed CAPER on August 30, 2018, and recommended forwarding it to the City Council for approval, and

WHEREAS, a duly noticed public hearing was held by the City Council on September 25, 2018 at 5:30 p.m., in the Tenth Street Place Chambers, located at 1010 Tenth Street, and

WHEREAS, any comments received during the 15-day public review period or during the City Council meeting will be incorporated into the final CAPER.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes approval of the 2017-2018 Consolidated Annual Performance Evaluation Report for the use of Community Development Block Grant, HOME Investment Partnerships Program, and Emergency Solutions Grant funds.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to sign any required certifications and documents for submittal to the U.S. Department of Housing and Urban Development.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

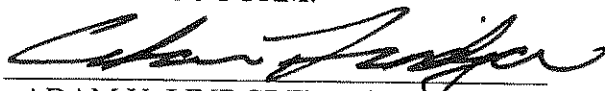
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-422**

RESOLUTION ACCEPTING THE STATE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND GRANT, IN THE AMOUNT OF AT LEAST \$100,000, FROM THE STATE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND TO BE USED FOR POLICE OVERTIME, TRAINING, TECHNOLOGY, AND EQUIPMENT AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE NECESSARY PROGRAM DOCUMENTS

WHEREAS, in 1996 the State Legislature passed, and the Governor signed, Assembly Bill 3229, the Supplemental Law Enforcement Services Act, and

WHEREAS, the purpose of the law is to provide additional resources for local law enforcement, and

WHEREAS, Supplemental Law Enforcement Services Fund (SLESF) monies cannot be transferred to, or intermingled with, the monies in any other fund except that monies may be transferred from the SLESF to the City's General Fund to the extent necessary to facilitate the appropriation and expenditure of funds, and

WHEREAS, SLESF monies cannot be used to supplant existing budgeted funds, and

WHEREAS, the funding for each county and city is based upon proportionate population, and

WHEREAS, the allocation to the City of Modesto, for Fiscal Year (FY) 2018/2019, of at least \$100,000, to be made in four installments of \$25,000 each, and

WHEREAS, the monies should be used on police overtime, training, technology and equipment.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the State Supplemental Law Enforcement Services Fund Grant, in

the amount of at least \$100,000, from the State Supplemental Law Enforcement Services Fund for police overtime, training, technology, and equipment.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, are hereby authorized to execute the necessary program documents.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

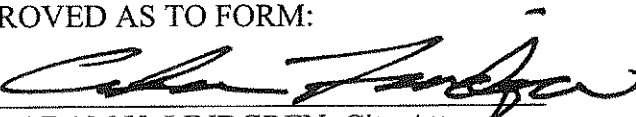
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-423**

RESOLUTION APPROVING THE EXPENDITURE PLAN AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO AMEND THE FISCAL YEAR 2018/2019 MULTI-YEAR OPERATING BUDGET TO APPROPRIATE REVENUES AND EXPENDITURES OF AT LEAST \$100,000 FOR THE CITY OF MODESTO'S ALLOCATION FROM THE STATE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND

WHEREAS, for Fiscal Year (FY)-2018/2019 the City of Modesto shall receive a minimum of \$100,000, from the State Supplemental Law Enforcement Services Fund, to be made in four installments of \$25,000 each, and

WHEREAS, Supplemental Law Enforcement Services Fund (SLESF) monies cannot be transferred to, or intermingled with, monies in any other fund except that monies may be transferred from the SLESF to the City's General Fund to the extent necessary to facilitate the appropriation and expenditure of funds, and

WHEREAS, SLESF monies cannot be used to supplant existing budgeted funds, and

WHEREAS, pursuant to Section 30063 (c) of the California Government Code, Council is required to hold a public hearing to consider and approve the SLESF Expenditure Plan, and

WHEREAS, the adopted FY 2018/2019 Police SLESF allocation in the amount of at least \$100,000 will be applied to account number 1342-19998-42140-101139.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the expenditure plan.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to amend the fiscal year 2018/2019 multi-year operating budget to appropriate

revenues and expenditures of at least \$100,000 for the City of Modesto's allocation from the State Supplemental Law Enforcement Services Fund.

The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 25th day of September, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

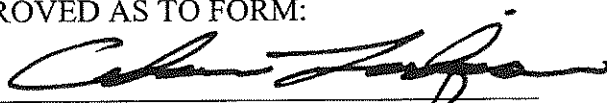
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-424**

**RESOLUTION ACCEPTING THE 2017 ASSISTANCE TO FIREFIGHTERS
GRANT AWARD FOR PROCUREMENT OF SOURCE CAPTURE EXHAUST
SYSTEMS IN THE AMOUNT OF \$191,275 WITH A LOCAL MATCH OF \$19,127
AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SIGN
ANY GRANT RELATED DOCUMENTS**

WHEREAS, the Department of Homeland Security (DHS), Federal Emergency Management Agency's (FEMA) Grant Program Directorate implements and administers the Assistance to Firefighters Grant (AFG) program, and

WHEREAS, the purpose of the AFG program is to enhance the safety of the public and firefighters with respect to fire and fire-related hazards by providing direct financial assistance to eligible fire departments for critically needed resources to equip and train emergency personnel to recognized standards, enhance operational efficiencies, foster interoperability, and support community resilience, and

WHEREAS, on January 23, 2018 by resolution number 2018-26 the Modesto City Council approved the submittal of an AFG application for the procurement of source capture exhaust systems, and

WHEREAS, on September 7, 2018, staff received notification from FEMA that the Modesto Fire Department has been awarded this grant in the amount of \$191,275, and

WHEREAS, there is a local match requirement to this grant in the amount of \$19,275 (10% of the grant award total) which will be absorbed by the Fire Department's General Fund FY 18-19 Operating Budget.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the 2017 Assistance to Firefighters Grant Award for the procurement of source capture exhaust systems in the amount of \$191,275 with a local match of \$19,127.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to sign any grant related documents.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-425**

**RESOLUTION APPROVING THE ESTABLISHMENT OF A CAPITAL
IMPROVEMENT PROJECT FOR THE 2017 ASSISTANCE TO FIREFIGHTERS
GRANT AWARD, AND APPROPRIATING \$210,402 TO SAID PROJECT WITH
\$19,127 COMING FROM THE FIRE DEPARTMENT GENERAL FUND
OPERATING BUDGET**

WHEREAS, the purpose of the Assistance to Firefighters Grant (AFG) program is to enhance the safety of the public and firefighters; and

WHEREAS, this direct financial assistance is provided to eligible fire departments for critically needed resources to equip and train emergency personnel to recognized standards; and

WHEREAS, this grant will improve the health and welfare of the City of Modesto firefighters; and

WHEREAS, the nature of the equipment to be procured and installed meets the thresholds for a Capital Improvement Project; and

WHEREAS, there is a local match requirement to this grant in the amount of \$19,127; and

WHEREAS, the Fire Department has identified a total of \$19,127 from its existing General Fund Operating Budget in order to meet the local match requirement of this grant and establish a Capital Improvement Project for the grant; and

WHEREAS, the funds will come from the Facilities & Fleet Cost Center (18610) account 53150 (Repair & Maintenance – Stations).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the establishment of a Capital Improvement Project for the 2017

Assistance to Firefighters Grant award, and appropriates \$210,402 to said project, with \$19,127 coming from the Fire Department General Fund Operating Budget.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-426**

**RESOLUTION REJECTING ALL BIDS FOR THE DOWNEY COMMUNITY
PARK PICNIC AREA RENOVATION PROJECT AND AUTHORIZING STAFF
TO RE-ADVERTISE BIDS FOR THE PROJECT AT A FUTURE DATE WITH
AN AMENDED SCOPE OF WORK**

WHEREAS, the Downey Community Park Picnic Area Renovation Project will remove and replace the existing shade structure and paving at Downey Community Park; and

WHEREAS, the two bids received for the Downey Community Park Picnic Area Renovation Project were publicly opened at 11:00 a.m. on August 14, 2018, and later tabulated by the Utilities Department for the consideration of the Council; and

WHEREAS, Stockbridge General Contracting of Clovis, California was the apparent low bidder at 221.63% above the engineer's estimate; and

WHEREAS, the Parks Planning and Development Division staff determined that the high bids was due to difficult bidding season and increasing cost of construction goods and services; and

WHEREAS, City staff recommends that the City reject the bids, make modifications to the scope of work and re-advertise the project for bid in late 2018 with the intention of attracting a higher number of contractors and more competitive bids.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects the bids received for the Downey Community Park Picnic Area Renovation Project.

BE IT FURTHER RESOLVED that staff is authorized to re-advertise bids for the project at a future date with an amended scope of work.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

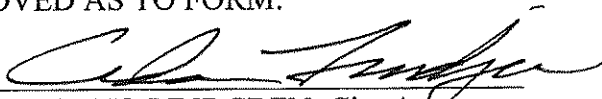
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-427**

RESOLUTION ACCEPTING THE CALIFORNIA OUTDOOR ENVIRONMENTAL EDUCATION FACILITIES GRANT PROGRAM AWARD IN AN AMOUNT OF \$500,000 TO FUND CONSTRUCTION OF THE TUOLUMNE RIVER REGIONAL PARK (TRRP) RIVER PAVILION PROJECT AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO ACCEPT AND UTILIZE THE GRANT AWARD

WHEREAS, the California Outdoor Environmental Education Facilities (OEEF) Grant Program is funded by The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40), and

WHEREAS, OEEF funds are made available on a competitive basis to provide assistance to local agencies and community-based organizations with regard to the development of outdoor environmental education facilities, and

WHEREAS, On August 8, 2017, by Resolution No. 2017-317 Council authorized the submittal of an application to the TRRP River Pavilion project in the amount of \$500,000 from the California Outdoor Environmental Education Facilities Grant Program, and

WHEREAS, the City of Modesto has received notice from the California Outdoor Environmental Education Facilities (OEEF) grant administrators of an award to the City in the amount of \$500,000 to fund construction of the TRRP River Pavilion Project.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it accepts the California Outdoor Environmental Education Facilities (OEEF) Grant in an amount of \$500,000 to fund construction of the TRRP River Pavilion Project.

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby authorized to accept and utilize the grant award from The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40).

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

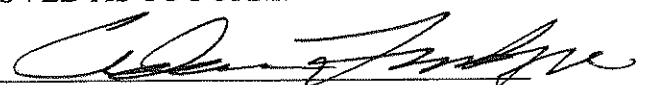
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-428**

**RESOLUTION AMENDING THE FISCAL YEAR 2018/2019 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN AN AMOUNT NOT TO EXCEED
\$507,500 TO FUND THE CONSTRUCTION OF THE TUOLUMNE RIVER
REGIONAL PARK (TRRP) RIVER PAVILION PROJECT AND TO BUDGET
EXPENDITURES AS OUTLINED IN ATTACHMENT A TO FUND THE
PROJECT**

WHEREAS, the California Outdoor Environmental Education Facilities (OEEF) Grant Program funded by The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 (Proposition 40), was awarded in the Amount of \$500,000 to fund the Tuolumne River Regional Park (TRRP) River Pavilion Project, and

WHEREAS, The TRRP River Pavilion Project is included in the TRRP Master Plan and is an important piece of the development of the regional park, and

WHEREAS, On August 8, 2017, by Resolution No. 2017-317 Council authorized the submittal of an application in the amount of \$500,000 to the California Outdoor Environmental Education Facilities Grant Program for the TRRP River Pavilion project, and

WHEREAS, the City of Modesto has received notice from the California Outdoor Environmental Education Facilities (OEEF) grant administrators of an award to the City in the amount of \$500,000 to fund construction of the TRRP River Pavilion Project, and

WHEREAS, The City Council shall consider amending the 2018/2019 Capital Improvement Program Budget to establish a new Capital project with the grant award to fund the development and construction of the TRRP River Pavilion Project in an amount not to exceed \$507,500 as outlined in **Attachment A**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends the Fiscal Year 2018/2019 Capital Improvement Program Budget to establish a new capital project #101135 in an amount not to exceed \$507,500 in revenue.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to budget expenditures as outlined in **Attachment A** to fund the construction of the TRRP River Pavilion Project.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

Attachment A

Budget Adjustment for Capital Project 101135 (TRRP River Pavilion)

Fund 6710 – TRRP CIP:

<u>Expense:</u>	<u>Increase/ (Decrease)</u>
To:	
6710-89999-101135 – Eng/Design/Admin	\$7,500
6710-89999-101135 – Construction	\$417,000
6710-89999-101135 – Construction Admin	\$41,500
6710-89999-101135 – Contingency -CIP	\$41,500
	Total: \$507,500

<u>Revenue:</u>	<u>Increase/ (Decrease)</u>	<u>Description of Account</u>
To:		
6710-89999-42201-101135	\$ 500,000	Intergov - State – Natural Resources Agency

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-429**

RESOLUTION APPROVING THE SUBMISSION OF GRANT APPLICATIONS WITH THE FEDERAL TRANSIT ADMINISTRATION (FTA), FOR 49 U.S.C. CHAPTER 53, TITLE 23 UNITED STATES CODE, OR OTHER STATUTES ADMINISTERED BY THE FEDERAL TRANSIT ADMINISTRATION, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AND FILE ALL OTHER NECESSARY DOCUMENTS

WHEREAS, the Federal Transit Administration (FTA) has been a delegated authority to award Federal financial assistance for transportation related projects and,

WHEREAS, the grant or cooperative agreement for Federal financial assistance will impose certain obligations upon the City of Modesto, and may require the City of Modesto to provide the local share of the project cost and,

WHEREAS, the City of Modesto has provided all annual certifications and assurances required by the FTA to be eligible for funding.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the City Manager, or his designee, is authorized to execute and file applications for Federal assistance on behalf of the City of Modesto with the FTA for Federal Assistance authorized by 49 U.S.C. Chapter 53, Title 23, United States Code, or other Federal statutes authorizing a project administered by the FTA. The City of Modesto has received authority from the State of California, Department of Transportation, the Designated Recipient, to apply for Urbanized Formula and Non-Formula Program assistance pursuant to Sections 5307 and 5339.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute and file the annual certifications and assurances and other documents the FTA requires for awarding a federal assistance grant.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

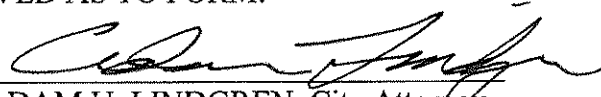
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-430**

RESOLUTION APPROVING THE SUBMISSION OF A PROJECT LIST FOR SENATE BILL 1 (SB1) ALSO KNOWN AS THE ROAD REPAIR AND ACCOUNTABILITY ACT OF 2017 FOR THE MODESTO AREA EXPRESS (MAX) BUS SYSTEM, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AND FILE ALL OTHER REQUIRED DOCUMENTS

WHEREAS, the City of Modesto is an eligible project sponsor and may receive State Transit Assistance (STA) funding from the State of Good Repair Account (SGR) now or sometime in the future for transit projects, and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations, and

WHEREAS, Senate Bill 1 (SB1) (2017) named the Department of Transportation (Caltrans) as the administrative agency for the SGR, and

WHEREAS, Caltrans has developed guidelines for the purpose of administering and distributing SGR funds to eligible project sponsors (local agencies), and

WHEREAS, a project list (**Attachment 1** - SB1 City of Modesto Project List) has been developed to improve the conditions of the facilities, rolling stock and equipment needed to operate the Modesto Area Express (MAX) bus system.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves submission of the project list for the Road Repairs and Accountability Act of 2017 for the City of Modesto Transit Division.

BE IT FURTHER RESOLVED that the fund recipient agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and

applicable statutes, regulations and guidelines for all State of Good Repair funded transit projects.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute and file all required documents of the State of Good Repair program and any Amendments thereto with the California Department of Transportation.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



Agency Information

Funding Fiscal Year: 2018-19

(Choose First) Regional Entity :

***Estimated SGR 99313 Allocation**

Operator (Not required if you are the Regional Entity):

City of Modesto

***Estimated SGR 99314 Allocation**

\$ 32,364

****Enter your total STA allocation in the blue box:**

\$ 4,834,638

The amount to be reported on will be listed in the grey box:

\$ 2,175,587

Agency Address:

1010 10th St Suite 4500

City:

Modesto

Contact Name:

Dero In

Contact Title:

Transit Analyst

Contact Phone Number:

209-577-5317

Contact Email:

dein@modestogov.com

*You can find your **SGR** allocation estimates on the letter from the California State Controller dated January 31, 2018:

https://www.sco.ca.gov/Files-ARD-Payments/Transit/statetransitassistanceestimate_sgr_1819_January18.pdf

You can find your **STA allocation estimates on the letter from the California State Controller dated January 31, 2018:

https://www.sco.ca.gov/Files-ARD-Payments/Transit/statetransitassistanceestimate_1819_January18.pdf

#	Estimate of Unexpended 17/18 Funds		SGR Costs				Non-SGR Costs			Total Program Costs (Worksheet Total)	Legislative Districts			Notes, Comments, Additional Information	
	Previous Balance SGR 99313	Previous Balance SGR 99314	2018-19 SGR Costs 99313	2018-19 SGR Costs 99314	Total SGR Costs 99313	Total SGR Costs 99314	Total Other SB1 Costs <i>Please Identify Program in Notes</i>	Total STA Costs - Not Including SGR	Total All Other Funds		Congressional	Senate	Assembly		
1			\$	32,364		\$	32,364			\$	32,364	10	5	21	
2										\$	-				
3										\$	-				
4										\$	-				
5										\$	-				
6										\$	-				
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40										\$	-				

#	Estimate of Unexpended 17/18 Funds		SGR Costs				Non-SGR Costs			Power Program Case Case Number	Legislative Districts			Notes, Comments, Additional Information
	Previous Balance SGR 99313	Previous Balance SGR 99314	2018-19 SGR Costs 99313	2018-19 SGR Costs 99314	Total SGR Costs 99313	Total SGR Costs 99314	Total Other SB1 Costs <i>Please Identify Program in Notes</i>	Total STA Costs - <i>Not including SGR</i>	Total All Other Funds		Congressional	Senate	Assembly	
41										\$				
42										\$				
43										\$				
44										\$				
45										\$				
46										\$				
47										\$				
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75										\$				

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-431**

**RESOLUTION REJECTING ALL BIDS FOR THE REPLACEMENT WELL 226
SUBSURFACE PROJECT AND AUTHORIZING STAFF TO RE-ADVERTISE
THE PROJECT FOR BIDS AT A FUTURE DATE WITH AMENDED
SPECIFICATIONS**

WHEREAS, the bids received for the Replacement Well 226 project were opened at 11:00 a.m. on August 14th, 2018, and later tabulated by the Director of Utilities for the consideration of the Council, and

WHEREAS, staff determined that irregularities were contained within the technical specifications, and

WHEREAS, the irregularities found within the technical specifications relate to a requirement in submission of product information with the bid documents, and

WHEREAS, the Utilities Department staff determined that it would be in the best interest of the City to reject all bids and re-advertise the project with revised specifications.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received for the Installation of Replacement Well 226 Subsurface project.

BE IT FURTHER RESOLVED that staff is hereby authorized to re-advertise the project for bids with amended specifications.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

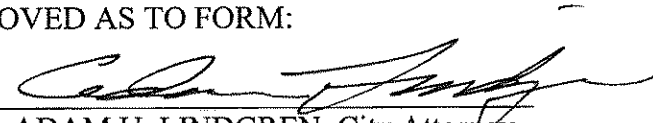
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-432**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE DEL RIO TANK NO.14, WELL NO.68 AND PUMP STATION PROJECT, ACCEPTING THE BID, AND APPROVING A CONTRACT WITH MOUNTAIN CASCADE, INC. OF LIVERMORE, CA IN THE AMOUNT OF \$7,510,835, PLUS 8% CONTINGENCY IN THE AMOUNT OF \$600,867 (IF NEEDED) FOR A TOTAL AMOUNT OF \$8,111,702 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, specifications have been prepared for the Del Rio Tank No.14, Well No.68 and Pump Station Project, and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the Del Rio Tank No.14, Well No.68 and Pump Station Project were opened at 11:00 a.m. on May 15, 2018 for the consideration of the Council, and

WHEREAS, the Director of Utilities has recommended that the bid of \$7,510,835 received from Mountain Cascade, Inc., be accepted as the lowest responsible and responsive bid and the contract be awarded to Mountain Cascade, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the specifications for the Del Rio Tank No.14, Well No.68 and Pump Station Project accepts the bid of \$7,510,835 and awards Mountain Cascade, Inc. of Livermore, CA. the contract for the Del Rio Tank No.14, Well No.68 and Pump Station Project plus 8%, contingency in the amount of \$600,867, if needed, for a total of \$8,111,702.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

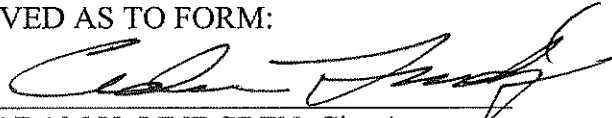
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-433**

RESOLUTION APPROVING AN AGREEMENT WITH NV5, INC., OF MANTECA, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE DEL RIO TANK 14, WELL 68, AND PUMP STATION PROJECT FOR \$1,000,000; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 12 PERCENT

WHEREAS, this project will construct a 0.25-million gallon steel water tank, a 1,000 gallon-per-minute (gpm) well production pump, a 2.45 million gallon-per-day booster pump station, and

WHEREAS, a 1.4 acre-foot retention basin, and a 16-inch transmission main installation from the intersection of St. John Road and Country Club Drive, south to Ladd Road, where it will tie into the tank site, and

WHEREAS, the project will increase service reliability, correct existing supply and pressure deficiencies of the City's Del Rio water system, located northwest of the Modesto city limits, and

WHEREAS, due to the size and complexity of this project, staff recommends utilizing consultants to provide construction management and inspection services as well as design support during construction services for the anticipated 15-month construction phase, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204(a), these agreements for professional services are exempt from the formal bidding requirements of Modesto Municipal Code 8-3.203, and

WHEREAS, for each consultant, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural and Engineering Services for Capital Projects, and

WHEREAS, due to the limited availability of the City's Construction Administration staff and the complexity of this project, staff recommends utilizing a consultant to provide construction management and inspection services for the construction phase, and

WHEREAS, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, and

WHEREAS, for this project, Request for Proposals (RFP) were issued to the City's four on-call firms who provide construction management and inspection services, and

WHEREAS, after careful review and evaluation by the selection committee, NV5, Inc., was selected as the most qualified firm for the Project, and

WHEREAS, NV5, Inc., demonstrated experience with multiple projects similar in scope and size.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with NV5, Inc., for Construction Management and Inspection Services for the Del Rio Tank No. 14, Well No. 68 and Pump Station Project in an amount of \$1,000,000 for the identified scope of services.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, and one or more amendments to this Agreement in a cumulative amount up to 12 percent of the original agreement amount.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-434**

RESOLUTION APPROVING AN AGREEMENT WITH CAROLLO ENGINEERS, INC., SACRAMENTO, CA, FOR ENGINEERING SERVICES DURING CONSTRUCTION FOR THE DEL RIO TANK NO. 14, WELL NO. 68, AND PUMP STATION PROJECT IN AN AMOUNT NOT TO EXCEED \$453,921 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$45,392 FOR ADDITIONAL SERVICES (IF NEEDED), FOR A MAXIMUM TOTAL AMOUNT OF \$499,313, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Del Rio Tank No. 14, Well No. 68, and Pump Station project will increase service reliability, correct existing supply and pressure deficiencies of the City's Del Rio water system, and

WHEREAS, due to the size and complexity of this project, staff recommends utilizing consultants to provide construction management and inspection services as well as design support during construction services for the anticipated 15-month construction phase, and

WHEREAS, Carollo Engineers, Inc. (Carollo), is a part of the original design team, and provided the structural, architectural, mechanical and plumbing components for the Del Rio Tank No. 14, Well No. 68, and Pump Station Project, and

WHEREAS, given the unique and specialized expertise required for design of tanks and pump stations, and Carollo being the Engineer-of-Record for the majority of the project, design support services from Carollo is required to ensure construction of the facilities meets the original design described in the plans and specifications, and

WHEREAS, Administrative Directive 3.1 allows for an accelerated selection process, if in the best interest of the City, where a consultant may be secured for specific projects to provide professional services, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204 Exceptions to Formal Bidding Requirements, this agreement is for professional services and, therefore, exempt from the bid requirement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Carollo Engineers, Inc., Sacramento, CA, for Engineering Services During Construction for the Del Rio Tank No. 14, Well No. 68, and Pump Station project in an amount not to exceed \$453,921, for the identified scope of services, plus \$45,392 for additional services, if needed, for a maximum total amount of \$499,313.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-435**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$513,370 TO BE
TRANSFERRED INTO THE PROJECT FROM WATER FUND CIP TO FULLY
FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION
ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR
THE DEL RIO TANK 14, WELL NO. 68, AND PUMP STATION PROJECT**

WHEREAS, certain budgetary transactions are necessary in the amount of \$513,370, in order to fund construction, contingency, construction administration, design support during construction plus City staff support for the Del Rio Tank No. 14, Well No. 68, and Pump Station Project, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Capital Improvement Program Budget as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the Interim City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

A total of \$513,370 is being requested from Water Reserves to revise the budget of CIP project 100473 – Del Rio Water Tank.

100473 - Del Rio Water Tank

	PJTD BDGT	PJTD Actual	PJTD Commit	PJTD Available
CA	\$ 1,200,400.00	\$ 37,972.15	\$ 2,722.50	\$ 1,159,705.35
CON	\$ 7,399,999.00	\$ -	\$ -	\$ 7,399,999.00
CTGY	\$ 600,000.00	\$ -	\$ -	\$ 600,000.00
EDA	\$ 1,486,211.00	\$ 1,004,472.98	\$ 138,105.48	\$ 343,632.54
ENV	\$ 332,238.00	\$ 251,348.46	\$ 53,669.20	\$ 27,220.34
LA	\$ 311,116.00	\$ 311,115.35	\$ -	\$ 0.65
CCF	\$ -	\$ -	\$ -	\$ -
	\$ 11,329,964.00	\$ 1,604,908.94	\$ 194,497.18	\$ 9,530,557.88

	AR Request	BA Required
CA	\$ 1,270,250.00	\$ 110,544.65
CON	\$ 7,510,835.00	\$ 110,836.00
CTGY	\$ 600,867.00	\$ 867.00
EDA	\$ 611,976.00	\$ 268,343.46
ENV	\$ -	\$ (27,220.34)
LA	\$ -	\$ (0.65)
CCF	\$ 50,000.00	\$ 50,000.00
	\$ 10,043,928.00	\$ 513,370.12

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-436**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE HEADWORKS, DRYDEN BOX, AND INFLUENT FLUME IMPROVEMENTS PROJECT, ACCEPTING THE BID, AND APPROVING A CONTRACT WITH C. OVERAA & CO., RICHMOND, CA IN THE AMOUNT OF \$16,972,000 PLUS \$1,697,200 FOR CONTINGENCY (IF NEEDED) FOR A TOTAL AMOUNT OF \$18,669,200 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, specifications have been prepared for the Headworks, Dryden Box, and Influent Flume Improvements Project, and City staff recommends approval by the City Council, and

WHEREAS, the bids received for the Headworks, Dryden Box, and Influent Flume Improvements Project were opened at 11:00 a.m. on May 15, 2018 for the consideration of the Council, and

WHEREAS, the Director of Utilities has recommended that the bid of \$16,972,000 received from C. Overaa & Co., be accepted as the lowest responsible and responsive bid and the contract be awarded to C. Overaa & Co.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the specifications for the Headworks, Dryden Box, and Influent Flume Improvements Project accepts the bid of \$16,972,000 and awards C. Overaa & Co. of Richmond, CA the contract for the Headworks, Dryden Box, and Influent Flume Improvements Project plus \$1,697,200 for contingency, if needed, for a total of \$18,669,220.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

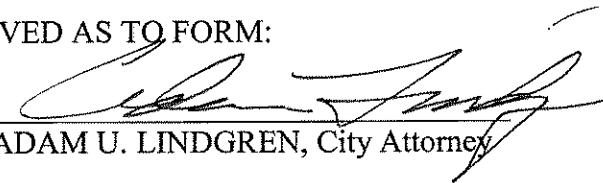
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-437**

RESOLUTION APPROVING AN AGREEMENT WITH CAROLLO ENGINEERS, INC., WALNUT CREEK, CA, FOR ENGINEERING SUPPORT DURING CONSTRUCTION FOR THE HEADWORKS, DRYDEN BOX AND INFLUENT FLUME IMPROVEMENTS PROJECT, IN AN AMOUNT NOT TO EXCEED \$1,258,558 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$125,859 FOR ADDITIONAL SERVICES (IF NEEDED) FOR A MAXIMUM TOTAL AMOUNT OF \$1,384,417, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AGREEMENT

WHEREAS, the 2007 Wastewater Treatment Master Plan (WWMP) identified key deficiencies in the wastewater treatment system, and

WHEREAS, this project will address deficiencies at the primary wastewater treatment facility located on Sutter Avenue, and

WHEREAS, on November 4, 2014, by Resolution No. 2014-464, Council approved an agreement with Carollo Engineers, Inc., (Carollo) for the preparation of a Preliminary Design Report, which serves as the basis of design for the Project, and

WHEREAS, on March 1, 2016 by Resolution No. 2016-76, Council approved an agreement with Carollo for Final Design Services for the Headworks, Dryden Box and Influent Flume Improvements Project, and

WHEREAS, considering the size and complexity of the project, and that Carollo is the Engineer-of-Record for the project, Engineering Services During Construction will be needed from Carollo to ensure construction of the facilities meets the original design described in the plans and specifications, and

WHEREAS, Administrative Directive 3.1 allows for an accelerated selection process, if in the best interest of the City, where a consultant may be secured for specific projects to provide professional services, and

WHEREAS, in accordance with Modesto Municipal Code 8-3.204 Exceptions to Formal Bidding Requirements, this agreement is for professional services and, therefore, exempt from the bid requirement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with Carollo Engineers, Inc., for Engineering Services During Construction for the Headworks, Dryden Box and Influent Flume Improvements Project in an amount not to exceed \$1,258,558, for the identified scope of services, plus \$125,859 for additional services, if needed, for a maximum total amount of \$1,384,417.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

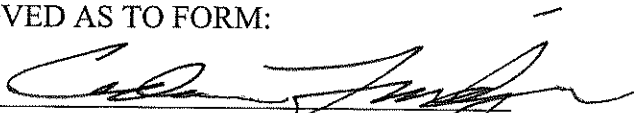
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-438**

RESOLUTION APPROVING AN AGREEMENT WITH WEST YOST ASSOCIATES, INC., OF DAVIS, CA, FOR CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE HEADWORKS, DRYDEN BOX AND INFLUENT FLUME IMPROVEMENTS PROJECT IN AN AMOUNT OF \$2,162,114, AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT AND ANY AMENDMENTS UP TO A CUMULATIVE AMOUNT OF 10 PERCENT

WHEREAS, the 2007 Wastewater Treatment Master Plan identified key deficiencies in the wastewater treatment system, and

WHEREAS, this project will address deficiencies in the primary treatment facilities at the Sutter Avenue Treatment Plant (Sutter Plant), and

WHEREAS, the Improvement Project includes upgrades to the Headworks facility, upgrades to Pumping Plant No.3, hydraulic improvements to the Influent Flumes, and construction of a new Dryden Box (in-ground concrete structure) which receives flows from the Cannery Segregation Trunk and the domestic wastewater River Trunk, and

WHEREAS, considering the complex nature of the scope of work, the project specifications contain qualification requirements for prospective contractors bidding the project, and

WHEREAS, these include requirements for project experience within Treatment Plant facilities, a construction value volume, and project manager experience, and

WHEREAS, the qualification requirements were reviewed by City Engineering and Construction Administration, and

WHEREAS, due to the limited availability of the City's Construction Administration staff and the complexity of this project, staff recommends utilizing a

consultant to provide construction management and inspection services for the construction phase, and

WHEREAS, the selection process followed the City's policy, Administrative Directive 3.1, Selection Procedures for Professional Consultants Who Provide Architectural & Engineering Services for Capital Projects, and

WHEREAS, for the construction management and inspection services, a Request for Proposals (RFP) was issued to the 3 on-call firms for construction management and inspection services for this project, and

WHEREAS, after careful review and evaluation by the selection committee, West Yost and Associates, Inc., was selected as the most qualified firm for the Project, and

WHEREAS, West Yost and Associates, Inc., has demonstrated experience with multiple projects similar in scope and size.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an Agreement with West Yost and Associates, Inc., for Construction Management and Inspection Services for the Headworks, Dryden Box and Influent Flume Improvements Project in an amount of \$2,162,144 for the identified scope of services.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, and one or more amendments to this Agreement in a cumulative amount up to 10 percent of the original agreement amount.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-439**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL
IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$12,755,000 TO
BE TRANSFERRED INTO THE PROJECT FROM WASTEWATER RESERVES
TO FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION
ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR
THE HEADWORKS, DRYDEN BOX AND INFLUENT FLUME
IMPROVEMENTS PROJECT**

WHEREAS, certain budgetary transactions are necessary in the amount of \$12,755,000, in order to fund construction, contingency, construction administration, design support during construction plus City staff support for the Headworks, Dryden Box And Influent Flume Improvements Project, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Capital Improvement Program Budget as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

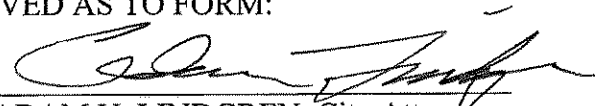
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Due to construction costs being higher than initially budgeted for the project, line item increases/decreases are necessary for CIP Account #100737 "Headworks Improvements Project", and CIP Account #100794 "Dryden Box & Influent Flume" and the total project costs need to be increased by \$12,755,000.

To fund the above account, \$12,755,000 will be transferred from Wastewater Fund CIP into CIP Projects #100737 "Headworks Improvements Project", and CIP Account #100794 "Dryden Box & Influent Flume"

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-440**

RESOLUTION APPROVING THE EXTENSION OF THE LOAN REPAYMENT SCHEDULE FOR A LOAN TO THE GENERAL FUND FROM THE EMPLOYEE BENEFIT FUND FOR THE ENTERPRISE RESOURCE PLANNING PROJECT LOAN TO JUNE 30, 2019 AND AMENDING THE FISCAL YEAR 2018-19 OPERATING BUDGET TO INCREASE THE FINAL PAYMENT FROM THE BUDGETED AMOUNT OF \$75,000 TO \$191,603 FOR THE LOAN REPAYMENT

WHEREAS, the City of Modesto implemented a new Enterprise Resource Planning (ERP) system, Oracle, in April of 2011, and

WHEREAS, the funding for the ERP system was sourced through various funds across the City that would benefit from the efficiencies gained through the systems implementation and use, and

WHEREAS, the General Fund was unable to cover the entire portion of its share of the cost of the project and City Council approved a loan from the Employee Benefits Fund (EBF) to the General Fund to pay for this portion, and

WHEREAS, the loan to the General Fund from the EBF was to be paid back within seven fiscal years with a final payment being made in Fiscal Year 2017-18, and

WHEREAS, the final payment that was scheduled to be made in Fiscal Year 2017-18 was not made in the full and final amount due to budgetary constraints in the General Fund, and

WHEREAS, the extension of the loan repayment schedule is necessary in order to ensure that the final payment is made for the loan between the General Fund and the EBF and an increase in the final budgeted payment from \$75,000 to \$191,603 is needed to ensure the loan is paid in full.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the extension of the loan repayment for a loan to the General Fund from the Employee Benefit Fund for the Enterprise Resource Planning project loan to June 30, 2019 and amending the Fiscal Year 2018-19 Operating Budget to increase the final payment from the budgeted amount of \$75,000 to \$191,603 for the loan repayment.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 2nd day of October, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-441**

**RESOLUTION ACCEPTING THE RESIGNATION OF JOANNA ESPARZA
FROM THE CITY OF MODESTO LANDMARK PRESERVATION
COMMISSION**

WHEREAS, Joanna Esparza was appointed to serve as a member of the
Landmark Preservation Commission (LPC) on December 5, 2017, by City Council
Resolution 2017-480, and

WHEREAS, Joanna Esparza tendered her resignation from the LPC on September
13, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto
that it hereby accepts the resignation of Joanna Esparza from the LPC.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

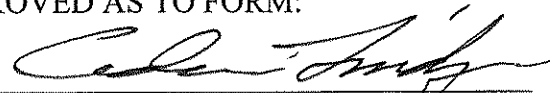
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-442**

**RESOLUTION APPOINTING PATRICK CAVANAH TO THE LANDMARK
PRESERVATION COMMISSION AS THE CULTURE COMMISSION
REPRESENTATIVE WITH A TERM EXPIRATION OF JANUARY 1, 2022**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards, Commissions, and Committees, and

WHEREAS, on September 5, 2016, the Culture Commission unanimously recommended Patrick Cavanah as its representative to the Landmark Preservation Commission, and

WHEREAS, Mr. Cavanah is qualified, willing and able to serve on the Landmark Preservation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby appointments Patrick Cavanah as the Culture Commission representative to the Landmark Preservation Commission with a term expiration of January 1, 2022.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Landmark Preservation Commission, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

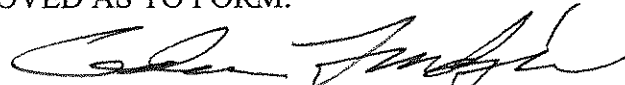
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-443**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS,
ACCEPTING THE BID, AND AWARDING THE CONSTRUCTION CONTRACT
TO ROSS F. CARROLL, INC. OF OAKDALE, CALIFORNIA IN THE AMOUNT
OF \$859,300 FOR THE RIGHT TURN LANE IMPROVEMENTS WESTBOUND
D STREET TO NORTHBOUND 9TH STREET PROJECT, AND AUTHORIZING
THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE CONTRACT**

WHEREAS, in February 2012 the City applied for Congestion Mitigation and Air Quality (CMAQ) funds to provide a route for right turning motorists on westbound D Street to do so freely without blocking or being blocked by through motorists and to construct a bus turnout on northbound 9th Street, north of the 9th Street/D Street intersection, and

WHEREAS, on December 11, 2012, by Resolution No. 2012-509, City Council accepted CMAQ funds in the amount of \$101,810 for Preliminary Engineering, and

WHEREAS, since the original acceptance of funds, the City Council has accepted additional CMAQ funds, Regional Surface Transportation Program (RSTP) funds, and Federal Transit Administration (FTA) funds as necessary to fully fund this project, and

WHEREAS, the City is ready to construct the Right Turn Lane Improvements Westbound D Street to Northbound 9th Street project, and

WHEREAS, the project was advertised for bids on July 31, 2018, and

WHEREAS, bids were publicly opened on August 28, 2018 pursuant to Modesto Municipal Code Section 8-3.403 and Modesto Charter Section 1307 and five responsive bids were received, and

WHEREAS, Ross F. Carroll, Inc. of Oakdale, California, is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$859,300 received from Ross F. Carroll Inc. of Oakdale, California, be accepted as the lowest responsible and responsive bid and the contract be awarded to Ross F. Carroll, Inc.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications, accepts the bid, and awards the construction contract to Ross F. Carroll Inc. of Oakdale, California in the amount of \$859,300 for the Right Turn Lane Improvements Westbound D Street to Northbound 9th Street project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

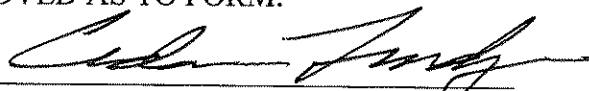
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-444**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND MR. GURINDER SINGH SAHI, A SINGLE MAN, TO CONNECT TO THE CITY OF MODESTO'S EXISTING SEWER SYSTEM FOR THE PROPERTY LOCATED AT 1609 SHADDOX AVENUE (APN: 081-028-019), AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, Gurinder Singh Sahi, a single man, owns property located at 1609 Shaddox Avenue, which is located outside of Modesto City Limits and inside the City's Sphere of Influence, and

WHEREAS, the property located at 1609 Shaddox Avenue, is not connected to City's sewer system and is requesting a sewer connection due to a failing septic system, and

WHEREAS, on November 25, 2014, City Council approved Resolution No. 2014-473 amending City Council Policy 5.002, and

WHEREAS, on December 9, 2014, City Council approved adoption of Ordinance No.3612-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS both of these amendments included language allowing the City Manager, upon the recommendation of the Director responsible for utility system planning to approve standard agreements of service for extension of sewer services into certain unincorporated areas without City Council approval, and

WHEREAS, the property located at 1609 Shaddox Avenue is not located within one of those designated areas and therefore requires City Council approval prior to allowing the sewer connection, and

WHEREAS, City staff has completed an analysis and determined that it is reasonable for the City of Modesto to provide sewer service to this property, and

WHEREAS, pending approval and consistent with adopted LAFCO Policy 15, the extension of sewer service is proposed to remedy a health and safety concern in an area with failing septic system, and

WHEREAS, the sewer connection fees shall be paid and associated permits will be obtained prior to connecting to the City sewer system, and

WHEREAS, the property owner has executed an Outside Service Agreement for sewer service with the City as required, to receive sewer service outside the City limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for sewer service for the property located at 1609 Shaddox Avenue (APN: 081-028- 019) in Modesto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to approve the Will Serve letter and execute the Outside Service Agreement for sewer service.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-445**

**RESOLUTION AMENDING SECTION 4 AND 15 OF THE HOUSING AND
URBAN DEVELOPMENT POLICIES & PROCEDURES MANUAL**

WHEREAS, in October 2016, by Resolution No. 2016-425, Council adopted a Housing and Urban Development Policies & Procedures Manual (HUD Manual), and

WHEREAS, in order to align with current program guidelines and replace older program policies, Section 4 (HOME Investment Partnerships Program), and Section 15 (Water and Sewer Infrastructure Connection Program) needs to be updated, and

WHEREAS, Section 8.3 of the HOME Investment Partnerships Program will provide a thoroughly detailed project description in the Integrated Disbursement and Information System (IDIS), and

WHEREAS, Section 14 of the HOME Investment Partnerships Program will update the way the HUD award is maintained in the City's financial software using text descriptions and multiple activity/task numbers to differentiate multiple grant year funding by Catalog of Federal Domestic Assistance (CFDA) title number, HUD award identification number and year, and HUD's agency name in accordance with 2 CFR 200.302(b)(1), and

WHEREAS, the Water and Sewer Infrastructure Connection Program policies and procedures are being updated to update credit report requirements, homeowner eligibility requirements, bid solicitation, procurement to align with City standards, emergency repairs procedure, contractor eligibility, independent cost estimates to ensure cost reasonableness, and progress inspections before any invoices are paid, and

WHEREAS, on September 13, 2018, the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the revised Section 4 – HOME Investment Partnerships Program and Section 15 – Water and Sewer Infrastructure Connection Program Policies and Procedures to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends Section 4 and 15 of the Housing and Urban Development Policies & Procedures Manual.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-446**

RESOLUTION APPROVING THE PAYMENT OF \$100,000 TO THE MODESTO IRRIGATION DISTRICT (MID) FOR THE PURPOSE OF DESIGNING AND PROCURING THE STEEL UTILITY POLES REQUIRED FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1 PROJECT

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, relocation of the Modesto Irrigation District (MID) power facilities is required to meet Caltrans standards, and

WHEREAS, the City's obligation to MID for all of the various relocation services to support the Project is estimated at \$1.3M, and MID has stated that they will design and procure the required steel poles upon receipt of \$100,000 deposit, and

WHEREAS, steel poles are required to relocate MID overhead facilities, and the fabrication time required to procure these materials is estimated at 20 weeks with completion of the work estimated at 25 weeks, and

WHEREAS, on October 10, 2017, by Resolution 2017-403, Council approved a Measure L Cooperative Agreement with StanCOG (StanCOG Cooperative Agreement) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project, through which StanCOG has agreed to reimburse the City up to \$10 million for costs relating to the PS&E Phase of the Project, and

WHEREAS, included in the \$10 million StanCOG Cooperative Agreement is \$1,750,000 for utility relocation and the City of Modesto will be seeking reimbursement from StanCOG for the \$100,000 deposit required by MID.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the payment of \$100,000 to the Modesto Irrigation District for the purpose of designing and procuring the steel utility poles required for the State Route 132 West Freeway/Expressway Phase 1 Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-447**

**RESOLUTION AMENDING THE FISCAL YEAR 2017-2018 AND FISCAL YEAR
2018-2019 ANNUAL OPERATING AND CAPITAL IMPROVEMENT FUND
BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2017-18 and Fiscal Year 2018-19.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2017-18 and Fiscal Year 2018-19 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2017-18

UTILITIES

A budget adjustment is necessary to increase the transfer from the Water Fund (4100) to the Water CIP fund (4180) by the amount of \$1,736,055 to cover FY17-18 Capital Improvement Plan (CIP) expense.

FISCAL YEAR 2018-19

COMMUNITY & ECONOMIC DEVELOPMENT

A budget adjustment is necessary to establish two new multi-year Non-Capital Projects and their revenue and expense budgets related to the Cannabis Application Fee deposits. On December 12, 2017, City Council approved Resolution 2017-526 to adopt application and permit fees for commercial cannabis permits related to cannabis business. The fees created by this action were to be used to pay for staff time, professional services, legal fees, and other business expenses related to the development of each application and its related permit procedures. This adjustment will create the Phase 2 Non-Dispensary Applications Project (101114) and the Phase 2 Dispensary Applications Project (101115). The Non-Dispensary Project (101114) will have an overall revenue and expense budget of \$30,000 split amongst 2 sub-tasks; one for each application. The Dispensary Project (101115) will have an overall revenue and expense budget of \$400,000 split amongst 20 sub-tasks; one for each application. Both projects will reside in Fund 1800 (Economic Development/Strategic Plan Fund).

INFORMATION TECHNOLOGY

A budget adjustment is necessary to establish a transfer from the IT Education and Government Cable Fund (1320) to the IT Fund (5230) in the amount of \$138,681 to fund the Master Control Facility Project (101099) that was created in the prior fiscal year. The Master Control project was approved by Council on April 3, 2018 via Resolution 2018-136. The funding for the IT Education and Government Cable Fund is split 50/50 between the City of Modesto and Stanislaus County, which both benefit from this project.

PUBLIC WORKS

A budget adjustment is necessary to move \$429,593 in cash and fair market value from Fund 1510 – LTF – Streets and Roads Fund to Fund 1720 – Streets LTF Fund as Fund 1510 will no longer be used for FY 2018-2019. The available funds will be used for Surface Transportation operations and grant matches for future Streets and Roads projects.

A budget adjustment is necessary to recognize additional Federal Aviation Administration (FAA) revenue for Project #100858 – Various Airport capital improvement projects in the amount of \$47,602. The FAA has authorized the additional funds to be used for reimbursement of attorney fees related to the obstruction removal (tree topping) task within the project. The additional funding does require an increase in the City's local match by \$4,904. The additional local match

funds will come from a transfer from the County Aircraft Tax Fund – 4330 to the project. The total increase for the projects revenue and expense budget will be \$52,506.

A budget adjustment is necessary to revise the FY19 direct charge agreements to reflect both the removal of an incorrectly budgeted Business Analyst position and the removal of Parks Department oversight due to re-organization. The Business Analyst position was budgeted throughout the divisions with a total budget impact of \$83,720. As this position was not approved as part of budget adoption, the costs are being removed from each division reducing the contribution to Public Works Administration. Additionally, the Parks Department originally contributed \$67,718 towards Public Works Administration and the Business Analyst position and with the re-organization their contribution is being redistributed to the other cost centers within Public Works.

Fund	Fund Name	Net Impact
1700	Surface Transportation Fund	\$3,390
4000	Parking Fund	\$875
4310	Airport Operating Fund	\$158
4480	Storm Drainage Fund	\$976
4540	Bus Fixed Route Max Operations Fund	\$12,627
4890	Compost Fund	\$2,214
4891	Solid Waste Fund	\$234
4892	Green Waste Fund	\$2,419
4893	Carpenter Road Landfill (Enterprise)	-\$8
4895	Waste to Energy Distribution Fund	\$244
5400	Fleet Management Fund	\$4,855
5800	P/R Building Services Fund	\$976
	Total	\$28,960

*Please note that the Net Impact column shown above represents the net change to the referenced fund as a result of the removal of the incorrectly budgeted Business Analyst position as well as the movement of Parks Operations from Public Works to Parks, Recreation and Neighborhoods as part of the reorganization that took place in FY 18-19.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-448**

RESOLUTION APPROVING PROFESSIONAL SERVICES AGREEMENTS WITH RALPH ANDERSEN & ASSOCIATES, ROCKLIN, CA; CPS HR CONSULTING, INC., SACRAMENTO, CA; NEHER AND ASSOCIATES, WEST SACRAMENTO, CA; AND KOFF AND ASSOCIATES, BERKELEY, CA TO CONDUCT CITYWIDE EXECUTIVE RECRUITMENT SERVICES ON AN AS NEEDED BASIS, FOR A TWO YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY, IN A COMBINED AMOUNT NOT TO EXCEED \$300,000 OVER FIVE YEARS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENTS

WHEREAS, the City Manager authorized the Human Resources Department to issue a Request for Qualification (RFQ) for the furnishing of executive and high level management recruitment services, and

WHEREAS, Human Resources sent the RFQ for Executive Recruitment Services to nine (9) prospective proposers, and

WHEREAS, following the request, four search firms presented proposals to conduct these recruitments. All four (4) companies provided responsive and responsible proposals, and

WHEREAS, due to the technical nature of professional services, both the American Bar Association (ABA) Model Procurement Code and the Modesto Municipal Code (MMC) purposely exempt these services from formal bid requirements under MMC 8-3.204(a). The MMC as it relates to the procurement of “professional services” is modeled after the ABA. Therefore, these professional services are for professional services as defined in section 8-3.103 of the MMC, and

WHEREAS, the award of proposals for the furnishing of executive level recruitment services for Citywide use to Ralph Andersen & Associates, Rocklin, CA;

CPS HR Consulting, Inc., Sacramento, CA; Neher and Associates, West Sacramento, CA; and Koff and Associates, Berkeley, CA, conforms to Modesto Municipal Code 8-3.103.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves Professional Services Agreements with Ralph Andersen & Associates, Rocklin, CA; CPS HR Consulting, Inc., Sacramento, CA; Neher and Associates, West Sacramento, CA; and Koff and Associates, Berkeley, CA to conduct citywide executive recruitment services on an as needed basis, for a two year agreement with three one-year extension options at the sole discretion of the City, in a combined amount not to exceed \$300,000 over five years.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreements, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

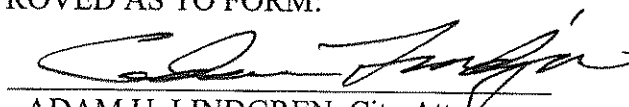
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-449**

RESOLUTION AWARDING THE BID AND ISSUING A PURCHASE ORDER TO IRWIN SEATING COMPANY OF GRAND RAPIDS, MI FOR THE REPLACEMENT OF APPROXIMATELY 1,000 UPPER BOX SEATS AT JOHN THURMAN FIELD IN THE AMOUNT OF \$179,638, WITH A 5% CONTINGENCY IN THE AMOUNT OF \$8,982 AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE ORDER FOR A TOTAL AMOUNT NOT TO EXCEED \$188,620 AS NECESSARY

WHEREAS, on December 13, 2016, by Resolutions 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field, and

WHEREAS, the agreement establishing a fund for capital improvements to the stadium, and

WHEREAS, the Agreement authorizes the City Manager to approve or disapprove the list of priority capital improvement projects each calendar year, and

WHEREAS, on August 8, 2018, the Nuts General Manager provided the **attached** list of 2019 List of Priorities at John Thurman Field which identified the top priorities, and

WHEREAS, the City manager has reviewed and approved the list and informed the Nuts that the City will move forward with the replacement of approximately 1,000 upper box seats in the John Thurman Field Stadium, and

WHEREAS, while researching to prepare for the RFB, Purchasing staff discovered a Request for Proposal (RFP) by National Intergovernmental Purchasing Alliance (National IPA), and

WHEREAS, National IPA, on behalf of the Norfolk City Schools issued an RFP on January 31, 2014, to establish a national cooperative contract for maintenance,

repair, and operation supplies and related services, and

WHEREAS, notices of solicitation were sent to potential offerors, as well as advertised in 7 newspapers. On December 9, 2014 proposals were received from 13 offerors, and were evaluated by an evaluation committee, and

WHEREAS, using the evaluation criteria established in the RFP, the committee elected to enter into negotiations with Irwin Seating Company, and proceeded with a contract award upon successful completion of negotiations, and

WHEREAS, the Norfolk City Schools, National IPA, and Irwin Seating Company, successfully negotiated a contract and executed the agreement with an effective date of March 5, 2015 through March 4 2016, for an initial one-year term with 5 additional one-year options, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, exceptions to the formal bidding process are granted in MMC 8-.204(d) "Where the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set for in Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality," and

WHEREAS, MMC 8-3.202(h) encourages to join with the State of California and other units of government in cooperative purchasing plans when the best interest of the City would be served, and

WHEREAS, this purchase qualifies for the exemption from the formal bidding

process for these reasons, and

WHEREAS, the City has received a project bid in the amount of \$179,638 for the replacement of the Replacement of Approximately 1000 Upper Box Seats at the John Thurman Field Stadium, from Irwin Seating Company, and

WHEREAS, the contingency amount of 5%, in the amount of \$8,982 is being included to cover various items such as implementation work, unforeseen delays, and expenses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby awarding the bid and issuing a purchase order to Irwin Seating Company of Grand Rapids, MI for the replacement of approximately 1,000 Upper Box Seats at John Thurman Field in the amount of \$179,638, with a 5% contingency in the amount of \$8,982.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

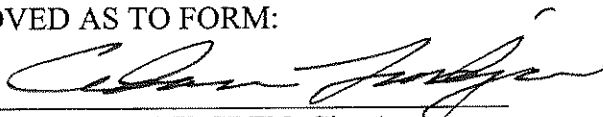
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

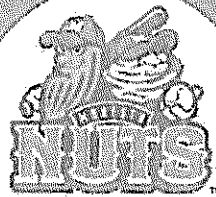
(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



**POST OFFICE BOX 983
MODESTO, CA 95353**



**(P) 209-572-HITS (4487)
(F) 209-572-4490**

2019 List of Priorities at John Thurman Field

1. Replacement of video board
 - a. Estimated Cost: \$500,000
 - b. Reason: The current videoboard was purchased and installed prior to the 2007 season. With proper maintenance, video boards have a lifespan of 8-10 years. The maintenance of the scoreboard has not been kept up and we will complete our 11th season with the video board. While the board is still currently operational, the franchise and contractor believe we are on borrowed time. If the video board becomes non-operational, the lease states this will become a maintenance issue that the city is required to fix outside the capital improvement budget.
2. Replacement of approximately 1,000 Upper Box seats
 - a. Estimated Cost: \$140,000
 - b. Reason: The Upper Box seats are the same seats that were installed in 1997. Typically, these seats have a lifespan of 10 years. We have just completed our 22nd season with the same seats. They are faded, loose and in constant need of repair.
3. Miscellaneous
 - a. As we continue to find out what problem areas were deferred under City management, we will be forced to address these issues.

This list does not include the items in Exhibit B of the lease that were supposed to be completed prior to the end of the 2017 calendar year such as:

- A) Replace the front gate
- B) Awning on club office
- C) Painting of stadium green steel
- D) Security Cameras
- E) Seal and Stripe parking lot
- F) Paint fire plumbing

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-450**

RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 MULTI-YEAR OPERATING BUDGET TO ADJUST THE NON-CAPITAL PROJECT #101019 FOR JOHN THURMAN FIELD CAPITAL IMPROVEMENTS IN THE AMOUNT OF \$120,000 IN BOTH REVENUE AND EXPENDITURE APPROPRIATIONS AND TO INCREASE THE TRANSFER FROM THE GENERAL FUND (0100) TO THE JOHN THURMAN CAPITAL IMPROVEMENTS FUND (3125) BY THE SAME AMOUNT AS OUTLINED IN ATTACHMENT A, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, on December 13, 2016, by Resolutions 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field, and

WHEREAS, the agreement establishing a fund for capital improvements to the stadium, and

WHEREAS, the Agreement authorizes the City Manager to approve or disapprove the list of priority capital improvement projects each calendar year, and

WHEREAS, on August 8, 2018, the Nuts General Manager provided the **attached** list of 2019 List of Priorities at John Thurman Field which identified the top priorities, and

WHEREAS, the City has identified and approved the replacement the John Thurman Field Video Board and of the stadium seats, and

WHEREAS, the agreement between the Nuts and the City has been amended to allow additional spending in the amount of \$120,000 in the fiscal year 2018-19 rather than fiscal year 2025-26, and

WHEREAS, the Fiscal Year 2018-2019 Multi-Year Operating Budget needs to be adjusted in the non-capital project #101019 in the amount of \$120,000 in both revenue

and expenditure appropriation to be funded from Fiscal Year 2017-2018 General Fund Carryover via a transfer to the John Thurman Field Capital Improvement Fund to fund the approved improvements.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it approves amending the Fiscal Year 2018-2019 Multi-Year Operating Budget to adjust the non-capital project #101019 for John Thurman Field in the amount not to exceed \$120,000 in both revenue and expenditure appropriations.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to budget revenues and expenditures as outlined in **Attachment A** to fund the John Thurman Field approved improvements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A – Budget Adjustment for Non-Capital Project 101019

(John Thurman Field Capital Improvements)

Fund 3125 – John Thurman Capital Improvement Fund:

<u>Expense:</u>	<u>Description of Account</u>	<u>Increase/ (Decrease)</u>
To:		
MY-101019 - Appr. C - 57020	Non CIP Capital	\$120,000

<u>Revenue:</u>	<u>Description of Account</u>	<u>Increase/ (Decrease)</u>
To:		
19-3125-14998-60100	Transfer in from Fund 0100	\$120,000

<u>Revenue:</u>	<u>Description of Account</u>	<u>Increase/ (Decrease)</u>
To:		
19-0100-70100-71325	Transfer Out to Fund 3125	\$120,000



POST OFFICE BOX 983
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(P) 209-572-HITS (4487)
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2019 List of Priorities at John Thurman Field

1. Replacement of video board
 - a. Estimated Cost: \$500,000
 - b. Reason: The current videoboard was purchased and installed prior to the 2007 season. With proper maintenance, video boards have a lifespan of 8-10 years. The maintenance of the scoreboard has not been kept up and we will complete our 11th season with the video board. While the board is still currently operational, the franchise and contractor believe we are on borrowed time. If the video board becomes non-operational, the lease states this will become a maintenance issue that the city is required to fix outside the capital improvement budget.
2. Replacement of approximately 1,000 Upper Box seats
 - a. Estimated Cost: \$140,000
 - b. Reason: The Upper Box seats are the same seats that were installed in 1997. Typically, these seats have a lifespan of 10 years. We have just completed our 22nd season with the same seats. They are faded, loose and in constant need of repair.
3. Miscellaneous
 - a. As we continue to find out what problem areas were deferred under City management, we will be forced to address these issues.

This list does not include the items in Exhibit B of the lease that were supposed to be completed prior to the end of the 2017 calendar year such as:

- A) Replace the front gate
- B) Awning on club office
- C) Painting of stadium green steel
- D) Security Cameras
- E) Seal and Stripe parking lot
- F) Paint fire plumbing

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-451**

**RESOLUTION APPROVING THE FIRST AMENDMENT TO THE
AGREEMENT WITH HWS BASEBALL JV, LLC, AKA THE MODESTO NUTS
BASEBALL CLUB, FOR THE USE, OPERATION AND MANAGEMENT OF
JOHN THURMAN FIELD AND AUTHORIZING THE CITY MANAGER, OR
DESIGNEE, TO EXECUTE THE AMENDMENT TO AGREEMENT**

WHEREAS, on December 13, 2016, by Resolutions 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field, and

WHEREAS, the agreement established a fund for capital improvements to the stadium, and

WHEREAS, the Agreement authorizes the City Manager to approve or disapprove the list of priority capital improvement projects each calendar year, and

WHEREAS, on August 8, 2018, the Nuts General Manager provided the **attached** list of 2019 List of Priorities at John Thurman Field which identified the top priorities, and

WHEREAS, the City has identified and approved the replacement the John Thurman Field Video Board and of the stadium seats, and

WHEREAS, the agreement between the Nuts and the City must be amended to allow a spending in the amount of \$120,000 in the fiscal year 2018-19 rather than fiscal year 2025-26 as well as various minor changes.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it approves the First Amendment of the agreement with HWS Baseball JV, LLC, aka the Modesto Nuts Baseball Club, for the use, operation and management of John Thurman Field.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the Amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

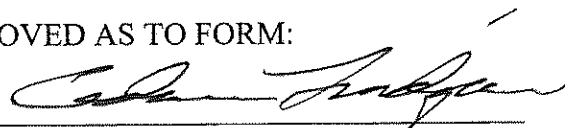
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

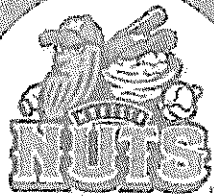
(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney



POST OFFICE BOX 883
MODESTO, CA 95353



(P) 209-572-HITS (4487)
(F) 209-572-4490

2019 List of Priorities at John Thurman Field

1. Replacement of video board
 - a. Estimated Cost: \$500,000
 - b. Reason: The current videoboard was purchased and installed prior to the 2007 season. With proper maintenance, video boards have a lifespan of 8-10 years. The maintenance of the scoreboard has not been kept up and we will complete our 11th season with the video board. While the board is still currently operational, the franchise and contractor believe we are on borrowed time. If the video board becomes non-operational, the lease states this will become a maintenance issue that the city is required to fix outside the capital improvement budget.
2. Replacement of approximately 1,000 Upper Box seats
 - a. Estimated Cost: \$140,000
 - b. Reason: The Upper Box seats are the same seats that were installed in 1997. Typically, these seats have a lifespan of 10 years. We have just completed our 22nd season with the same seats. They are faded, loose and in constant need of repair.
3. Miscellaneous
 - a. As we continue to find out what problem areas were deferred under City management, we will be forced to address these issues.

This list does not include the items in Exhibit B of the lease that were supposed to be completed prior to the end of the 2017 calendar year such as:

- A) Replace the front gate
- B) Awning on club office
- C) Painting of stadium green steel
- D) Security Cameras
- E) Seal and Stripe parking lot
- F) Paint fire plumbing



**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-452**

**RESOLUTION ADOPTING THE EAST STANISLAUS INTEGRATED REGIONAL
WATER MANAGEMENT PLAN UPDATE**

WHEREAS, the Integrated Regional Water Management (IRWM) Act was enacted by the California legislature in 2002 with the purpose to encourage local agencies to coordinate and collaboratively manage water resources to improve water quality, quantity and reliability, and

WHEREAS, in 2008, the IRWM Planning Act was approved which provided for the development of IRWM Plans, and

WHEREAS, these plans, subject to periodic updates, are required by the State for eligibility to compete for various water resources grants, and

WHEREAS, on August 9, 2011, by Resolution No. 2011-359, Council approved the Memorandum of Understanding (MOU) to form the East Stanislaus Integrated Regional Water Management Partnership, and

WHEREAS, on September 1, 2011, having satisfied the Department of Water Resources (DWR) IRWM Regional Acceptance Process Guidelines, the DWR granted regional status to the East Stanislaus IRWM, and

WHEREAS, on January 28, 2014, by Resolution No. 2014-37, Council adopted the 2013 East Stanislaus IRWM Plan, and

WHEREAS, by Resolution No. 2017-158, Council approved a consultant agreement with RMC Water and Environment, now a subsidiary of Woodard & Curran, to assist the East Stanislaus IRWM Partnership in updating the 2013 IRWM Plan, and

WHEREAS, in April 2017, the Final Draft IRWM Plan Update was submitted to the DWR for review, and

WHEREAS, on July 20, 2018, the DWR informed the City that the IRWM Plan Update was deemed complete and in conformance with the 2016 IRWM Guideline Standards.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the adoption of the East Stanislaus Integrated Regional Water Management Plan Update.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

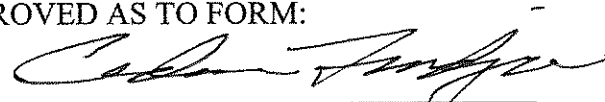
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-453**

RESOLUTION APPROVING AN AGREEMENT FOR PEA GRAVEL TO WEST COAST SAND AND GRAVEL, INC., MODESTO, CA, FOR A TWO-YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$61,000 AND A TOTAL AMOUNT NOT TO EXCEED \$305,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the Utilities Department, Storm Water Collections maintains over 11,000 storm catch basins and over 9,700 rockwells, and

WHEREAS, over time, rockwells and the surrounding soil stop functioning properly and must be rejuvenated or renewed and in some cases, the location does not have an actual rockwell, but instead has what is referred to as a ‘backhoe well’, and

WHEREAS, when it is determined that the existing storm system must be replaced, staff has several options, and

WHEREAS, the preferred method of replacement for failed storm drains is with a ‘drywell’ system which consists of catch basins, a sedimentation chamber, and a perforated concrete manhole that is placed on top of a rock-filled square pit, called a drywell, and

WHEREAS, when staff replaces a rockwell with a horizontal drain assembly, the space around the outside of the perforated pipe systems is filled with rock, and

WHEREAS, pea gravel is preferred because it can be delivered in concrete trucks and more easily placed in tight areas; additionally, pea gravel freely flows to completely fill voids, and

WHEREAS, the City Manager authorized the Purchasing Division to issue a formal Request for Bids (RFB) for the purchase of Pea Gravel, and

WHEREAS, on April 26, 2018, the Purchasing Division issued RFB No. 1718-48, for the purchase of pea gravel; four companies chose to download the RFB, and

WHEREAS, on May 15, 2018, bids were formally opened in the City Clerk's Office; two companies chose to respond, and

WHEREAS, one company was deemed non responsive due to not meeting insurance requirements, and

WHEREAS, both responders were local vendors capable of providing this type of service; West Coast Sand and Gravel has a local location at 4518 Oakdale Rd in Modesto, and

WHEREAS, based on providing lowest, responsive and responsible bids, staff recommends the award of bid for the purchase of pea gravel to West Coast Sand and Gravel, headquartered in Modesto, CA, for an estimated annual cost not to exceed \$61,000 and up to \$305,000 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, the award of a purchase agreement for Pea Gravel to West Coast Sand and Gravel, Modesto, CA, conforms to the Modesto Municipal Code, 8-3.203, as it is the lowest responsive and responsible bidder.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement for pea gravel to West Coast Sand and Gravel, Inc., Modesto, CA, for a two-year agreement with three one-year extension options, for an

annual cost not to exceed \$61,000 and a total amount not to exceed \$305,000 over five years.

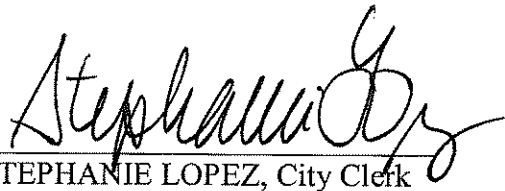
BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-454**

RESOLUTION APPROVING A PURCHASING AGREEMENT WITH SUBSITE, LLC, PETALUMA, CA, BY UTILIZING THE COMPETITIVE BID PROCESS WITH THE HOUSTON-GALVESTON AREA COUNCIL COOPERATIVE PURCHASING PROGRAM (HGACBUY), FOR A CLOSED CIRCUIT TELEVISION (CCTV) EQUIPMENT RETROFIT, FOR A TOTAL COST NOT TO EXCEED \$127,040 AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the Utilities Department, Wastewater Division, maintains approximately 655 miles of sanitary sewer pipelines ranging in sizes from 4” to 96”, and

WHEREAS, Wastewater Collections uses remotely operated CCTV systems to regularly inspect the wastewater pipelines, and

WHEREAS, CCTV inspection is used to determine the structural and maintenance condition of the pipelines and if the pipeline needs capital improvement, spot repairs, root control, FOG (Fats, Oils, and Grease) control, and/or increased cleaning frequency, and

WHEREAS, the current CCTV vehicle # 41032 is a 2010 Ford F350 with approximately 39,000 miles and a high-cube box, and

WHEREAS, due to the age and wear on this equipment, frequent repairs are needed and because the current CCTV equipment is no longer manufactured, repair parts are increasingly difficult to find, and

WHEREAS, the City’s sewer system contains a large range in pipe sizes, so a wide assortment of CCTV equipment is needed; for instance, a small transporter/crawler unit is needed when inspecting 4” and 6” pipelines; however, this same transporter/crawler unit is too small to inspect lines over 12”, and

WHEREAS, conversely, a transporter used for 12” lines is too big for 6” lines, but too small for large lines (those greater than 48”), and

WHEREAS, current CCTV equipment can only inspect line sizes 36” and smaller, neglecting the City’s critical sewer trunk infrastructure, and

WHEREAS, in FY 2017-18, Wastewater Collections budgeted \$250,000 for an additional CCTV vehicle including CCTV equipment, and

WHEREAS, since then, staff has re-evaluated that the current CCTV equipment would not be serviceable for much longer, and

WHEREAS, because the current vehicle #41032 only has 39,000 miles and is in good condition, staff decided to replace the current CCTV equipment instead of adding a second vehicle, and

WHEREAS, the HGACBuy allows local governments and certain non-profits to purchase products and services included in HGACBuy contracts and are subject to either a Request for Competitive Bid or Request for Competitive Proposal, and

WHEREAS, on August 8, 2017, HGACBuy solicited for competitive bids for Sewer Cleaning, Hydro-Excavating, Inspection Equipment, and Miscellaneous Services, and bids were opened on September 5, 2017; HGACBuy received twenty five competitive bids and authorized contracts with the lowest responsible bidders for recommended product items, and

WHEREAS, on January 1, 2018, HGACBuy entered into a contract with Subsite, LLC, Petaluma, CA, for the purchase of Sewer Cleaning, Hydro-Excavating, Inspection Equipment, and Miscellaneous Services, and

WHEREAS, the contract has a two year term and is in effect until December 31, 2020, and

WHEREAS, Subsite, LLC, is extending the HGACBuy contract pricing to the City of Modesto, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid; however, exceptions to the formal bidding process are granted in MMC 8-3.204(d) "Where the Purchasing Manager, in his or her discretion, determines that a process other than the formal bid procedure set for in Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality," and

WHEREAS, in addition, MMC 8-3.202(h) encourages joining with the State of California and other units of government in cooperative purchasing plans when the best interest of the City would be served; this purchase qualifies for the exemption from the formal bidding process for these reasons.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a purchasing agreement with Subsite, LLC, Petaluma, CA, by utilizing the competitive bid process with the Houston-Galveston Area Council Cooperative Purchasing Program, for a Closed Circuit Television equipment retrofit, for a total cost not to exceed \$127,040.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue purchasing agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

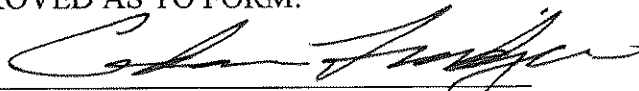
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-455**

**RESOLUTION APPROVING AMENDMENT NO. 1 TO THE CITY OF
MODESTO PROGRAM YEAR 2018-2019 ANNUAL ACTION PLAN, AND
AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE
NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS
RESOLUTION**

WHEREAS, as a U.S. Department of Housing and Urban Development (HUD) entitlement community, the City of Modesto is required to develop a Substantial Amendment to the Annual Action Plan when it makes changes to its planned or actual activities funded with Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) funds, and

WHEREAS, HUD requires the City of Modesto develop, in consultation with its citizens and community-based service providers, a funding strategy that furthers its housing and community development goals as described in the City's Five-Year Consolidated Plan for FY 2015-2020, and

WHEREAS, citizen participation is a key component of the Substantial Amendment to the Annual Action Plan process, and

WHEREAS, HUD regulations require the City provide ample opportunity and means for the populations served by the grants, as well as the general citizenry, to provide input on the goals and priorities and the specific type of activities to be funded in the City's Substantial Amendment to the Program Year 2018-2019 Annual Action Plan, and

WHEREAS, staff held four community meetings to assess local needs and priorities related to community services, economic development, community facilities and infrastructure, housing and fair housing, and

WHEREAS, the information obtained from the community meetings was used to prepare the Substantial Amendment to the Program Year 2018-2019 Annual Action Plan, and

WHEREAS, the 30-day public review period to review and comment on the draft documents opened on September 5, 2018 and will close the 30-day public comment period with a public hearing at the City Council meeting on October 9, 2018, and

WHEREAS, any comments received during the public review period or during the October 9, 2018, City Council meeting will be incorporated into the Substantial Amendment to the Program Year 2018-2019 Annual Action Plan that is submitted to HUD, and

WHEREAS, there is no impact to the General Fund and the Annual Action Plan Amendment No. 1 would reallocate existing funds and programming carryover funds identified with Program Year 2017 closeout to new projects in order to meet HUD's timeliness deadline on April 30, 2019, and

WHEREAS, on September, 13, 2018, the City's Citizens Housing and Community Development Committee recommended forwarding the Substantial Amendment Program Year 2018-2019 Annual Action Plan to the City Council for consideration and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves Amendment No. 1 to the City of Modesto Program Year 2018-2019 Annual Action Plan.

BE IT FURTHER RESOLVED by the Council of the City of Modesto authorizes the City Manager or his designee, to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

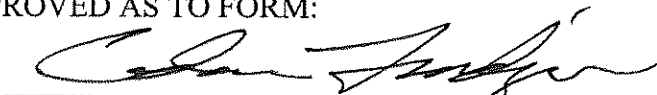
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

FISCAL YEAR 2018-2019 CDBG AND HOME PROJECT SUMMARY

AMENDMENT #1

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)				
Project/Activity Name	IDIS Activity #	Total AAP Budget	TOTAL AAP Amendment Budget	Total Adjustment
FY 2018-2019 CDBG DIRECT ACTIVITIES		\$ 5,599,691.24	\$ 6,055,412.13	\$ (455,720.89)
FY 2018-2019 CDBG PLANNING & ADMINISTRATION	1231	\$ (420,750.00)	\$ (420,750.00)	\$ -
AFFORDABLE HOUSING - ACQUISITION	1314	\$ (300,000.00)	\$ (558,098.17)	\$ 558,098.17
ACTIVITY DELIVERY - ACQUISITION	1314	\$ -	\$ (80,000.00)	\$ 80,000.00
PROJECT BASED - ACTIVITY DELIVERY - CDBG FUNDING FOR HOME 45MM (21)	1233	\$ (150,000.00)	\$ -	\$ (150,000.00)
2018 HOUSING REHABILITATION ADMINISTRATION ACTIVITY DELIVERY (14)	1232	\$ (557,560.00)	\$ (397,210.30)	\$ (158,350.00)
PUBLIC FACILITIES INFRASTRUCTURE IMPROVEMENTS GRANTER	1235	\$ (150,000.00)	\$ (150,000.00)	\$ -
ACTIVITY DELIVERY GRANTER	1235	\$ -	\$ (15,000.00)	\$ 15,000.00
OWNER OCCUPIED HOUSING REHABILITATION- MOBILE HOMES	1319	\$ (100,000.00)	\$ (100,000.00)	\$ -
POTENTIAL UTILITIES PROJECT	1320	\$ -	\$ 500,000.00	\$ 500,000.00
ACTIVITY DELIVERY - UTILITIES PROJECT	1320	\$ -	\$ 50,000.00	\$ 50,000.00
POTENTIAL PARKS PROJECT	1321	\$ -	\$ 400,000.00	\$ 400,000.00
ACTIVITY DELIVERY - PARKS PROJECT	1321	\$ -	\$ 40,000.00	\$ 40,000.00
SECTION 109 LOAN REPAYMENT FY 2018-2019	1299	\$ (302,000.00)	\$ (302,000.00)	\$ -
201 E. COOLIDGE - AFFORDABLE HOUSING - RENTAL REHABILITATION	1315	\$ -	\$ (450,000.00)	\$ 450,000.00
ACTIVITY DELIVERY - COOLIDGE	1315	\$ -	\$ (45,000.00)	\$ 45,000.00
ADA RAMPS AND CURB CUTS PROJECTS		\$ (181,800.00)	\$ -	\$ (181,800.00)
REVOLVING LOAN ACTIVITIES				
AFFORDABLE HOUSING - RENTAL HOUSING REHABILITATION	1297	\$ (791,240.00)	\$ (511,342.00)	\$ (250,000.00)
AFFORDABLE HOUSING - OWNER OCCUPIED HOUSING REHABILITATION	1298	\$ (544,164.00)	\$ (454,517.20)	\$ (89,477.00)
WATER SEWER CONNECTION PROGRAM	1294	\$ (339,477.00)	\$ (339,477.00)	\$ -
PRIOR YEAR ACTIVITIES				
ACCESS CENTER	1232	\$ (244,000.00)	\$ (244,000.00)	\$ -
CROWN LANDING ROAD NEIGHBORHOOD PROJECT	1290	\$ (430,000.00)	\$ -	\$ (430,000.00)
FRESNO OFF - ECONOMIC DEV. SMALL BUSINESS LOANS	1233	\$ (200,000.00)	\$ (100,000.00)	\$ (100,000.00)
SENIOR PLAYGROUND	1293	\$ (248,488.25)	\$ -	\$ (248,488.25)
FY 2018-2019 PUBLIC SERVICES				
ADVOCATES FOR JUSTICE - SEAT	1300	\$ (32,000.00)	\$ (22,000.00)	\$ -
CENTER FOR HUMAN SERVICES - PATHWAYS	1301	\$ (27,000.00)	\$ (27,000.00)	\$ -
CHILDREN'S CRISIS CENTER - ANDRE'S HOUSE	1302	\$ (22,100.00)	\$ (21,100.00)	\$ -
CASA OF STANISLAUS COUNTY - DIRECT SERVICE	1303	\$ (25,200.00)	\$ (25,200.00)	\$ -
HAVEN WOMEN'S CENTER - DV SHELTER	1304	\$ (25,500.00)	\$ (25,500.00)	\$ -
PARENT RESOURCE CENTER - CONNECTING FAMILIES	1305	\$ (21,500.00)	\$ (21,500.00)	\$ -
UNITED SAMARITANS FOUNDATION - EARLY BREAK MOBILE LUNCH	1306	\$ (25,700.00)	\$ (25,700.00)	\$ -
PROJECT SENTINEL - PAR HOUSING	1307	\$ (25,000.00)	\$ (25,000.00)	\$ -
SALVATION ARMY	1312	\$ (48,000.00)	\$ (48,000.00)	\$ -
ECONOMIC DEVELOPMENT - REAL PROPERTY EQUIPMENT IMPROVEMENTS	1234	\$ (50,000.00)	\$ (50,000.00)	\$ -
CENTER FOR HUMAN SERVICES - CAPACITY BUILDING	1274	\$ (85,000.00)	\$ (47,000.00)	\$ (17,000.00)
BALANCE		\$ 0.00	\$ (0.00)	\$ 0.00

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)				
Project/Activity Name	IDIS Activity #	Total AAP Budget	TOTAL AAP Amendment Budget	Total Adjustment
ENTITLEMENT ALLOCATION		\$ 2,830,691.64	\$ 2,953,933.61	\$ (123,241.87)
HOME PROGRAM PLANNING & ADMINISTRATION	1317	\$ (35,452.50)	\$ (157,919.79)	\$ 50,927.29
AFFORDABLE HOUSING - SMALL HOMES (H/P) PROJECTS	pending agreement	\$ (528,074.14)	\$ (313,959.00)	\$ (154,115.14)
ACTIVITY DELIVERY	pending agreement	\$ -	\$ (43,295.50)	\$ 43,295.50
418 E. COOLIDGE	pending agreement	\$ -	\$ (363,041.00)	\$ 363,041.00
ACTIVITY DELIVERY	pending agreement	\$ -	\$ (73,004.10)	\$ 36,504.10
WINE STREET	pending agreement	\$ (430,000.00)	\$ -	\$ (430,000.00)
ACTIVITY DELIVERY	pending agreement	\$ -	\$ (40,000.00)	\$ 40,000.00
CHDO OPER - TWD SUPPOR - STANCOY	1298	\$ -	\$ (50,000.00)	\$ 50,000.00
ARCHWAY COMMONS PHASE 2	1202	\$ (1,589,820.00)	\$ (203,001.00)	\$ (1,589,820.00)
522 E GRANDER AVENUE, MODESTO CA	1104	\$ (225,493.00)	\$ (214,503.95)	\$ (11,519.25)
AFFORDABLE HOUSING - HOMEOWNER ASSISTANCE	pending agreement	\$ (345,000.00)	\$ (245,000.00)	\$ (100,000.00)
TOTAL		\$ -	\$ -	\$ 0.00
CHDO SET ASIDE		\$ 670,172.36	\$ 670,172.36	\$ -
FY 2018 CHDO SET ASIDE - GREAT VALLEY - EDWARDS ESTATES	1294	\$ -	\$ (400,000.00)	\$ 400,000.00
FY 2018 CHDO SET ASIDE - ACTIVITY DELIVERY - GREAT VALLEY	1294	\$ -	\$ (40,000.00)	\$ 40,000.00
FY 2018 CHDO SET ASIDE - STANCOY - WINE STREET SUPP. HOUSING	1293	\$ -	\$ (80,000.00)	\$ 80,000.00
FY 2018 CHDO SET ASIDE - ACTIVITY DELIVERY - GREAT VALLEY	1293	\$ -	\$ (80,000.00)	\$ 80,000.00
TOTAL		\$ 670,172.36	\$ 24,838.36	\$ 645,334.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-456**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-19 OPERATING,
CAPITAL AND MULTI-YEAR PROJECT BUDGETS TO RE-ALLOCATE
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND HOME
INVESTMENT PARTNERSHIP FUNDS AS PROPOSED IN THE PROGRAM
YEAR 2018-2019 ANNUAL ACTION PLAN AMENDMENT AND
AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE
NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS
RESOLUTION**

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, on June 12, 2018, by Resolution 2018-239, Council approved the Program Year 2018 Annual Action Plan, and

WHEREAS, certain budgetary transactions are necessary to reallocate funds during the course of the Consolidated Plan cycle when there is a change in allocation priorities, or method of distribution, carrying out new activities with CPD funds, change in purpose, scope, location or beneficiaries of an activity, and

WHEREAS, the Fiscal year 2018-19 budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein to reflect an approved reallocation of funds as set forth in the Integrated Disbursement and Information System (IDIS) reporting system.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is

hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

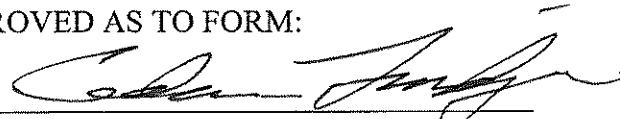
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

Funding/ Program Name	Annual Operating Budget/Activities	Type of Expense/Account	IDIS Activity #	Current Oracle Budget	Revised Budget	Adjustment
CDBG - Direct Program	CED - FY 2018-2019 Direct Program Admin	Services City Forces - Interfund	0	\$ 108,373	\$ -	\$ (108,373)
CDBG - Direct Program	CED - FY 2018-2019 Direct Program Admin	CRF Fees	0	\$ 1,500	\$ -	\$ (1,500)
CDBG - Direct Program	CED - FY 2018-2019 Direct Program Admin	Services City Forces - Interfund	0	\$ 65,647	\$ -	\$ (65,647)
CDBG - Direct Program	CED - FY 2018-2019 CDBG Administration	ISF - Property Insurance	0	\$ 604	\$ -	\$ (604)
CDBG - Direct Program	CED - 2018 Housing Rehab Administration	Services City Forces - Interfund	0	\$ 10,325	\$ -	\$ (10,325)
CDBG - Direct Program	CED - 2018 Housing Rehab Administration	Professional Services	0	\$ 1,788	\$ -	\$ (1,788)
CDBG - Direct Program	CED - Affordable Housing - Owner Occupied Housing Rehab	Direct Grants	1257	\$ 1,848	\$ -	\$ (1,848)
CDBG - Direct Program	CED - Professional Services - Crowdfunding	Professional Services	1250	\$ 448,066	\$ -	\$ (448,066)
CDBG - Direct Program	CED - Water Sewer Connection Program	Direct Loans	1264	\$ 339,477	\$ -	\$ (339,477)
CDBG - Direct Program	CED - Community ID Public Services - CHS Capacity Building & Comm Dev	Direct Grants	1274	\$ -	\$ 47,681	\$ (47,681)
CDBG - Direct Program	CED - FY 2018-2019 CDBG Administration	Training Expenses	1251	\$ -	\$ 2,500	\$ (2,500)
CDBG - Direct Program	CED - FY 2018-2019 CDBG Administration	CRF Fees	1291	\$ -	\$ 1,500	\$ (1,500)
CDBG - Direct Program	CED - FY 2018-2019 CDBG Administration	Services City Forces - Interfund	1291	\$ -	\$ 400,350	\$ (400,350)
CDBG - Direct Program	CED - Professional Services - ADA Ramps and Curbs Cuts	Professional Services	1292	\$ 181,665	\$ -	\$ (181,665)
CDBG - Direct Program	CED - 2018 Housing Rehab Administration	Professional Services	1293	\$ -	\$ 1,788	\$ (1,788)
CDBG - Direct Program	CED - 2018 Housing Rehab Administration	Services City Forces - Interfund	1293	\$ -	\$ 397,210	\$ (397,210)
CDBG - Direct Program	CED - Owner Occupied Housing Rehabilitation	Direct Grants	1298	\$ 180,000	\$ -	\$ (180,000)
CDBG - Direct Program	CED - Owner Occupied Housing Rehabilitation - Mobile Homes	Direct Grants	1319	\$ -	\$ 180,000	\$ (180,000)
CED - ADMIN	CED - HUD Administration	ISF - Property Insurance	0	\$ -	\$ 604	\$ (604)
HOME Partnership Program	CED - FY 2018-2019 HOME Administration	Services City Forces - Interfund	0	\$ 117,591	\$ -	\$ (117,591)
HOME Partnership Program	CED - FY 2018-2019 HOME Administration	Services City Forces - Interfund	1317	\$ -	\$ 157,920	\$ (157,920)

Funding/ Program Name	Multi-Year/Project Budgets	Task/Expenditure Type	IDIS Activity #	Current Oracle Budget	Revised Budget	Adjustment
CDBG - Direct Program	CED - CHDO Operating Support - STANCO	1286 Appr Unit C/Direct Loans	1286	\$ 50,000	\$ 50,000	\$ (5,000)
CDBG - Direct Program	Access Center	EDA/ Eng/Design/Admin	1232	\$ 350,000	\$ 5,360	\$ (344,640)
CDBG - Direct Program	CDFI - Economic Dev Small Business Loans	1233 Appr Unit C/Direct Loans	1233	\$ 250,000	\$ 150,000	\$ (100,000)
CDBG - Direct Program	CED - Affordable Housing Acquisition	1314 Appr Unit C/Direct Grants	1314	\$ -	\$ 886,096	\$ (886,096)
CDBG - Direct Program	CED - Affordable Housing Acquisition Activity Delivery	1314 Appr Unit C/Direct Grants	1314	\$ -	\$ 60,900	\$ (60,900)
RLF - Revolving Loan Fund	RLF FY 18/19 Activity	1298 Appr Unit C/Direct Loans	1298	\$ 505,314	\$ -	\$ (505,314)
RLF - Revolving Loan Fund	RLF Water Sewer Connection Program	1264 Appr Unit C/Direct Loans	1264	\$ -	\$ 339,477	\$ (339,477)
RLF - Revolving Loan Fund	RLF Affordable Housing - Rental Housing Rehab	1297 Appr Unit C/Direct Loans	1297	\$ -	\$ 511,342	\$ (511,342)

Funding/ Program Name	Revenue	Revenue Source	IDIS Activity #	Current Oracle Budget	Revised Budget	Adjustment
CDBG - Direct Program	CED - Professional Services - Crowdfunding	Federal - Housing Urban Development - Current Year	1250	\$ 448,066	\$ -	\$ (448,066)
CDBG - Direct Program	CED - Community ID Public Services - CHS Capacity Building & Comm Dev	Federal - Housing Urban Development - Current Year	1274	\$ 65,000	\$ 47,681	\$ (17,319)
CDBG - Direct Program	CED - Professional Services - ADA Ramps and Curbs Cuts	Federal - Housing Urban Development - Current Year	1292	\$ 181,665	\$ -	\$ (181,665)
CDBG - Direct Program	CED - Affordable Housing Acquisition & Activity Delivery	Federal - Housing Urban Development - Current Year	1314	\$ -	\$ 346,096	\$ (346,096)
CDBG - Direct Program	CED - Owner Occupied Housing Rehabilitation - Mobile Homes	Federal - Housing Urban Development - Current Year	1319	\$ -	\$ 180,000	\$ (180,000)
HOME Partnership Program	CED - FY 2018-2019 HOME Administration (non-activity)	Federal - Housing Urban Development - Current Year	0	\$ -	\$ -	\$ (117,591)
HOME Partnership Program	CED - FY 2018-2019 HOME Administration - Activity 01317	Federal - Housing Urban Development - Current Year	1317	\$ -	\$ 157,920	\$ (157,920)
RLF - Revolving Loan Fund	RLF Water Sewer Connection Program	Federal - Housing Urban Development - Current Year	1264	\$ 339,477	\$ -	\$ (339,477)
RLF - Revolving Loan Fund	RLF Affordable Housing - Rental Housing Rehab	Federal - Housing Urban Development - Current Year	1297	\$ -	\$ 399,477	\$ (399,477)
RLF - Revolving Loan Fund	RLF Affordable Housing - Rental Housing Rehab	Federal - Housing Urban Development - Current Year	1297	\$ -	\$ 511,342	\$ (511,342)
RLF - Revolving Loan Fund	CED - Owner Occupied Housing Rehabilitation	Federal - Housing Urban Development - Current Year	1298	\$ 180,000	\$ 454,671	\$ (274,671)

Project 101143 – Affordable Housing Acquisition
Project 101144 - Affordable Housing – Rental Rehab
Project 101145 – Water/Sewer Connection Program

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-457**

**RESOLUTION AWARDING \$450,000 OF COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS (CDBG) TO THE HOUSING AUTHORITY OF THE
COUNTY OF STANISLAUS, FOR THE REHABILITATION OF 201 E.
COOLIDGE AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE
TO EXECUTE THE AGREEMENTS**

WHEREAS, the City of Modesto receives Community Development Block Grant (CDBG), HOME Investment Partnerships Program and Emergency Solutions Grant funds from the U.S. Department of Housing and Urban Development each year, and

WHEREAS, these funds are allocated through an Annual Action Plan which is reviewed by the Citizens' Housing and Community Development Committee and approved by the City Council, and

WHEREAS, on August 9, 2018, the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the project proposal and funding recommendation to the City Council for review and approval, and

WHEREAS, in February 2017, the HACS became aware of a water leak in one of the tenant units and upon inspection discovered extensive water damage and dry rot to the existing outer walls along the stairwell corridor and to the stairwell headers, and

WHEREAS, in April 2017, the City awarded the project \$397,200 to address the needed repairs, but once work began the additional inspections revealed more extensive repairs would be required, and

WHEREAS, during the initial rehabilitation process HACS discovered extensive water damage and dry rot to the existing outer walls along the stairwell corridors and the stairwell headers, and

WHEREAS, the City of Modesto contribution of \$450,000 will be leveraged with funding totaling \$250,000 from Behavioral Health and Recovery Services, and

WHEREAS, the project would dedicate vouchers to persons who are homeless or at risk of homelessness.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding \$450,000 of Community Development Block Grant funds (CDBG) to the Housing Authority of Stanislaus for the rehabilitation of 201 E. Coolidge.

BE IT FURTHER RESOLVED by the Council of the City of Modesto authorizing the City manager or his designee to execute the agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-458**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR PROJECT BUDGET TO ESTABLISH A NON-CAPITAL PROJECT TO BE FUNDED IN THE AMOUNT OF \$450,000 WITH COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS TO HOUSING AUTHORITY OF STANISLAUS COUNTY (101146) AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$45,000 FOR AN AFFORDABLE HOUSING PROJECT LOCATED AT 201 E. COOLIDGE AVENUE, MODESTO AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, the fiscal year 2018-19 Multi-Year Budget must be amended as outlined in **Exhibit A**, which is incorporated by reference, as certain budgetary transactions are necessary in order to track funding of 201 E Coolidge Project (Project), and

WHEREAS, the Project will be funded with \$450,000 in Community Development Block Funds to the Housing Authority of Stanislaus County and \$45,000 for activity delivery costs.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Multi-Year Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

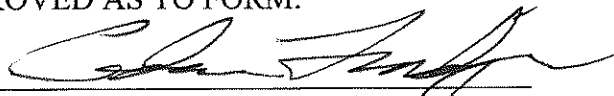
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

IDIS Activity #1315

FUND: 1130
COST CENTER: 14998
PROJECT #: 101146
PROJECT NAME: CED: AFFORDABLE HOUSING – 201 E
COOLIDGE
TASK: 1315 APPR UNIT C
EXPENSE TYPE: DIRECT GRANT
\$450,000

FUND: 1130
COST CENTER: 14998
PROJECT #: 101146
PROJECT NAME: CED: AFFORDABLE HOUSING – 201 E
COOLIDGE
TASK: 1315 APPR UNIT C
EXPENSE TYPE: SERVICE CITY FORCES - INTERFUND
\$45,000

REVENUE:

\$495,000

1130-14015-42030-1315

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-459**

**RESOLUTION AWARDING \$440,000 OF COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS (CDBG) FOR THE MELLIS PARK FACILITIES
IMPROVEMENTS, AND AUTHORIZING THE CITY MANAGER OR HIS
DESIGNEE TO EXECUTE ALL PROJECT RELATED DOCUMENTS AND
AGREEMENTS**

WHEREAS, the City of Modesto receives Community Development Block Grant (CDBG), HOME Investment Partnerships Program and Emergency Solutions Grant funds from the U.S. Department of Housing and Urban Development each year, and

WHEREAS, these funds are allocated through an Annual Action Plan which is reviewed by the Citizens' Housing and Community Development Committee and approved by the City Council, and

WHEREAS, the Community and Economic Development Division is conducting a Substantial Amendment to its Program Year 2018-2019 Annual Action Plan to be submitted to the U.S. Department of Housing and Urban Development; and

WHEREAS, as part of the Program Year 2018-2019 Annual Action Plan Amendment #1, the Mellis Park Project has been included as a new activity; and

WHEREAS, on September 13, 2018, the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the Program Year 2018-2019 Annual Action Plan Amendment #1 and the Mellis Park project proposal and funding recommendation to the City Council for review and approval, and

WHEREAS, in September 2013, the Modesto Parks and Recreation department, in partnership with Disability Access Consultants, conducted an Accessibility Survey of Mellis Park, and

WHEREAS, the survey identified many issues in the park; including issues with the shade structure, ADA related deficiencies throughout the park on concrete walkways, and

WHEREAS, this project, will replace a 30-year wood shade structure, which is in poor condition and becoming a safety hazard, with a metal structure; accompanied by associated concrete and ADA accessibility pathways which need to be repaired throughout the park.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding \$440,000 in Community Development Block Grant funds for Mellis Park Facilities Improvements.

BE IT FURTHER RESOLVED that the City Manager or his designee, is hereby authorized to execute all project related documents and agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

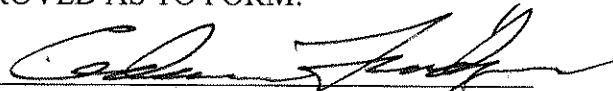
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-460**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL IMPROVEMENT PROJECT BUDGET TO ESTABLISH A CAPITAL PROJECT FOR MELLIS PARK FACILITIES IMPROVEMENTS (101147) IN THE AMOUNT OF \$400,000 WITH COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$40,000 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, the fiscal year 2018-19 Capital Improvement Project Budget must be amended as outlined in **Exhibit A**, which is incorporated by reference, as certain budgetary transactions are necessary in order to track funding of Mellis Park Facilities Improvements Project (Project), and

WHEREAS, the Project will be funded with \$44,000 in Community Development Block Funds for shade structure repairs, ADA related deficiencies throughout the park and eligible activity delivery charges.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-19 Capital Improvement Project Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:


By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

IDIS Activity #1321

FUND: 3170
COST CENTER: 14999
PROJECT #: 101147
PROJECT NAME: CED:
TASK: CON
EXPENSE TYPE: CONSTRUCTION
\$256,600

FUND: 3170
COST CENTER: 14999
PROJECT #: 101147
PROJECT NAME: CED:
TASK: CTGY – CONSTRUCTION CONTINGENCY
EXPENSE TYPE: CONTINGENCY-CIP
\$86,948

FUND: 3170
COST CENTER: 14999
PROJECT #: 101147
PROJECT NAME: CED:
TASK: CA
EXPENSE TYPE: CONSTRUCTION ADMIN
\$30,792

FUND: 3170
COST CENTER: 14999
PROJECT #: 101147
PROJECT NAME: CED:
TASK: EDA-CONTRACT ADMINISTRATION
EXPENSE TYPE: EDA-CONTRACT ADMINISTRATION
\$25,660

FUND: 3170
COST CENTER: 14999
PROJECT #: 101147
PROJECT NAME: CED:
TASK: EDA-ADMINISTRATION (PAYROLL)
EXPENSE TYPE: EDA-ADMINISTRATION
\$40,000

REVENUE:
1130-14015-42030-00000-01321- \$440,000
TRANSFER OUT:
1130-71130-73170-PROJECT # - \$440,000
TRANSFER IN:
3170-399999-41130-PROJECT #- \$440,000

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-461**

**RESOLUTION AWARDING \$627,000 OF COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS (CDBG) FOR THE INSTALLATION OF FIRE
HYDRANTS, AND AUTHORIZING THE CITY MANAGER OF HIS DESIGNEE
TO EXECUTE ALL PROJECT RELATED DOCUMENTS AND AGREEMENTS**

WHEREAS, the City of Modesto receives Community Development Block Grant (CDBG), HOME Investment Partnerships Program and Emergency Solutions Grant funds from the U.S. Department of Housing and Urban Development each year, and

WHEREAS, these funds are allocated through an Annual Action Plan which is reviewed by the Citizens' Housing and Community Development Committee and approved by the City Council, and

WHEREAS, the Community and Economic Development Division is conducting a Substantial Amendment to its Program Year 2018-2019 Annual Action Plan to be submitted to the U.S. Department of Housing and Urban Development; and

WHEREAS, as part of the Program Year 2018-2019 Annual Action Plan Amendment #1, the La Loma Neighborhood Fire Hydrants Project (La Loma Phase 2B Fire Hydrant Install) has been included as a new activity; and

WHEREAS, on September 13, 2018, the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the Program Year 2018-2019 Annual Action Plan Amendment #1 and the La Loma Neighborhood Fire Hydrants project proposal and funding recommendation to the City Council for review and approval, and

WHEREAS, existing water mains within the project area have been recently upsized as part of the La Loma Phase 2B Strengthen & Replace Water Mains Project to meet current City of Modesto Standards within the project area, and

WHEREAS, the new water mains were installed within alleys and some fire hydrants were installed as part of the project, but due to the width of the alleys, some fire hydrants could not be installed in the alley, and

WHEREAS, the La Loma Phase 2B Fire Hydrant Installation Project will install approximately 17 fire hydrants in the La Loma Neighborhood to meet current City Standard spacing requirements, and

WHEREAS, the installation of the hydrants will assist in providing reliability, flow, pressure and the added safety for the La Loma Neighborhood, and

WHEREAS, this project is bounded by Yosemite Avenue to the south, San Juan Drive to the west, Encina Avenue to the north, and El Vista Avenue to the east, and

WHEREAS, this project complies with CDBG program rules as it is located within a low income Census Tract Block Group as defined by the U.S Census Bureau and HUD.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves awarding \$627,000 of Community Development Block Grant funds (CDBG) for the installation of fire hydrants.

BE IT FURTHER RESOLVED that the Council of the City of Modesto authorizes the City Manager of his designee to execute all project related documents and agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

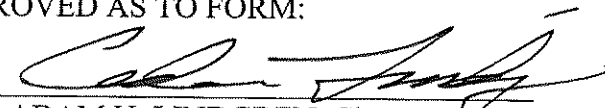
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-462**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL IMPROVEMENT PROJECT BUDGET TO ESTABLISH A CAPITAL PROJECT FOR INSTALLATION OF FIRE HYDRANTS PROJECT IN THE AMOUNT OF \$570,000 (101148) AND ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$57,000, WITH COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, the fiscal year 2018-19 Capital Improvement Project Budget must be amended as outlined in **Exhibit A**, which is incorporated by reference, as certain budgetary transactions are necessary in order to track funding of Public Facility Improvement – La Loma Neighborhood Phase 2B Fire Hydrants Project (Project), and

WHEREAS, the Project will be funded with \$627,000 in Community Development Block Funds for replacing outdated fire hydrants that do not meet city spacing standards for residential neighborhoods and eligible activity delivery charges.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Capital Improvement Project Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 9th day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

IDIS Activity #1320

FUND: 3170
COST CENTER: 14999
PROJECT #: 101148
PROJECT NAME: CED:
TASK: CON
EXPENSE TYPE: CONSTRUCTION
\$465,272

FUND: 3170
COST CENTER: 14999
PROJECT #: 101148
PROJECT NAME: CED:
TASK: CTGY – CONSTRUCTION CONTINGENCY
EXPENSE TYPE: CONTINGENCY-CIP
\$58,201

FUND: 3170
COST CENTER: 14999
PROJECT #: 101148
PROJECT NAME: CED:
TASK: CA
EXPENSE TYPE: CONSTRUCTION ADMIN
\$46,527

FUND: 3170
COST CENTER: 14999
PROJECT #: 101148
PROJECT NAME: CED:
TASK: EDA-ADMINISTRATION (PAYROLL)
EXPENSE TYPE: EDA-ADMINISTRATION (ACTIVITY DELIVERY)
\$57,000

REVENUE:
1130-14015-42030-01320 \$627,000
TRANSFER OUT TO CAPITAL PROJECTS:
1130-71130-73170-PROJECT #- \$627,000
TRANSFER IN TO CAPITAL PROJECTS:
3170-39999-61130-PROJECT #- \$627,000

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-463**

**RESOLUTION APPROVING THE 2019 CITY CALENDAR OF REGULARLY
SCHEDULED CITY COUNCIL AND COUNCIL STANDING COMMITTEE
MEETINGS**

BE IT HEREBY RESOLVED by the Council of the City of Modesto that the 2019 City Council Meeting Calendar, **attached** hereto as **Exhibit "A,"** and the 2019 Council Standing Committee Meeting Calendar **Exhibit "B,"** are hereby approved.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

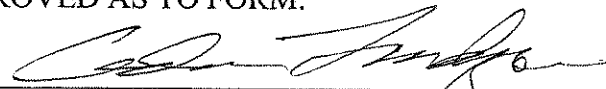
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

City Council Calendar 2019

January 2019

1st CANCELLED*
 8th CANCELLED*
 15th NO MEETING
 22nd Council Meeting (regular)
 29th NO MEETING – 5th Tuesday

July 2019

2nd Council Meeting (regular)
 9th Council Meeting (regular)
 16th NO MEETING
 23rd NO MEETING
 30th NO MEETING

February 2019

5th Council Meeting (regular)
 12th Council Meeting (regular)
 19th NO MEETING
 26th Council Meeting (regular)

August 2019

7th Council Meeting (special)***
 13th Council Meeting (regular)
 20th NO MEETING
 27th NO MEETING

March 2019

5th Council Meeting (regular)
 12th Council Meeting (regular)
 19th NO MEETING
 26th CANCELLED **

September 2019

3rd Council Meeting (regular)
 10th Council Meeting (regular)
 17th NO MEETING
 24th Council Meeting (regular)

April 2019

2nd Council Meeting (regular)
 9th Council Meeting (regular)
 16th NO MEETING
 23rd Council Meeting (regular)
 30th NO MEETING – 5th Tuesday

October 2019

1st Council Meeting (regular)
 8th Council Meeting (regular)
 15th NO MEETING
 22nd Council Meeting (regular)
 29th NO MEETING – 5th Tuesday

May 2019

7th Council Meeting (regular)
 14th Council Meeting (regular)
 21st NO MEETING
 28th Council Meeting (regular)

November 2019

5th Council Meeting (regular)
 12th Council Meeting (regular)
 19th NO MEETING
 26th Council Meeting (regular)

June 2019

4th Council Meeting (regular)
 11th Council Meeting (regular)
 18th NO MEETING
 25th Council Meeting (regular)

December 2019

3rd Council Meeting (regular)
 10th Council Meeting (regular)
 17th CANCELLED per MMC 2-1.01
 24th CANCELLED per MMC 2-1.01
 31st NO MEETING – 5th Tuesday

* January 1st and January 8th due to Winter Break

** March 26th due to Spring Break

*** August 7th Wednesday Meeting due to National Night Out on August 6th

**City of Modesto Council and Standing Committees Calendar
2019 DRAFT**

Exhibit B

JANUARY						
S	M	T	W	T	F	S
		H	2	3	4	5
6		8	9	10	11	12
13	14	15	16	17	18	19
20	H	22	23	24	25	26
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 Council
 Economic Development Committee
 Appointment & Audit Committees - As needed

 Safety & Communities Committee
 Finance Committee

**Meeting dates are subject to change at the request of Council
 Calendar by the City Clerk's Office 9/26/2018*

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-464**

**RESOLUTION APPROVING AN AMENDED AND RESTATED JOINT
POWERS AGREEMENT FOR THE STANISLAUS COUNCIL OF
GOVERNMENTS (STANCOG) AND AUTHORIZING THE CITY MANAGER
OR HIS DESIGNEE, TO EXECUTE THE AMENDED AND RESTATED
AGREEMENT**

WHEREAS, the City of Modesto is a party to the Joint Powers Agreement establishing the Stanislaus Council of Governments dated July 18, 2017 (JPA); and

WHEREAS, on August 15, 2018, the StanCOG Policy Board unanimously approved by Resolution 18-06 an amendment to the JPA and Bylaws; and

WHEREAS, the amendment provided for the Policy Board to designate a Public Transportation Provider representative from among its members in accordance with the Moving Ahead for Progress in the 21st Century Act (Map-21); and

WHEREAS, this member will represent a jurisdiction that operates public transit, either directly or through a contractual arrangement and will serve in a dual capacity as the representative of its jurisdiction as well as the designated representative of the interests of public transportation providers; and

WHEREAS, this member will serve a term consistent with his or her term of office; and

WHEREAS, this member has only one “vote” as the representative of his/her jurisdiction; and

WHEREAS, the corresponding revisions were made to the Bylaws **attached** to the JPA as Amendment “A”; and

WHEREAS, Section 31 of the JPA provides that the JPA may be amended upon ratification by resolution of 75% of the member agencies representing 75% of the

population of the County of Stanislaus as determined by the most recent Decennial Census.

NOW, THEREFORE, BE IT RESOLVED THAT the Council of the City of Modesto, as a party to the JPA, approves the amended and restated Joint Powers Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

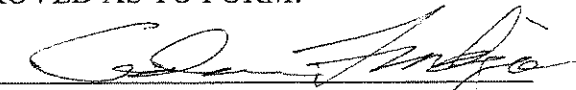
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**AMENDED AND RESTATED JOINT POWERS AGREEMENT ESTABLISHING THE
STANISLAUS COUNCIL OF GOVERNMENTS**

THIS AGREEMENT, made and entered into in the County of Stanislaus, State of California, this ____ day of _____, 201__, is between the Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford, all municipal corporations, and the County of Stanislaus, a political subdivision of the State of California. The municipal corporations are sometimes referred to individually as "City" and collectively as "Cities." The County of Stanislaus is sometimes referred to as "County." The Cities and County are sometimes referred to individually as a "Party" and collectively as "Parties."

WITNESSETH:

1. **RECITALS.**

1.1. **Common Power.** Chapter 5 of Division 7 of Title 1 (Sections 6500, et seq.) of the California Government Code authorizes two (2) or more public agencies, by a joint powers agreement entered into respectively by them and authorized by their legislative or governing bodies, to exercise jointly any power or powers common to the contracting parties.

1.2. **Common Authority.** The City of Modesto, by virtue of its charter, and the Cities of Ceres, Hughson, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford, by virtue of California Government Code Section 65600 through 65604, inclusive, possess in common the authority:

1.2.1. To study, discuss, and develop solutions to area-wide problems of direct concern to the performance of their constitutional and statutory functions and to establish an area planning organization and expend public funds for these purposes.

1.2.2. To do all acts necessary to participate in federal programs and receive federal funds for health, education, welfare, public works, and community improvement activities, including contracting and cooperating with other agencies.

1.3. **Orderly Development.** The people residing within the incorporated and unincorporated areas of Stanislaus County have an interest in the orderly development of their communities.

1.4. **Independent Agency.** The continued growth and extensive development within the incorporated and unincorporated areas of Stanislaus County evidenced a need to create a wholly independent regional agency capable of dealing with area-wide issues and problems.

1.5. Predecessor. The foregoing need led to the creation and establishment of the Stanislaus Area Association of Governments on May 11, 1971, the subsequent approval of a Revised Joint Powers Agreement on May 28, 1974, and a subsequent approval of a Joint Powers Agreement establishing the Stanislaus Council of Governments on June 5, 2001.

1.6. Effects. The establishment of STANISLAUS COUNCIL OF GOVERNMENTS (hereinafter referred to as "StanCOG") has:

1.6.1. Provided a forum to study and develop solutions to area-wide problems of mutual concern to the various governmental entities in Stanislaus County.

1.6.2. Provided efficiency and economy in governmental operations through the cooperation of member governments and the pooling of common resources.

1.6.3. Provided for the establishment of an agency responsible for identifying, planning, and developing solutions to regional problems requiring multijurisdictional cooperation.

1.6.4. Provided for the establishment of an agency capable of developing regional plans and policies and performing area-wide duties.

1.6.5. Facilitated cooperation among and agreement between local governmental bodies for specific purposes, interrelated development actions, and for the adoption of common policies with respect to issues and problems which are common to its members.

1.7. Amendment. The Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford and the County of Stanislaus, at this time, desire to amend that certain joint powers agreement of June 5, 2001, as subsequently amended on December 12, 2007, April 5, 2016 and January 26, 2017 and enter into this Amended and Restated Agreement in order to establish the duties and powers of the STANISLAUS COUNCIL OF GOVERNMENTS.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

2. STATEMENT OF PURPOSE

The member Cities and the County have joined together to establish the Stanislaus Council of Governments for the following purposes:

2.1. Area-Wide Opportunities. A number of opportunities and issues within the area are either area-wide in nature or have area-wide aspects or implications, including, but not limited to transportation, air quality, land use, economic development, job creation, and the reduction of unemployment.

2.2. Need. There is a demonstrated need for the establishment of an organization of the Cities and the County within the area to provide a forum for study and development of recommendations to area-wide problems of mutual interest and concern to the Cities and the County and to facilitate the development of policies and action recommendations for the solution of problems.

2.3. Independent Review. The Cities and the County wish to create an area-wide organization which will independently review and make comments to the member Cities and the County regarding projects which receive state or federal funding.

2.4. Elected Officials. The Cities and the County believe that an area-wide planning organization, governed solely by elected officials from the Cities and the County, with a staff independent of any City or the County, is best suited for area-wide planning and review.

2.5. Area-Wide Problems. The Cities and the County, working together through this organization, can exercise initiative, leadership, and responsibility for solving area-wide problems.

2.6. Allocation of Resources. The Cities and the County share common area-wide problems and issues, and at the same time, have different needs and priorities and are affected in different ways by these common area-wide problems and issues. The resources of StanCOG shall be allocated in a manner so that the needs of any portion of the area are not ignored, recognizing, however, that resources are limited and that not all needs can be met, nor all portions of the area assisted equally at any one time.

3. ESTABLISHMENT OF STANISLAUS COUNCIL OF GOVERNMENTS

3.1. Continued Public Entity. Upon the effective date of this Agreement, the Parties hereto hereby continue the STANISLAUS COUNCIL OF GOVERNMENTS, as a public entity separate and distinct from its member entities, as the agent to exercise the common powers provided for in this Agreement and to administer or otherwise execute this Agreement.

3.2. Continuation of Duties. StanCOG is the successor entity to the Area Association of Governments established in 1971, insofar as its predecessor entity has been designated, and insofar as legally authorized, it shall continue to function, without interruption in its duties, as:

3.2.1. The Local Transportation Authority (LTA) as designated by the Stanislaus County Board of Supervisors, pursuant to the Local Transportation Authority and Improvement Act set forth at California Public Utilities Code Sections 180,000, et seq.

3.2.2. The Area-wide Planning Organization (APO) as designated by the U.S. Department of Housing and Urban Development (HUD);

3.2.3. The Metropolitan Planning Organization (MPO) as designated by the U.S. Department of Transportation; pursuant to Title 23 of United States Code, Section 134 (23 USC 134) and Title 49 of the United States Code, Section 5303(b)(2).

3.2.4. The Regional Transportation Planning Agency (RTPA) as designated by the Secretary of Business and Transportation Agency of the State of California; pursuant to California Government Code Sections 65080, et seq.

3.2.5. The regional planning representative, as designated by the parties hereto, for the purpose of acting upon any appropriate proposals which may be presented to the StanCOG Policy Board of Directors for consideration, or which the StanCOG Policy Board of Directors may elect to take up, and for transmission of proposed recommendations to Federal, State, and local agencies, including, but not limited to the member entities of StanCOG.

3.2.6. The Congestion Management Agency (CMA) as designated by the Stanislaus County Board of Supervisors, pursuant to California Government Code Sections 65088, et seq.

3.2.7. The Abandoned Vehicle Authority (AVA) as designated by the Stanislaus County Board of Supervisors, pursuant to California Vehicle Code, Section 22710(a).

4. COOPERATION

The Parties to this Agreement pledge full cooperation and agree to assign representatives to serve as official members of the StanCOG Policy Board or any committee or subcommittee thereof, which members shall act for and on behalf of their Cities or the County in any and all matters which shall come before StanCOG, subject to any necessary and legal approvals of their acts by the legislative bodies of the Cities and the County.

5. MEMBER AGENCIES.

StanCOG shall be composed of the County of Stanislaus and the Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford, together hereinafter referred to as the Member Agencies.

6. BOARD AND VOTING

6.1. Board. The Stanislaus Council of Governments shall be governed by a Board of Directors, herein referred to as the StanCOG Policy Board, the members of which shall be appointed by the Member Agencies as follows.

6.1.1. Five members of the Board of Supervisors of the County of Stanislaus, with each member having one vote.

6.1.2. Three members from the Modesto City Council, with each member having one vote.

6.1.3. One (1) member from each of the City Councils of Ceres, Hughson, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford (with the Mayor an eligible member), and each member having one (1) vote.

6.1.4. The members of the StanCOG Policy Board shall designate from among their members a "Public Transportation Provider" representative. Such representative shall be a member(s) who represents a jurisdiction that operates public transit, either directly or through a contractual or other arrangement. Member(s) shall serve in a dual capacity as the representative of its jurisdiction as well as a designated representative of the interests of public transportation providers.

6.1.5. A representative or his or her alternate must be present to vote.

6.2. Appointment and Term of Office. Members shall be appointed by the governing body of each Party and shall serve at the pleasure of their appointing body or until their respective successors are appointed. The term of office of each representative and alternate representative, should the alternate be an elected official, shall correspond with his or her term of office on the legislative body he or she represents. If a vacancy occurs, it shall be filled by a new appointment made by the appropriate Member Agency.

6.3. Alternate Representatives. Each Member Agency shall designate at least one alternate representative. Said alternates need not be elected officials of the member, however, the County Chief Executive Officer and the Modesto City Manager are not eligible to be designated as alternates. Members may designate more than one alternate for each representative, as deemed prudent by that member. To be eligible to cast the vote of the member, alternates must be designated, and notice of said designation given to the StanCOG Executive Director, at least twenty-four (24) hours prior to the first meeting at which that alternate is to attend on behalf of the Member Agency's designated Representative.

6.4. Quorum and Majority Requirements. The presence of at least one (1) representative, or in the absence of a representative his or her alternate, from a majority of the Member Agencies, shall constitute a quorum. A quorum shall be necessary for the purpose of conducting official business. A two-thirds majority of those present shall be required to approve all expenditures. For all other business, a majority vote of those present shall be sufficient. A roll call vote shall be conducted at the request of any representative.

6.5. Meeting Time and Place. The Stanislaus Council of Governments shall establish a time and place for regular Policy Board meetings. All meetings shall be conducted in accordance with the Ralph M. Brown Act, California Government Code, section 54950 et seq.

7. EXECUTIVE COMMITTEE

7.1. Executive Committee. The Executive Committee shall consist of five (5) members of the StanCOG Policy Board: Two of the representatives from the County Board of Supervisors, to be appointed by and serve at the pleasure of the County Board of Supervisors; One of the representatives from the City of Modesto, to be appointed by and to serve at the pleasure of the City of Modesto and; Two representatives from among the other cities, said representatives to be chosen each year by the Policy Board members representing the cities other than Modesto. The Chairperson and Vice-Chairperson of the Policy Board shall be ex officio two of the five members of the Executive Committee, representing their respective Member Agencies, and shall serve as the Chairperson and Vice-Chairperson of the Executive Committee.

7.2. Powers of Executive Committee. The Executive Committee shall have such powers as are not inconsistent with this Agreement and as delegated to it by the StanCOG By-laws or the StanCOG Policy Board.

7.3. Alternate Representatives. Each representative of the Member Agency that sits on the Executive Committee shall designate at least one alternate representative in the manner set forth in Section 6.3, except that each alternate shall be a member of the StanCOG Policy Board.

8. MANAGEMENT AND FINANCE COMMITTEE.

8.1. Management and Finance Committee. The Management and Finance Committee shall consist of the Chief Administrative Official for the County of Stanislaus, or his or her designee; and the City Manager/Administrator for the Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford.

8.2. The Management and Finance Committee shall be operated in accordance with the Bylaws of the Policy Board attached hereto as Exhibit A.

9. SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL

9.1. Social Services Transportation Advisory Council. The Social Services Transportation Advisory Council shall consist of the following members who are residents of Stanislaus County:

1. One representative of potential transit users who is 60 years of age or older.
2. One representative of potential transit users who are handicapped.
3. Two representatives of the local social service providers for seniors, including one representative of a social service transportation provider, if one exists.

4. Two representatives of local social service providers for the handicapped, including one representative of a social service transportation provider, if one exists.
5. One representative of a local social service provider for persons of limited means.
6. Two representatives from the local consolidated transportation service agency, designated pursuant to Subdivision (a) of Section 15975 of the Government Code, if one exists, including one representative from an operator, if one exists.
7. Up to two (2) additional representatives, if desired by StanCOG and appointed by the Executive Committee.

9.2. The Social Services Transportation Advisory Council shall be operated in accordance with the Bylaws of the Social Services Transportation Advisory Council attached hereto as Appendix I.

10. CITIZENS ADVISORY COMMITTEE

10.1. Citizens Advisory Committee. The Citizens Advisory Committee shall be comprised of ten (10) residents of Stanislaus County, one (1) from each of the Member Agencies.

10.2. The Citizens Advisory Committee shall be operated in accordance with the Bylaws of the Citizens Advisory Committee attached hereto as Appendix II.

11. BICYCLE / PEDESTRIAN ADVISORY COMMITTEE

11.1. Bicycle / Pedestrian Advisory Committee. The Bicycle/Pedestrian Advisory Committee shall be comprised of ten (10) residents of Stanislaus County, one (1) from each of the Member Agencies.

11.2. The Bicycle / Pedestrian Advisory Committee shall be operated in accordance with the Bylaws of the Bicycle / Pedestrian Advisory Committee attached hereto as Appendix III.

12. VALLEY VISION STANISLAUS STEERING COMMITTEE

12.1. Valley Vision Stanislaus Steering Committee. The Valley Vision Stanislaus Steering Committee shall be comprised of twenty-one (21) residents of Stanislaus County, one (1) from each of the Member Agencies, and one representative from: Citizens Advisory Committee, Policy Board, LAFCO, Health, Agriculture, Environment/Conservation, Economic Development, Building Industry, Transit User/Provider, Education and Environmental Justice.

12.2. The Valley Vision Stanislaus Steering Committee shall be operated in accordance with the Bylaws of the Valley Vision Stanislaus Steering Committee attached hereto as Appendix IV.

13. MEASURE L OVERSIGHT COMMITTEE

13.1. Measure L Oversight Committee. The Measure L Oversight Committee shall be comprised of one representative from each of the following jurisdictions: City of Ceres, City of Hughson, City of Modesto, City of Newman, City of Oakdale, City of Patterson, City of Riverbank, City of Turlock, City of Waterford and Stanislaus County. Members of the Measure L Oversight Committee shall not be members of any other Local Transportation Authority or StanCOG committee(s).

13.2. The Measure L Oversight Committee shall be operated in accordance with the Bylaws of the Measure L Oversight Committee attached hereto as Appendix V.

14. POWERS AND FUNCTIONS

14.1. Specific Functions. The Stanislaus Council of Governments shall have the common power of the Parties hereto to plan, establish, administer, and operate an independent area planning organization and in the exercise of that power the Stanislaus Council of Governments is authorized in its own name to:

14.1.1. Employ an Executive Director as the chief administrative officer of Stanislaus Council of Governments.

14.1.2. Employ agents and employees and contract for professional services.

14.1.3. Make and enter into contracts.

14.1.4. Acquire, hold and convey real and personal property, including the power to acquire property by eminent domain.

14.1.5. Undertake the planning, design, environmental clearance and construction of transportation and other projects.

14.1.6. Cooperate with other agencies, counties and other local public agencies and participate in joint projects as necessary.

14.1.7. Incur debts, obligations and liabilities.

14.1.8. Accept contributions, grants or loans from any public or private agency or individual, or the United States, the State of California or any department, instrumentality, or agency thereof, for the purpose of financing its activities.

14.1.9. Invest money that is not needed for immediate necessities, in the same manner and upon the same conditions as other local entities in accordance with Section 53601 of the California Government Code.

14.1.10. Have appointed members and ex-officio members of the Stanislaus Council of Governments serve without compensation from the Stanislaus Council of Governments, except that members of the StanCOG Policy Board may be reimbursed for all reasonable expenses and costs relating to attendance at Stanislaus Council of Governments meetings or other Stanislaus Council of Governments business.

14.1.11. Sue and be sued, in its own name only, but not in the name or stead of any Member Agency.

14.1.12. Exercise any and all other powers as may be provided for in California Government Code Section 6547.

14.1.13. The Stanislaus Council of Governments is hereby designated by the parties to this Agreement as the regional review agency for the purposes of acting on any appropriate proposals which may be presented to it for consideration, and as the sole regional planning representative for transmission of proposed recommendations to the U.S. Department of Housing and Urban Development or such other agency of the Federal Government or State Government as may be designated to receive such recommendations from the Council, and as the area-wide planning organization (APO) for the County of Stanislaus as such APO is defined in pertinent State and/or Federal directives and regulations.

14.1.14. File, within 30 days of the effective date of this Agreement, a Notice of the Agreement with the office of the California Secretary of State, pursuant to California Government Code, section 6503.5

14.1.15. Do all other acts reasonable and necessary to carry out the purposes of this Agreement.

14.2. Limitation. The powers to be exercised by the Stanislaus Council of Governments are subject to such restrictions upon the manner of exercising such powers as are imposed upon the County in the exercise of similar powers.

14.3. Funds. StanCOG shall be held strictly accountable for all funds received, held and disbursed by it.

15. BYLAWS

15.1. Bylaws. The Bylaws of the Stanislaus Council of Governments shall be those attached to this Agreement marked "Exhibit A" and incorporated herein by reference. Amendments to all or a portion of the Bylaws may be made in the manner prescribed in the Bylaws.

16. EXECUTIVE DIRECTOR

16.1. Powers and Duties. The Executive Director shall be selected by, and shall serve at the pleasure of and upon the terms prescribed by the Stanislaus Council of Governments Policy Board. The powers and duties of the Executive Director are:

16.1.1. To serve as the chief administrative officer of StanCOG and to be responsible to the StanCOG Policy Board for the proper administration of all affairs.

16.1.2. To appoint, supervise, suspend, discipline or remove StanCOG employees subject to those policies and procedures, from time to time, adopted by the StanCOG Policy Board.

16.1.3. To supervise and direct the preparation of the annual budget for the StanCOG and be responsible for its administration after adoption by the StanCOG Policy Board.

16.1.4. To formulate and present to the StanCOG Policy Board plans for StanCOG activities and the means to finance them.

16.1.5. To supervise the planning and implementation of all StanCOG activities.

16.1.6. To attend all meetings of the StanCOG Policy Board and act as the secretary to the StanCOG Policy Board.

16.1.7. To prepare and submit to the StanCOG Policy Board periodic financial reports and, as soon as practicable after the end of each fiscal year, an annual report of the activities of StanCOG for the preceding year.

16.1.8. To have custody and charge of all StanCOG property other than money and securities.

16.1.9. To transmit to the Executive Director's successor all books and records of StanCOG in his or her possession.

16.1.10. To perform such other duties as the StanCOG Policy Board may require in carrying out the policies and directives of the Stanislaus Council of Governments Board.

17. TREASURER

17.1. Treasurer. The StanCOG Finance Director, or his/her designee, shall be the Treasurer of StanCOG.

17.2. Duties. The Treasurer shall:

17.2.1. Receive and receipt all money of StanCOG and place it in a designated financial institution approved by the StanCOG Policy Board to the credit of StanCOG.

17.2.2. Be responsible upon the Treasurer's official bond for the safekeeping and disbursement of all StanCOG money held by the Treasurer.

17.2.3. Pay, when due, out of money of StanCOG, all sums payable on outstanding bonds and coupons of StanCOG.

17.2.4. Pay any sums due from the StanCOG, from the StanCOG funds held by the Treasurer or any portion thereof, upon warrants of the Auditor-Controller designated herein.

17.2.5. Verify and report in writing as soon as possible after the first day of July, October, January, and April of each year to the StanCOG the amounts of monies the Treasurer holds for the StanCOG, the amount of receipts since the Treasurer's last report, and any interest accrued to those funds.

18. AUDITOR-CONTROLLER

18.1. Auditor-Controller. The StanCOG Finance Director, or his/her designee, shall be the Auditor -Controller for StanCOG.

18.2. Duties. The Auditor-Controller shall:

18.2.1. Draw warrants to pay demands against StanCOG when the demands have been approved by the StanCOG Policy Board and/or the StanCOG Executive Director. The Auditor -Controller shall be responsible on his/her official bond for the Auditor-Controller's approval of disbursements of StanCOG money.

18.2.2. Keep and maintain records and books of account on the basis of generally accepted accounting practices. The books of account shall include records of assets, liabilities, and contributions made by each Party to this Agreement.

18.2.3. Make available all the financial records of StanCOG to a certified public accountant or public accountant contracted by StanCOG to make an annual independent audit of the accounts and records of StanCOG. The minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the California Government Code and shall conform to generally accepted auditing standards.

18.3. Approvals. The Executive Director of the StanCOG and the Chairman of StanCOG Policy Board shall together have the power to approve to the auditor demands against StanCOG. The Vice-Chairman of StanCOG Policy Board shall be substituted in the absence or vacancy of either of the above officials.

19. FINANCING

19.1. Allocation of Financing. Each member shall contribute to the financial support of StanCOG. Each city's share of financial support shall be determined by the percentage its population has to the County as a whole. The County's share of financial support shall be determined by the percentage the population of the unincorporated areas of the County have to the County as a whole. Population is to be determined by the latest United States Decennial Census or later California State Department of Finance figures.

19.2. Annual Dues. The Policy Board may provide for annual dues to be paid by each member agency.

19.3. Fiscal Year. The fiscal year of StanCOG shall commence on July 1 of each year and shall terminate on June 30 of the following year. Each member shall deposit its share of financial support with the Treasurer of StanCOG no later than August 1 of each year.

19.4. Support from Member Agencies. A member agency in the exercise of the reasonable discretion of its governing body, may provide support for StanCOG, its staff, and its professional consultants, including providing quarters, janitorial services and maintenance, supplies, printing and duplication, postage, telephone services, transportation services, and the professional and technical assistance as may be agreed upon from time to time by StanCOG and the respective member agencies. All assistance shall be provided on an at-cost basis.

19.5. Other Support and Fees. The Stanislaus Council of Governments shall apply for available state federal, regional, and local support funds, and shall make new and additional applications from time to time as appropriate. If deemed necessary, the Stanislaus Council of Governments Board may also establish and collect filing and processing fees from non-members in connection with matters to be considered by it.

19.6. Measure L. In its role as the Stanislaus County Local Transportation Authority, StanCOG shall be empowered to levy and expend tax revenues authorized in the Stanislaus County Transportation Authority Ordinance #16-01, Measure L: Local Roads First Transportation Funding Measure, and approved as Measure L on November 8, 2016 by the voters of Stanislaus County. This empowerment shall exist so long as Ordinance #16-01, as may be

amended, is in effect and shall terminate when all Ordinance #16-01 taxes have been levied and expended.

20. BOND REQUIREMENTS

20.1. Bond Requirement. The Executive Director and such other persons employed by the Stanislaus Council of Governments as may be designated by the Stanislaus Council of Governments Policy Board, shall file with the Stanislaus Council of Governments Policy Board an official fidelity bond in a penal sum determined by the Stanislaus Council of Governments Board as security for the safekeeping of the Stanislaus Council of Governments' property entrusted to the employee. However, if the Executive Director or other such persons designated are already bonded by another agency, no additional bonding shall be required by this section. Premiums for any bonds required under this section shall be paid by the Stanislaus Council of Governments.

21. PARTIES LIABILITY

21.1. The debts, liabilities, and obligations of StanCOG shall not be debts, liabilities, or obligations of the Parties to this Agreement either singly or collectively.

22. ASSIGNABILITY

22.1. Assignability. With the approval of, and upon the terms agreed upon by, the governing body of each Party to this Agreement, all or any of the rights and property subject to this Agreement may be assigned to further the purpose of this Agreement. Provided, however, no right or property of StanCOG shall be assigned without compliance with all conditions imposed by any state or federal entity from which Stanislaus Council of Governments has received financial assistance.

23. WITHDRAWAL OF A PARTY

23.1. Notice. A Party to this Agreement may, at any time, withdraw from the Stanislaus Council of Governments, following 90 days notice to StanCOG and all other Member Agencies of StanCOG, by resolution of intent to withdraw adopted by the governing board of the withdrawing Party.

23.2. Effect of Withdrawal. Upon the effective date of such withdrawal such member shall cease to be bound by this Agreement, but shall continue to provide financial support through the approved percentage of planning funds provided to StanCOG, as Transportation Planning Agency under the provisions of Section 99233.2 of the Transportation Development Act. StanCOG assets representing any accumulated capital contribution of the withdrawing Party shall remain subject to StanCOG control, depreciation and use without compensation to the withdrawing party until termination of this Agreement and distribution of StanCOG assets.

23.3. Resumption of Membership. Any member agency which has withdrawn from StanCOG in accordance with the provisions of this Section 21 may resume its membership upon thirty (30) days' written notice to the then members, which notice may be waived by a majority vote of the StanCOG Policy Board.

24. TERMINATION AND DISSOLUTION

24.1. No Specific Term. This Agreement shall continue in force without specific term.

24.2. Termination. If, at any time, those Cities and County which are members of StanCOG contain less than 55% of the population residing within the area of Stanislaus County, based upon the latest available population estimates by the California Department of Finance, and there are less than a majority of local governments remaining as Member Agencies of StanCOG, StanCOG shall be deemed disestablished and this Agreement shall cease to be operative except for the purpose of payment of any obligations theretofore incurred.

24.3. Distribution of Assets. If this Agreement is terminated, all real and personal property owned by StanCOG shall be distributed to the Federal, State, or local funding agency or party to this Agreement that supplied the property or whose funding provided for the acquisition of the property unless other distribution is provided by law. Should the origin of any real or personal property be undeterminable, that property shall be disbursed to the Parties to this Agreement in proportion to the size of the jurisdiction as delineated in the latest California Department of Finance estimate of population.

24.4. Continues in Effect until Distribution. This Agreement shall not terminate until all property has been distributed in accordance with this provision.

25. RETURN OF SURPLUS FUNDS

25.1. Return of Surplus Funds. Upon termination of this Agreement, any surplus money on hand shall be returned, pro rata, to the Federal, State, or local agency or the party to this Agreement that provided the funds.

26. ADDITIONAL MEMBERS

26.1. Additional Members. In addition to the Cities identified in this Agreement, any city within Stanislaus County which may hereafter be incorporated and which desires to participate in the activities of StanCOG may do so by executing this Agreement without the prior approval or ratification of the named Parties to this Agreement and shall thereafter be a Party to this Agreement and be bound by all terms and conditions of this Agreement as of the date it executes this Agreement.

27. SUCCESSORS AND ASSIGNS

27.1. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of any successors to or assigns of the Parties.

28. SEVERABILITY

28.1. Severability. Should any part, term, portion, or provision of this Agreement be finally decided to be in conflict with any law of United States or the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the Agreement which the Member Agencies intended to enter into in the first instance.

29. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which when executed will be deemed to be an original and all of which, taken together, will be deemed to be one and the same instrument.

30. TITLES AND HEADING.

The Section titles and the headings of this Agreement are for convenience only and shall not be used in interpreting this Agreement.

31. EFFECTIVE DATE OF AGREEMENT

31.1. Effective Date. This Agreement shall become effective upon ratification by resolution of the Stanislaus County Board of Supervisors and each of the city councils of the Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford. From and after said date the agreements made establishing the Stanislaus Area Association of Governments dated May 11, 1971 and May 20, 1974, and the Agreement Establishing the Stanislaus Council of Governments dated June 5, 2001, as amended December 12, 2007, April 5, 2016 and January 26, 2017 shall be superseded, replaced and terminated by this Agreement and shall be of no further force and effect.

32. AMENDMENTS

32.1. This Agreement may be amended upon ratification by resolution of 75% of the member agencies representing 75% of the population of the County of Stanislaus as determined by the most recent Decennial Census. For this purpose each incorporated city shall represent those people residing within its city limits and the Stanislaus County Board of Supervisors shall represent those people who reside in the unincorporated areas of the County.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates shown in the respective signature blocks.

STANISLAUS COUNTY BOARD OF SUPERVISORS

By: _____
Jim DeMartini
Chairman

ATTEST:

By: _____
Elizabeth A. King
Clerk of County Board of Supervisors

Approved as to Legal Form:

By: _____
John P. Doering
County Counsel

CITY OF CERES

By: _____
Chris Vierra
Mayor

ATTEST:

By: _____
Diane Nayares-Perez
City Clerk

Approved as to Legal Form:

By: _____
Tom Hallinan
City Attorney

CITY OF HUGHSON

By: _____
Jeramy Young
Mayor

ATTEST:

By: _____
Ashton Gose
Deputy City Clerk

Approved as to Legal Form:

By: _____
Daniel J. Schroeder
City Attorney

CITY OF MODESTO

By: _____
Ted Brandvold
Mayor

ATTEST:

By: _____
Stephanie Lopez
City Clerk

Approved as to Legal Form:

By: _____
Adam U. Lindgren
City Attorney

CITY OF NEWMAN

By: _____
Bob Martina
Mayor

ATTEST:

By: _____
Mike Maier
City Clerk

Approved as to Legal Form:

By: _____
Nubia Goldstein
City Attorney

CITY OF OAKDALE

By: _____
Pat Paul
Mayor

ATTEST:

By: _____
Kathy Teixeira, CMC
City Clerk

Approved as to Legal Form:

By: _____
Tom Hallinan
City Attorney

CITY OF PATTERSON

By: _____
Deborah M. Novelli
Mayor

ATTEST:

By: _____
Maricela Vela
City Clerk

Approved as to Legal Form:

By: _____
Tom Hallinan
City Attorney

CITY OF RIVERBANK

By: _____
Richard D. O'Brien
Mayor

ATTEST:

By: _____
Annabelle H. Aguilar, CMC
City Clerk

Approved as to Legal Form:

By: _____
Tom Hallinan
City Attorney

CITY OF TURLOCK

By: _____
Gary Soiseth
Mayor

ATTEST:

By: _____
Jennifer Land
City Clerk

Approved as to Legal Form:

By: _____
Jose M. Sanchez
Interim City Attorney

CITY OF WATERFORD

By: _____
Michael Van Winkle
Mayor

ATTEST:

By: _____
Miranda Lutzow
City Clerk

Approved as to Legal Form:

By: _____
Corbett J. Browning
City Attorney

EXHIBIT "A"

**STANISLAUS COUNCIL OF GOVERNMENTS
AMENDED AND RESTATED BYLAWS**

RECITALS:

WHEREAS, it is deemed prudent to amend and restate the Bylaws of The Stanislaus Council of Governments. These Amended Bylaws, dated _____, shall supersede the previous Bylaws as amended April 10, 1974; July 10, 1974; November 10, 1976; December 12, 2007; April 5, 2016; and January 26, 2017.

**ARTICLE I
NAME**

This joint powers agency shall be known as the STANISLAUS COUNCIL OF GOVERNMENTS ("StanCOG") and shall exercise its powers within the geographical area of the County of Stanislaus as set forth in the joint powers agreement entered into by the County and the Cities ("Party or collectively "Parties") establishing StanCOG.

**ARTICLE II
MEETINGS**

Section 1: Regular and Special Meetings.

A. The StanCOG Policy Board shall hold a regular meeting on the third Wednesday of each month, at 6:00 p.m., or at a time, specified by the StanCOG Policy Board. Such regular meetings shall be for considering reports of the affairs of StanCOG and for transacting such other business as may be properly brought before the meeting. Any regular meeting may be rescheduled on an individual basis as to date, time and place, by motion of the StanCOG Policy Board, in the event of a conflict with holidays, Director's schedules, or similar matters, or, in the event of a lack of a quorum, as specified below. Notice of regular meetings shall be given to each representative and alternate representative at least ten (10) days prior to each meeting.

B. Special meetings may be called in accordance with the California Ralph M. Brown Act. Special meetings may be called by the Chairperson. No business except that specified in the notice shall be discussed at a special meeting.

C. All meetings shall be conducted in accordance with the Ralph M. Brown Act.

Section 2: Closed Sessions.

A. All information presented in closed session shall be confidential. Ex-Officio non-voting members shall not be permitted to attend closed sessions.

B. Under Government Code Section 54956.96, StanCOG adopts a joint powers agency limited disclosure policy as follows:

1. All information received by the legislative body of the local agency member in a closed session related to the information presented to StanCOG in closed session shall be confidential. However, a member of the legislative body of a member local agency may disclose information obtained in a closed session that has directed financial or liability implications for that local agency to the following individuals:

a) Legal counsel of that member local agency for purposes of obtaining advise on whether the matter has direct financial or liability implications for that member local agency.

b) Other members of the legislative body of the local agency present in a closed session of that member local agency.

2. Any designated alternate member of the legislative body of the joint powers agency who is also a member of the legislative body of a local agency member and who is attending a properly noticed meeting of the joint powers agency in lieu of a local agency member's regularly appointed member to attend closed sessions of the joint powers agency.

Section 3: Cancellation of Meetings.

The StanCOG Executive Director or the Chairperson of the StanCOG Policy Board may cancel any regular or special meeting of StanCOG except upon objection by any representative.

Section 4: Notice of Meetings.

A. Notice of regular meetings shall be in accordance with the Ralph M. Brown Act. The StanCOG Executive Director or the Chairperson of the StanCOG Policy Board shall direct the publication of notices of all meetings, public hearings, etc., as required by the California Government Code. Such notices shall specify the place, the day, and the hour of the meeting and accompanying the notice shall be a copy of the agenda for that meeting.

B. In the case of special meetings, the written notice shall specify the specific nature of the business to be transacted and shall be in accordance with the Ralph M. Brown Act.

Section 5: Committee Meetings.

Except as herein or otherwise provided, the Standing Committees of StanCOG shall meet on the call of their Chairperson. Notice of committee meetings shall be in accordance with the Ralph M. Brown Act.

Section 6. Quorum.

A quorum for conducting all matters of business shall be the presence of at least one (1) representative, or the alternate, from a majority of the Member Agencies. A two-thirds majority of those present shall be required to approve all expenditures.

Section 7. Voting.

A. Voting shall only be conducted at properly noticed meetings where a quorum has been established and members are physically present, except as provided in Government Code Section 54953 for teleconferencing.

B. Voting shall be by voice, show of hands, or roll call vote. Any Director may request a roll call vote.

C. In all cases, a vote to "abstain" shall be counted as an "aye" vote unless there is a majority vote to defeat the motion and then the vote to abstain shall be counted as a "no" vote.

Section 8: Lack of a Quorum.

A. If less than a quorum of the Directors are present at any properly called regular, adjourned regular, special, or adjourned special meeting, the member(s) who are present may adjourn the meeting to a time and place specified in the order of adjournment. A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the meeting was to have been held within 24 hours after adjournment.

B. If all the members are absent from any regular or adjourned regular meeting, the Executive Director may so adjourn the meeting and post the order or notice of adjournment as provided, and additionally shall cause a written notice of the adjournment to be given in the same manner as for a notice of a special meeting.

C. If the notice or order of adjournment fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for the regular meeting of StanCOG.

Section 9. Agenda.

Any Director or the Executive Director may cause an item to be placed on the agenda.

Section 10. Adjournment.

Except as provided in Section 8 above, a meeting may be adjourned by the presiding officer's own action; however, any Director may object to such adjournment by the presiding officer and then a motion and action is required in order to adjourn the meeting in accordance with Robert's Rules of Order.

ARTICLE III
CONDUCT OF MEETINGS

Section 1: General Conduct.

Except as herein or otherwise provided, ROBERTS RULES OF ORDER shall govern all proceedings of StanCOG. In any event, all proceedings and conduct of the meetings shall be in full compliance with the State of California Government Code.

Section 2. Decorum

All Directors, and staff, shall conduct themselves in accordance with Robert's Rules of Order and in a civil and polite manner toward other board members, employees, and the public. Using derogatory names, interrupting the speaker having the floor, or being disorderly or disruptive, are prohibited actions. If any meeting is willfully interrupted by any individual so as to render the orderly conduct of that meeting infeasible, that individual may be removed from the meeting. If any group or groups of persons willfully interrupts a meeting so as to render the orderly conduct of that meeting infeasible, the presiding officer, or a majority of the Policy Board, may clear the meeting room in accordance with Government Code Section 54957.9.

Section 3: Voting Authorization.

All votes shall be cast by the person or persons authorized to do so by the member which they represent. Such authorization shall be made known to the Executive Director of StanCOG at least twenty-four hours prior to the meeting. No proxy, absentee, or fractional votes may be cast.

ARTICLE IV
EXECUTIVE SESSIONS

Section 1: Executive Sessions.

Executive sessions shall be held in conformance with the Government Code of the State of California.

ARTICLE V
OFFICERS

Section 1: Chair.

A. The representatives of StanCOG shall elect from among their members a Chair of the Policy Board. The Chair shall serve a one-year term of office beginning at the first regular meeting of each calendar year. The Chair may serve more than one (1) term if re-elected by the Policy Board.

B. The Chair shall preside at all meetings of the Policy Board and such other meetings approved by the Policy Board.

C. The Chair shall serve as the official spokesperson for the Policy Board.

D. The Chair shall appoint such committees and other working groups as prescribed by the Policy Board.

E. The Chair shall designate Directors or others to represent the Policy Board at various meetings, hearings, and conferences.

F. The Chair shall perform such other duties as necessary to carry out the work of the Policy Board or as prescribed by law.

Section 2: Vice-Chair.

A. The representatives of StanCOG shall elect from among their members a Vice-Chair of the Policy Board. The Vice-Chair shall serve a one-year term of office beginning at the first regular meeting in each calendar year. The Vice-Chair may serve more than one (1) term if re-elected by the Policy Board.

B. The Vice-Chair shall act in the place of and have all the powers and duties of the Chair in the absence of the Chair.

Section 3: Public Transportation Provider Representation

A. The representatives of StanCOG shall designate from among their members a Public Transportation Provider Representative. Such representative shall be a member(s) who represents a jurisdiction that operates public transit, either directly or through a contractual or other arrangement. The member(s) shall serve in a dual capacity as the representative of its jurisdiction as well as a designated representative of the interests of public transportation providers.

B. The Public Transportation Representative shall serve a term of office consistent with his or her term of office on the legislative body he or she represents provided the

jurisdiction continues to operate public transit. Should the jurisdiction cease to operate public transit, either directly or through a contractual or other arrangement, or the member's term of office ends, a vacancy occurs and it shall be filled by a new designation from among the representatives of StanCOG.

Section 4: Absences.

In the absence of both the Chair and the Vice-Chair, a majority of the Policy Board shall select a Director to serve as Chair Pro Tem.

Section 5: Secretary.

The Executive Director shall serve as the Secretary of the StanCOG Policy Board. The Secretary shall maintain a public record of the Policy Board's resolutions, transactions, findings, and determinations, and shall prepare agendas and minutes of each Regular and Special meeting of StanCOG.

Section 6: Vacancy.

Upon a vacancy occurring in the office of the Chair, the Vice-Chair shall assume the office of Chair for the balance of the unexpired term. Upon a vacancy occurring in the office of the Vice-Chair the representatives shall elect, from among their members, a Vice-Chair to serve the balance of the unexpired term.

ARTICLE VI
COMMITTEES

Section 1: Standing Committees.

The Standing Committees of StanCOG shall be:

A. Executive Committee.

The Executive Committee shall consist of five (5) members of the StanCOG Policy Board: Two of the representatives from the Stanislaus County Board of Supervisors, to be appointed by and serve at the pleasure of the Stanislaus County Board of Supervisors; One of the representatives from the City of Modesto, to be appointed by and to serve at the pleasure of the City of Modesto City Council, and; Two representatives from among the other Cities, said representatives to be chosen each year by the Policy Board members representing the cities other than Modesto, and serve at the pleasure of these other cities. The Chairperson and Vice-Chairperson of the Policy Board shall be ex officio two of the five members of the Executive Committee, representing their respective Member Agencies, and shall serve as the Chairperson and Vice-Chairperson of the Executive Committee.

The Executive Committee shall be operated in accordance with the Bylaws of the Policy Board.

B. Management and Finance Committee.

The Management and Finance Committee shall consist of the Chief Administrative Official for the County of Stanislaus, or his or her designee; and the City Manager/Administrator for the Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, and Waterford.

The Management and Finance committee shall be operated in accordance with the Bylaws of the Policy Board.

C. Social Services Transportation Advisory Council.

The Social Services Transportation Advisory Council shall consist of the following members who are residents of Stanislaus County:

1. One representative of potential transit users who is 60 years of age or older.
2. One representative of potential transit users who is handicapped.
3. Two representatives of the local social service providers for seniors, including one representative of a social service transportation provider, if one exists.
4. Two representatives of local social service providers for the handicapped, including one representative of a social service transportation provider, if one exists.
5. One representative of a local social service provider for persons of limited means.
6. Two representatives from the local consolidated transportation service agency, designated pursuant to Subdivision (a) of Section 15975 of the Government Code, if one exists, including one representative from an operator, if one exists.
7. Up to two (2) additional representatives, if desired by StanCOG and appointed by the Executive Committee.

The Social Services Transportation Advisory Committee shall be operated in accordance with the Bylaws of the Social Services Transportation Advisory Committee.

D. Citizens Advisory Committee.

The Citizens Advisory Committee shall be comprised of ten (10) residents of Stanislaus County, one (1) from each of the Member Agencies.

The Citizens Advisory Council shall be operated in accordance the Bylaws of the Citizens Advisory Council.

E. Bicycle / Pedestrian Advisory Committee .

The Bicycle/Pedestrian Advisory Committee shall be comprised of ten (10) residents of Stanislaus County, one (1) from each of the Member Agencies.

The Bicycle/Pedestrian Advisory Committee shall be operated in accordance with the Bylaws of the Bicycle/Pedestrian Advisory Committee.

F. Valley Vision Stanislaus Steering Committee.

The Valley Vision Stanislaus Steering Committee shall be comprised of up to twenty-one (21) members which shall consist of Tier I and Tier II members as follows:

Tier I Members: One representative (Planning Director or his/her designee) from each of the ten (10) Member Agencies (Cities of Ceres, Hughson, Modesto, Newman, Oakdale, Patterson, Riverbank, Turlock, Waterford, and Stanislaus County); one (1) representative (Executive Officer or his/her designee) from LAFCO; one (1) representative from the Policy Board.

Tier II Members: One representative may be appointed as needed from each of the following: Citizens Advisory Committee, Health Industry, Agriculture Industry, Environment/Conservation, Economic Development, Building Industry, Transit User/Provider, Education and Environmental Justice.

The Valley Vision Stanislaus Steering Committee shall be operated in accordance with the Bylaws of the Valley Vision Stanislaus Steering Committee.

G. Measure L Oversight Committee.

Measure L Oversight Committee. The Measure L Oversight Committee shall be comprised of one representative from each of the following jurisdictions: City of Ceres, City of Hughson, City of Modesto, City of Newman, City of Oakdale, City of Patterson, City of Riverbank, City of Turlock, City of Waterford and Stanislaus County. Members of the Measure L Oversight Committee shall not be members of any other Local Transportation Authority or StanCOG committee(s).

The Measure L Oversight Committee shall be operated in accordance with the Bylaws of the Measure L Oversight Committee attached hereto as Appendix V.

Section 2: Special Committees.

The Chair of the Policy Board or Directors may appoint additional committees as may be necessary or desirable.

ARTICLE VII
FINANCIAL DETERMINATIONS

Section 1: Withdrawal.

A member of StanCOG that withdraws from StanCOG shall not have its financial contribution refunded.

Section 2: Newly Incorporated Cities.

Any newly incorporated city which becomes a member of StanCOG after the commencement of a fiscal year shall not be required to contribute financially to StanCOG until the subsequent fiscal year, providing that the said newly incorporated city becomes a member of StanCOG within one (1) year of its incorporation date.

Section 3: Other Political Entities.

Any other political entity which becomes a member of StanCOG after the commencement of a fiscal year shall contribute to StanCOG that amount which it would have contributed had it been a member at the commencement of the fiscal year.

ARTICLE VIII
REFERRALS

StanCOG may accept by letter or resolution referrals for study and report from any duly constituted advisory or legislative body or their representatives. Reports will be made and returned to the referring body within a reasonable time.

ARTICLE IX
REPORTS

StanCOG shall render a written report on its activities at the end of each fiscal year of operation to each legislative body which is a Member Agency of StanCOG.

ARTICLE X
INITIATIVE

StanCOG may, upon its own initiative, institute action to carry out any routine or special study or project.

ARTICLE XI
COORDINATION

It is the policy of StanCOG to establish technical and advisory liaison with all other agencies and bodies seeking to improve the quality of planning, health, safety, welfare and governmental services for the Stanislaus Regional Area.

ARTICLE XII
TRANSMITTAL OF PLANNING INFORMATION

StanCOG hereby approves as a regular operating procedure the transmittal of planning information to the individual Boards of Supervisors, City Councils, County and City Planning Commissions, the California State Office of Planning, and any other duly constituted regional area, metropolitan, or other Planning Commission which may request in writing such information.

ARTICLE XIII
AMENDMENTS

Section 1: These Bylaws may be amended by a two-thirds vote of those representatives voting at a Regular Meeting of the StanCOG Policy Board.

Section 2: Amendments to these Bylaws may be proposed by any representative of StanCOG.

Section 3: In no case shall a vote on a proposed amendment be conducted unless the proposed amendment has been submitted in writing by the Secretary to the representatives and alternate representatives at least fifteen (15) days prior to the meetings.

APPENDIX I

**STANISLAUS COUNCIL OF GOVERNMENTS
SOCIAL SERVICES TRANSPORTATION ADVISORY COUNCIL**

BYLAWS

ARTICLE I
FUNCTION

Section 1: The Social Services Transportation Advisory Council (SSTAC) shall be a standing committee of the Stanislaus Council of Governments. The Committee shall advise the StanCOG Policy Board and have the following responsibilities:

1. Annually participate in the identification of transit needs in the jurisdiction, including unmet transit needs that may exist within the jurisdiction of the Stanislaus Council of Governments, and that may be reasonable to meet by establishing or contracting for new public transportation or specialized transportation services or by expanding existing services.
2. Annually review and recommend action by StanCOG for the area within StanCOGs jurisdiction which finds by resolution, that:
 - A. there are no unmet transit needs; or
 - B. there are no unmet transit needs that are reasonable to meet; or
 - C. there are unmet transit needs, including needs that are reasonable to meet.
3. Advise StanCOG on any other major transit issues, including the coordination and consolidation of specialized transportation services.

ARTICLE II
MEMBERSHIP

Section 1: The Social Services Transportation Advisory Council shall consist of the following members who are residents of Stanislaus County:

1. One representative of potential transit users who is 60 years of age or older.
2. One representative of potential transit users who is handicapped.

3. Two representatives of the local social service providers for seniors, including one representative of a social service transportation provider, if one exists.
4. Two representatives of local social service providers for the handicapped, including one representative of a social service transportation provider, if one exists.
5. One representative of a local social service provider for persons of limited means.
6. Two representatives from the local consolidated transportation service agency, designated pursuant to Subdivision (a) of Section 15975 of the Government Code, if one exists, including one representative from an operator, if one exists.
7. Up to two (2) additional representatives, if desired by StanCOG and appointed by the Executive Committee.

Section 2: A quorum shall constitute one-half (1/2) plus one (1) of the current membership.

Section 3: Any qualified resident of Stanislaus County may apply for membership on the Social Services Transportation Advisory Council. The Secretary of StanCOG shall maintain a current list of all applicants. Each application for membership on the Social Services Transportation Advisory Council shall be valid for a period of two years. After this time, the applicant's name may be removed from the list of applicants.

Section 4: The Executive Committee of StanCOG shall appoint, from the list of applicants, the members of the Social Services Transportation Advisory Council.

ARTICLE III **TERM OF OFFICE**

Section 1: Of the initial appointments to the Social Services Transportation Advisory Council, one-third of them shall be for a one-year term, one-third shall be for a two-year term, and one-third shall be for a three-year term.

Section 2: Subsequent to the initial appointment, the term of appointment shall be for three years, which may be renewed for additional three-year terms.

ARTICLE IV **MEETINGS**

Section 1: The Policy Board shall establish a regular place and time for meetings of the Social Services Transportation Advisory Council, in consultation of the Committee members.

Section 2: The Executive Director may designate agenda items for any meetings of the Committee. The members of the Committee may also designate agenda items for consideration by the Committee.

ARTICLE V
ATTENDANCE

The members of the Social Services Transportation Advisory Council will be expected to attend the meetings of the Council on a regular basis. Any member of the Council who has three consecutive un-notified absences, four consecutive notified absences, or five absences in any one calendar year, may be dismissed from the Council.

ARTICLE VI
REMOVAL

The Executive Committee of StanCOG may, at any time, recommend the removal of any member of the Social Services Transportation Advisory Council. A majority vote of the members of the Policy Board Executive Committee shall be required to approve any removal.

ARTICLE VII
OFFICERS, RULES, AND PROCEDURES

Section 1: The Social Services Transportation Advisory Council shall elect from among its membership a Chair, and a Vice-Chair. The term of office shall be for one year.

Section 2: The Social Services Transportation Advisory Council shall adopt rules and procedures for its meetings. These rules and procedures shall be subject to approval by the StanCOG Policy Board. The Social Services Transportation Advisory Council shall conduct all proceedings in conformity with Robert's Rules of Order and the Brown Act.

Section 3: All references to "year" shall refer to the StanCOG fiscal year, July 1 through June 30.

ARTICLE VIII
STAFF

The Executive Director of StanCOG, or his or her appointee, shall serve as the Secretary of the Social Services Transportation Advisory Council and shall provide the Social Services Transportation Advisory Council with appropriate staff assistance.

ARTICLE IX
FINANCING

Section 1: Except as specifically provided by the StanCOG Policy Board, the members of the Social Services Transportation Advisory Council shall receive no compensation for their service.

Section 2: The Policy Board shall provide the Committee with the financial support StanCOG deems necessary for the successful functioning of the Social Services Transportation Advisory Council.

ARTICLE X
AMENDMENT OF BYLAWS

Changes or amendments to these Bylaws shall be approved by two-thirds (2/3) of the members of the Social Services Transportation Advisory Council present and voting at a regular meeting of the Social Services Transportation Advisory Council, and shall be subject to the majority approval of the Stanislaus Council of Governments Policy Board members present and voting at a regular meeting of the StanCOG Policy Board. In no case shall a vote on a proposed amendment be conducted unless the said proposed amendment has been submitted in writing to the members of the Social Services Transportation Advisory Council at least fifteen (15) days prior to the meeting at which a vote is to be taken.

APPENDIX II

**STANISLAUS COUNCIL OF GOVERNMENTS
CITIZENS ADVISORY COMMITTEE BYLAWS**

**ARTICLE I
FUNCTION**

Section 1: The Citizens Advisory Committee (CAC) shall be a standing committee of the Stanislaus Council of Governments. The Committee shall advise the StanCOG Policy Board on matters related to transportation from the public's perception and transportation activities affecting the general public.

**ARTICLE II
MEMBERSHIP**

Section 1: The Citizens Advisory Committee shall be comprised of ten (10) residents of Stanislaus County. A quorum shall constitute one-half (1/2) plus one (1) of the current membership.

Section 2: The ten members of the Committee shall consist of one representative from each of the following jurisdictions:

City of Ceres	City of Hughson
City of Modesto	City of Newman
City of Oakdale	City of Patterson
City of Riverbank	City of Turlock
City of Waterford	Stanislaus County

Section 3: Any resident of Stanislaus County may apply for membership on the Citizens Advisory Committee. The Secretary of StanCOG shall maintain a current list of all applicants. Each application for membership on the Committee shall be valid for a period of two (2) years. After this time, the applicant's name may be removed from the list of applicants.

Section 4: The Policy Board's Executive Committee shall appoint from the list of applicants the members of the Citizens Advisory Committee.

Section 5: When making Citizen's Advisory Committee appointments, the Policy Board's Executive Committee shall attempt to fill vacancies on the Committee by appointing members from an agency or jurisdiction that is not already represented on the Committee. The

Executive Committee shall also consider obtaining a balance of views and a cross-section of county interests.

ARTICLE III
TERM OF OFFICE

Section 1: Each appointment to the Committee shall be for a term of four (4) years.

Section 2: In no case shall any member of the Committee serve on the Committee longer than eight (8) consecutive years.

ARTICLE IV
MEETINGS

Section 1: The Policy Board shall establish a regular place and time for meetings of the committee, in consultation of the Committee members.

Section 2: The Executive Director may designate agenda items for any meetings of the Committee. The members of the Committee may also designate agenda items for consideration by the Committee.

ARTICLE V
ATTENDANCE

The members of the Citizens Advisory Committee will be expected to attend the meetings of the Committee on a regular basis. Any member of the Committee who has three consecutive un-notified absences, four consecutive notified absences, or five absences in any one calendar year, may be dismissed from the Committee.

ARTICLE VI
REMOVAL

The Executive Committee may, at any time, recommend the removal of any member of the Citizens Advisory Committee. A majority vote of the members of the Policy Board Executive Committee shall be required to approve any removal.

ARTICLE VII
OFFICERS, RULES, AND PROCEDURES

Section 1: The Citizens Advisory Committee shall elect from among its membership a Chair, and a Vice-Chair. The term of office shall be one year.

Section 2: The Citizens Advisory Committee shall adopt rules and procedures for its meetings. These rules and procedures shall be subject to approval by the StanCOG Policy Board.

The Committee shall conduct all proceedings in conformity with Robert's Rules of Order and the Brown Act.

Section 3: All references to "year" shall refer to the StanCOG fiscal year, July 1 through June 30.

ARTICLE VIII STAFF

The Executive Director of StanCOG, or his or her appointee, shall serve as the Secretary of the Citizens Advisory Committee and shall provide the Committee with appropriate staff assistance.

ARTICLE IX FINANCING

Section 1: Except as specifically provided by the Policy Board, the members of the Citizens Advisory Committee shall receive no compensation for their service.

Section 2: The Policy Board shall provide the Committee with the financial support deemed necessary for the successful functioning of the Committee.

ARTICLE X AMENDMENT OF BYLAWS

Changes or amendments to these Bylaws shall be approved by two-thirds (2/3) of the members of the Committee present and voting at a regular meeting of the Committee, and shall be subject to the majority approval of the Stanislaus Council of Governments Policy Board members voting at a regular meeting of the StanCOG Policy Board. In no case shall a vote on a proposed amendment be conducted unless the proposed amendment has been submitted in writing to the members of the committee at least fifteen (15) days prior to the meeting at which a vote is to be taken.

APPENDIX III

**STANISLAUS COUNCIL OF GOVERNMENTS
BICYCLE AND PEDESTRIAN ADVISORY COMMITTEE BYLAWS**

ARTICLE I
FUNCTION

The Bicycle and Pedestrian Advisory Committee (BPAC) shall be a standing committee of the Stanislaus Council of Governments. The Committee shall advise the StanCOG Policy Board on all matters related to bicycle and pedestrian needs or concerns and advise on the development of StanCOG's Non-motorized Transportation Plan.

ARTICLE II
MEMBERSHIP

Section 1: The Bicycle and Pedestrian Advisory Committee shall be comprised of ten (10) residents of Stanislaus County. A quorum shall constitute one-half (1/2) plus one (1) of the current membership.

Section 2: The ten members of the Committee shall consist of one representative from each of the following jurisdictions:

City of Ceres	City of Hughson
City of Modesto	City of Newman
City of Oakdale	City of Patterson
City of Riverbank	City of Turlock
City of Waterford	Stanislaus County

Section 3: Any resident of Stanislaus County may apply for membership on the Bicycle and Pedestrian Advisory Committee. The Secretary of StanCOG shall maintain a current list of all applicants. Each application for membership on the Committee shall be valid for a period of two (2) years. After this time, the applicant's name may be removed from the list of applicants.

Section 4: The Policy Board's Executive Committee shall appoint from the list of applicants the members of the Bicycle and Pedestrian Advisory Committee.

Section 5: When making Bicycle and Pedestrian Advisory Committee appointments, the Policy Board's Executive Committee shall attempt to fill vacancies on the Committee by appointing members from an agency or jurisdiction that is not already represented on the Committee. The Executive Committee shall also consider obtaining a balance of views and a cross-section of county interests.

Section 6: The following agencies are invited to have members attend meetings of the BPAC and share their expertise, as non-voting members.

- Various City agencies having an interest in non-motorized transportation
- Stanislaus County [Department of Public Works, Traffic Engineering, or related departments]
- California Department of Transportation [CalTrans]
- Stanislaus County-based bicycling or pedestrian organizations

Section 7: Any appointment term shall commence as of the date of appointment.

ARTICLE III **TERM OF OFFICE**

Section 1: Each appointment to the Committee shall be for a term of four (4) years.

Section 2: In no case shall any member of the Committee serve on the Committee longer than eight (8) consecutive years.

ARTICLE IV **MEETINGS**

Section 1: The Policy Board shall establish a regular place and time for meetings of the Committee, in consultation of the Committee members.

Section 2: The Executive Director may designate agenda items for any meetings of the Committee. The members of the Committee may also designate agenda items for consideration by the Committee.

ARTICLE V **ATTENDANCE**

The members of the Bicycle and Pedestrian Advisory Committee are expected to attend the meetings of the Committee on a regular basis. Any member of the Committee who has three consecutive un-notified absences, four consecutive notified absences, or five absences in any one calendar year may be dismissed from the Committee.

ARTICLE VI **REMOVAL**

The Policy Board Executive Committee may, at any time, recommend the removal of any member of the Bicycle and Pedestrian Advisory Committee. A majority vote of the members of the Policy Board Executive Committee shall be required to approve any removal.

ARTICLE VII
OFFICERS, RULES, AND PROCEDURES

Section 1: The BPAC shall elect from among its membership a Chair, and a Vice-Chair. The term of office for each shall be one year.

Section 2: The BPAC shall adopt rules and procedures for its meetings. These rules and procedures shall be subject to approval by the StanCOG Policy Board. The Committee shall conduct all proceedings in conformity with Robert's Rules of Order and the Brown Act.

Section 3: All references to "year" shall refer to the California fiscal year, July 1 through June 30.

ARTICLE VIII
STAFF

The Executive Director of StanCOG, or his or her appointee, shall serve as the Secretary of the Bicycle and Pedestrian Advisory Committee and shall provide the Committee with appropriate staff assistance.

ARTICLE IX
FINANCING

Section 1: Except as specifically provided by the Policy Board, the members of the Bicycle and Pedestrian Advisory Committee shall receive no compensation for their service.

Section 2: The Policy Board shall provide the BPAC with the financial support deemed necessary for the successful functioning of the Committee.

ARTICLE X
AMENDMENT OF BYLAWS

Changes or amendments to these Bylaws shall be approved by two-thirds (2/3) of the members of the BPAC voting at a regular meeting of the Committee, and shall be subject to the majority approval of the Stanislaus Council of Governments Policy Board members voting at a regular meeting of the StanCOG Policy Board. In no case shall a vote on a proposed amendment be conducted unless the proposed amendment has been submitted, in writing, to the members of the BPAC at least fifteen (15) days prior to the meeting at which a vote is to be taken.

APPENDIX IV

STANISLAUS COUNCIL OF GOVERNMENTS

VALLEY VISION STANISLAUS STEERING COMMITTEE BYLAWS

ARTICLE I
FUNCTION

The Valley Vision Stanislaus Steering Committee (VVS) shall be a standing committee of the Stanislaus Council of Governments. The Committee shall advise the StanCOG Policy Board on issues related to the development of the Sustainable Communities Strategy (SCS) as part of the Regional Transportation Plan (RTP).

ARTICLE II
MEMBERSHIP

Section 1: The Valley Vision Stanislaus Steering Committee shall be comprised of up to twenty-one (21) members. A quorum shall consist of one-half (1/2) plus one (1) of the current membership.

Section 2: The twenty-one (21) members of the Committee shall consist of Tier I and Tier II members.

Tier I Members:

One representative (Planning Director or his/her designee) from each of the 10 Member Agencies:

City of Ceres	City of Hughson
City of Modesto	City of Newman
City of Oakdale	City of Patterson
City of Riverbank	City of Turlock
City of Waterford	Stanislaus County

One representative (Executive Director or his/her designee) from LAFCO

One representative from the Policy Board

Tier II Members:

One representative may be appointed as needed from each of the following:

- Citizens Advisory Committee
- Health Industry
- Agriculture Industry
- Environment/Conservation
- Economic Development
- Building Industry
- Transit User/Provider
- Education
- Environmental Justice

ARTICLE III **TERM OF OFFICE**

Section 1: Tier I appointments shall not be subject to term restrictions or limits. Each Tier II appointment to the Committee shall be for a term of four (4) years.

Section 2: In no case shall any Tier II member of the Committee serve on the Committee longer than eight (8) consecutive years.

Section 3: Any appointment term shall commence as of the date of appointment.

ARTICLE IV **MEETINGS**

Section 1: The Policy Board shall establish a regular place and time for meetings of the Committee.

Section 2: The Executive Director may designate agenda items for any meetings of the Committee. The members of the Committee may also designate agenda items for consideration by the Committee.

ARTICLE V **ATTENDANCE**

The members of the Valley Vision Stanislaus Steering Committee are expected to attend the meetings of the Committee on a regular basis. Any Tier II member of the Committee who has three consecutive un-notified absences, four consecutive notified absences, or five absences in any one calendar year may be dismissed from the Committee.

ARTICLE VI
REMOVAL

The Policy Board Executive Committee may, at any time, recommend the removal of any Tier II member of the Valley Vision Stanislaus Steering Committee. A majority vote of the members of the Policy Board Executive Committee shall be required to approve any removal.

ARTICLE VII
OFFICERS, RULES, AND PROCEDURES

Section 1: The VVS shall elect from among its membership a Chair, and a Vice-Chair. The term of office for each shall be one year.

Section 2: The VVS shall adopt rules and procedures for its meetings. These rules and procedures shall be subject to approval by the StanCOG Policy Board. The Committee shall conduct all proceedings in conformity with Robert's Rules of Order and the Brown Act.

Section 3: All references to "year" shall refer to the California fiscal year, July 1 through June 30.

ARTICLE VIII
STAFF

The Executive Director of StanCOG, or his or her appointee, shall serve as the Secretary of the Valley Vision Stanislaus Steering Committee and shall provide the Committee with appropriate staff assistance.

ARTICLE IX
FINANCING

Section 1: Except as specifically provided by the Policy Board, the members of the Valley Vision Stanislaus Steering Committee shall receive no compensation for their service.

Section 2: The Policy Board shall provide the VVS with the financial support deemed necessary for the successful functioning of the Committee.

ARTICLE X
AMENDMENT OF BYLAWS

Changes or amendments to these Bylaws shall be approved by two-thirds (2/3) of the members of the VVS voting at a regular meeting of the Committee, and shall be subject to the majority approval of the Stanislaus Council of Governments Policy Board members voting at a regular meeting of the StanCOG Policy Board. In no case shall a vote on a proposed amendment be conducted unless the proposed amendment has been submitted, in writing, to the members of the VVS at least fifteen (15) days prior to the meeting at which a vote is to be taken.

APPENDIX V

**STANISLAUS COUNCIL OF GOVERNMENTS
(ACTING AS THE STANISLAUS COUNTY TRANSPORTATION AUTHORITY)**

MEASURE L OVERSIGHT COMMITTEE BYLAWS

**ARTICLE I
FUNCTION**

Section 1: The Measure L Oversight Committee (MLOC) shall be a standing committee of the Stanislaus Council of Governments acting as the Stanislaus County Transportation Authority. The Committee shall make recommendations to the StanCOG Policy Board and has the following responsibilities:

1. Annually review the independent fiscal audit of the expenditure of the tax funds and issue an annual report on its findings regarding compliance with the requirements of the Expenditure Plan and the Ordinance.
2. Oversight of the proper use of sales tax funds and implementation of the programs and projects set forth in the Expenditure Plan and making recommendations to the Board of the Authority.
3. The Measure L Oversight Committee is not a policy making body.

**ARTICLE II
MEMBERSHIP**

Section 1: The Measure L Oversight Committee shall consist of the following members who are residents of Stanislaus County:

1. One representative appointed by each of the following jurisdictions:
 - City of Ceres
 - City of Hughson
 - City of Modesto
 - City of Newman
 - City of Oakdale
 - City of Patterson
 - City of Riverbank
 - City of Turlock
 - City of Waterford
 - Stanislaus County
2. Members of the Measure L Oversight Committee shall not be members of any other StanCOG or Stanislaus County Transportation Authority Committee.

Section 2: A quorum shall constitute one-half (1/2) plus one (1) of the current membership.

ARTICLE III
TERM OF OFFICE

Section 1: Of the initial appointments to the Measure L Oversight Committee, one-third of them shall be for a three-year term, one-third shall be for a four-year term, and one-third shall be for a five-year term.

Section 2: Subsequent to the initial appointment, the term of appointment shall be for three years, which may be renewed for additional three-year terms.

ARTICLE IV
MEETINGS

Section 1: The Policy Board shall establish a regular place and time for meetings of the committee, in consultation of the Committee members.

Section 2: The Executive Director may designate agenda items for any meetings of the Committee. The members of the Committee may also designate agenda items for consideration by the Committee.

ARTICLE V
ATTENDANCE

The members of the Measure L Oversight Committee will be expected to attend the meetings of the Committee on a regular basis. Any member of the Committee who has three consecutive un-notified absences in any one calendar year, may be dismissed from the Committee.

ARTICLE VI
REMOVAL

The appointing body may, at any time, recommend the removal of any member of the Measure L Oversight Committee.

ARTICLE VII
OFFICERS, RULES, AND PROCEDURES

Section 1: The Measure L Oversight Committee shall elect from among its membership a Chair, and a Vice-Chair. The term of office shall be one year.

Section 2: The Measure L Oversight Committee shall adopt rules and procedures for its meetings. These rules and procedures shall be subject to approval by the StanCOG Policy Board. The Committee shall conduct all proceedings in conformity with Robert's Rules of Order and the Brown Act.

Section 3: All references to "year" shall refer to the StanCOG fiscal year, July 1 through June 30.

ARTICLE VIII **STAFF**

The Executive Director of StanCOG, or his or her appointee, shall serve as the Secretary of the Measure L Oversight Committee and shall provide the Committee with appropriate staff assistance.

ARTICLE IX **FINANCING**

Section 1: Except as specifically provided by the Policy Board, the members of the Measure L Oversight Committee shall receive no compensation for their service.

Section 2: The Policy Board shall provide the Committee with the financial support deemed necessary for the successful functioning of the Committee.

ARTICLE X **AMENDMENT OF BYLAWS**

Changes or amendments to these Bylaws shall be approved by two-thirds (2/3) of the members of the Committee present and voting at a regular meeting of the Committee, and shall be subject to the majority approval of the Stanislaus Council of Governments Policy Board members voting at a regular meeting of the StanCOG Policy Board. In no case shall a vote on a proposed amendment be conducted unless the proposed amendment has been submitted in writing to the members of the committee at least fifteen (15) days prior to the meeting at which a vote is to be taken.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-465**

**RESOLUTION APPROVING THE AMENDMENT OF AN EXTENSION OF
TERMINATION DATE WITH WEST COAST SAND AND GRAVEL, INC.,
MODESTO, CA FOR AN ADDITIONAL TWO ONE-YEAR EXTENSION
OPTIONS FOR THE PURCHASE OF SLURRY ROCK; AND AUTHORIZING
THE PURCHASING MANAGER TO ISSUE THE EXTENDED TERMINATION
DATE TO MAY 2, 2021 APPROVED BY COUNCIL**

WHEREAS, City of Modesto Public Works Department Streets Division purchased a Slurry Truck in 2016 to start an in-house preventative maintenance program which includes applying a slurry treatment to city streets and roadways, and

WHEREAS, on May 3, 2016 the City Council approved Resolution 2016-190 to award the bid for the purchase of slurry rock for the Public Works Department, to West Coast Sand and Gravel, Modesto, CA, for a one-year agreement with two one-year extension options at the sole discretion of the City, for an estimated annual cost of \$388,742, totaling \$1,166,226 over a three year period, and

WHEREAS, Public Works has exercised the one-year extension and still has the opportunity to utilize one additional extension, and

WHEREAS, City staff recommend to add two one-year extension options changing the agreement terms for a one-year agreement with four one-year extension options extending the termination date to May 2, 2021 if all extension options are exercised under this agreement, and

WHEREAS, City staff has only spent about \$365,320 of the agreement and no increase to the agreement will be requested.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of an extension of termination date with West

Coast Sand and Gravel, Inc., Modesto, CA for an additional two one-year extension options for the purchase of slurry rock; and authorizing the Purchasing Manager, to issue the extended termination date to May 2, 2021 approved by Council.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-466**

RESOLUTION APPROVING A TWO YEAR SOLE SOURCE AGREEMENT WITH PAYMENTUS CORPORATION, CHARLOTTE, NC, FOR A PAYMENT GATEWAY AND ONLINE CUSTOMER SERVICE PORTAL FOR UTILITY BILLING AND MISCELLANEOUS ACCOUNTS RECEIVABLES FOR AN ANNUAL COST NOT TO EXCEED \$332,000 WITH THREE ONE-YEAR EXTENSION OPTIONS FOR A TOTAL NOT TO EXCEED \$1,660,000 OVER FIVE YEARS; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the Finance Department, Utility Billing and Accounts Receivable Divisions currently utilize the online application provided through their utility billing software vendor, and

WHEREAS, the current application uses the payment gateway provided by the utility billing software vendor application to securely collect and transfer funds to the City for utility and accounts receivable account payments, and

WHEREAS, the utility billing software vendor has made the business decision to discontinue the payment gateway requiring the City to find an alternate third party payment gateway and/or portal that can provide this service, and

WHEREAS, customers and staff have experienced continued frustration with the current online portal utilized for utility and accounts receivable accounts such as navigational issues, unplanned outages and the inability to provide a PDF of a billing statement online or eBill, and

WHEREAS, Paymentus would replace the existing online application providing both a payment gateway and a full-service, user-friendly online portal for utility billing and accounts receivable while ensuring the highest PCI compliance rating of Level I by the Payment Card Industry Data Security Standards (PCI DSS), and

WHEREAS, the utility billing software vendor has provided documentation to the City that Paymentus is the only vendor able to integrate with their software without requiring additional integration components or costs, using embedded solutions directly within the utility billing software, and

WHEREAS, staff recommends the City enter into a two-year sole source agreement with Paymentus Corporation, Charlotte, NC for a payment gateway and online customer service portal for utility billing and miscellaneous accounts receivables, for an annual cost not to exceed \$332,000 with three (3) one-year extension options for a total not to exceed \$1,660,000 over five years, and

WHEREAS, Modesto Municipal Code Section 8-3.203, generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. However, there are exceptions to the rule set forth in the Modesto Municipal Code. One exception, MMC Section 8-3.204(d), allows for the Purchasing Manager, in his or her discretion, to determine if a process other than the usual formal bid procedure set forth in MMC Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality, and

WHEREAS, the fact that Paymentus is the only vendor who can integrate with the utility billing and accounts receivable software cash receipting system, the sole source award of an agreement to Paymentus Corporation will conform to MMC Section 8-3.204(d), and

WHEREAS, Paymentus is able to match this pricing, incurring no increase to the City for this Service with no charge for development, integration, deployment training or maintenance of the portal.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes a two-year sole source agreement with Paymentus Corporation, Charlotte, NC, for a payment gateway and online customer service portal for utility billing and miscellaneous accounts receivables, for an annual cost not to exceed \$332,000 with three one-year extension options for a total not to exceed \$1,660,000 over five years.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

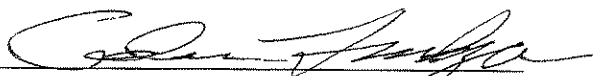
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-467**

RESOLUTION APPROVING AN AMENDMENT TO THE PURCHASING AGREEMENT WITH READYREFRESH, LOUISVILLE, KY, FOR BOTTLED WATER SERVICE TO INCREASE THE AGREEMENT AMOUNT BY \$21,000 FROM \$49,000 TO A NEW TOTAL AMOUNT OF \$70,000 AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the Purchasing Division issued an informal Request for Quotation (RFQ) for the purchase and delivery of Bottled Water service, and

WHEREAS, the Purchasing Division issued RFQ No. 031315 Bottled Water Service to four (4) prospective vendors, two (2) of which were local companies, and

WHEREAS, quotes were reviewed by the Purchasing Manager. Two (2) companies chose to respond, and

WHEREAS, both companies provided responsive and responsible quotes, and

WHEREAS, Nestle Waters North America was awarded Annual Agreement 79941, and

WHEREAS, shortly after award, the company had a name change to ReadyRefresh and issued Annual Agreement 84002, and

WHEREAS, the annual agreement was for a one year term with four one year extension options with the agreement due to expire on May 28, 2019, and

WHEREAS, it was determined that the agreement would exceed the \$50,000 contract limit, and

WHEREAS, in order to ensure continued services to the City, the authorization of the Council is required, and

WHEREAS, based on providing a responsive and responsible quote, City staff

recommends the increase to the agreement for the purchase and delivery of Bottled Water Service.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment to the Purchasing Agreement with ReadyRefresh, Louisville, KY, for Bottled Water Service by \$21,000 from \$49,000 to a new total amount of \$70,000.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to execute the amendment.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-468**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE BUSINESS LICENSING AND TAX COLLECTION SOFTWARE AGREEMENT WITH HDL SOFTWARE, LLC, IN THE AMOUNT OF \$34,133 FOR THE ADDITION OF THE CANNABIS LICENSING AND TAX COLLECTION MODULE, ESTIMATED TRAVEL EXPENSES, CUSTOM REPORTS, FUTURE SOFTWARE MODIFICATIONS AND INCREASED ANNUAL MAINTENANCE USER FEE, FOR A TOTAL REVISED AGREEMENT AMOUNT OF \$206,881 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the Finance Department requires the use of specialized tax collection software to manage approximately \$14 million in General Fund revenues from the City's 13,000 licensed businesses; and

WHEREAS, on August 2, 2017, by Resolution No. 2017-297, Council approved an agreement with HdL Software, LLC, Diamond Bar, CA for a new Business Licensing and Tax Collection Software; and

WHEREAS, on November 7, 2017 the municipal election was held and the Cannabis Business Tax was approved by a majority of the City' voters; and

WHEREAS, effective November 27, 2017, Ordinance No 3672-C.S of the Municipal Code was amended to add the Cannabis Business Tax Article 11, Chapter 2 of Title 8 Finance, Revenue and Taxation; and

WHEREAS, since the Cannabis tax is structured differently than the Business License Mill Tax and has a different tax rate, penalties, interest rate and reporting needs, it requires a separate tax module; and

WHEREAS, this module would be added to the base software to accommodate and support the City's processes to collect the Cannabis taxes and fees; and

WHEREAS, a one-time software, implementation cost not to exceed \$18,170 for

the Cannabis Tax Module; and

WHEREAS, travel expenses will be billed at cost for one on-site visit with an estimated cost of \$550; and

WHEREAS, future custom reports and software modifications costs of \$8,000; and

WHEREAS, on-going user maintenance costs for subsequent years of \$6,334 for 4 additional users licenses; and

WHEREAS, a 3% contingency due to CPI increase for years 4 and 5 for user maintenance costs not to exceed \$1,079; and

WHEREAS, this amendment will increase the agreement by \$34,133; and

WHEREAS, this will be primarily funded by the Cannabis Annual Permit Fee; and

WHEREAS, total cost of the agreement with HdL Software, LLC, will not exceed \$206,881 for the period August 2, 2017 through August 1, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Modesto hereby approves the First Amendment to the Business Licensing and Tax Collection Software Agreement with HdL Software, LLC, in the amount of \$34,133 for the addition of the Cannabis Licensing and Tax Collection Module, estimated travel expenses, custom reports, future software modifications and increased annual Maintenance User Fee, for a total revised agreement amount of \$206,881.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute an amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-469**

RESOLUTION APPROVING AN INCREASE TO PURCHASE ORDER NO. 134219 WITH MCCAIN INC., VISTA, CA, FOR THE PURPOSE OF UPGRADING CONFLICT MONITORS TO ETHERNET CONFLICT MONITORS FOR TRAFFIC SIGNALS UNDER RESOLUTION NO. 2018-57 BY INCREASING THE TOTAL AMOUNT BY \$8,091 FOR A NEW AGREED LUMP SUM OF \$468,661, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE AMENDED PURCHASE ORDER

WHEREAS, on July 5, 2017, by Resolution No. 2017-269, Council approved Measure L projects which included the purchase of purchase 2070 LX traffic signal controllers with OMNI software, 2010 Conflict Monitors, Timing conversions, and

WHEREAS, purchase of this equipment is the first step in making our traffic signal network ready for future autonomous vehicles, and

WHEREAS, on February 6, 2018, by Resolution No. 2018-57, Council approved a sole source purchase of 2070 LX traffic signal controllers, OMNI software, 2010 conflict monitors, timing conversions, and Transparency Software from McCain Inc., Vista, CA with a one year Service Agreement in the amount of \$460,570 for the modernization of our Advanced Traffic Management System (ATMS), and

WHEREAS, approximately 120 2010ECL conflict monitors were ordered from McCain, and

WHEREAS, July 25, 2018, staff received partial shipment of approximately 90 2010ECL conflict monitors and noticed they did not have an Ethernet port to transmit data, and

WHEREAS, Staff put a hold on the other 30 monitors and discussed with McCain the main difference between the 2010ECLs purchased (no Ethernet port) and 2010CELip (with Ethernet port), and

WHEREAS, the 2010ECLip's had the capability to transmit a history of conflicts that have occurred and the ability to see what conflict was triggered before heading to the intersection, and

WHEREAS, staff determined that the information provided by the 2010ECLip was extremely valuable in determining conflict trends at specific intersections, timetables for replacement needs, and providing insight to maintenance crews before heading to the intersection to address the issue, and

WHEREAS, McCain provided a change order price to replace all 120 conflict monitors for \$26,545, in which the manufacturer was charging \$125 restocking fee per monitor already delivered, and

WHEREAS, Staff re-evaluated areas within the City that may be able to utilize the 2010ECL monitors already received and determined it could utilize approximately 60 of the 90 delivered, thus allowing the supplier to remove the restocking fee, and

WHEREAS, Staff recommends swapping 60 of the 2010ECL conflict monitors to 2010ECLip for a total additional cost of \$8,091.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase to Purchase Order No. 134219 with McCain Inc., Vista, CA, for the purpose of upgrading conflict monitors to Ethernet conflict monitors under Resolution 2018-57 by increasing the total amount by \$8,091 for a new agreed lump sum of \$468,661.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue the amended purchase order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-470**

RESOLUTION APPROVING THE AWARD OF BID AND PURCHASING AGREEMENT FOR ON-CALL ELECTRICAL SERVICE TO CENTRAL VALLEY ELECTRIC, MODESTO, CA, FOR TWO YEARS WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$130,000, AND \$650,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the majority of electrical repairs and service of the Public Works and Utilities Departments are performed by City electricians, and

WHEREAS, occasionally contractors are utilized when the electrical repair and preventative maintenance workload exceeds the staff manpower available to perform the work, and

WHEREAS, on December 10, 2013, by Resolution No. 2013-444, Council authorized the Public Works and Utilities Departments to enter into a purchase agreement with Central Valley Electric, Modesto, CA for the furnishing of electrical services for a two year agreement with three one-year extension options at the sole discretion of the City, for an estimated annual cost of \$70,000, totaling \$350,000 over a five year period, and

WHEREAS, on July 11, 2017, by Resolution No. 2017-280, Council authorized staff to amend the existing purchasing agreement with Central Valley Electric, Modesto, CA, increasing the amount from \$350,000 to \$575,000, and

WHEREAS, Central Valley Electric's contract officially terminates December 9, 2018, and

WHEREAS, on September 9, 2017, the City Manager authorized the Purchasing Manager to issue formal Request for Bids (RFB) for an on-call electrical service agreement for general and high voltage electrical work, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, on May 9, 2018, the Purchasing Division issued RFB No. 1718-14 On-Call Electrical Services on the City's website under the commodity codes for Electrical Cables and Wires, Electrical Equipment and Supplies, Construction and Upgrades, Wastewater Treatment Plant, Electrical, Electrical Equipment Maintenance and Repair, Scanning and Testing for Electrical Hot-Spots, Etc., and

WHEREAS, prospective bidders were notified online of the bid opportunity and eleven companies chose to download the RFB document, and

WHEREAS, on June 5, 2018, bids were formally opened in the City Clerk's Office where one company chose to respond, in which it was a responsive and responsible bid, and it was from a local vendor, and

WHEREAS, the low bidder chose to bid on the general electric portion only and no responses were received for high voltage.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of bid and agreement for an on-call electrical service to Central Valley Electric, Modesto, CA, for a two-year agreement with three one-year extension options, for an annual cost not to exceed \$130,000, and \$650,000 over five years.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchase agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

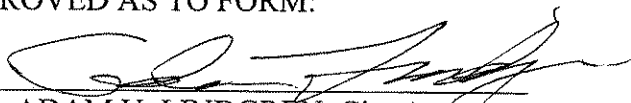
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-471**

RESOLUTION APPROVING AMENDMENT NO. 3 TO AGREEMENT 10-397 BETWEEN THE CITY OF MODESTO AND CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS) FOR THE STATE ROUTE 99 AND PELANDALE AVENUE INTERCHANGE RECONSTRUCTION PROJECT, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the State Route 99 / Pelandale Avenue Interchange Reconstruction Project is a State Project to address the traffic congestion problem at Pelandale Avenue and Highway 99 Interchange, and

WHEREAS, the project is critical to increase traffic safety, relieve congestion and enhance traffic operations within the Interchange and along the adjacent streets, and will regionally benefit the operational capacity of SR 99 and the surrounding road network, and

WHEREAS, as the project is on a State Highway and construction is funded by “The highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 passed by voters in November 2006 included \$1.0 billion for the State Route 99 Corridor”, and

WHEREAS, on May 22, 2012, , by Resolution No. 2012-176, Council approved a Cooperative Agreement (10-397) between the City of Modesto and California Department of Transportation (Caltrans) for the construction of State Route 99 / Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on September 9, 2014, by Resolution No. 2014-343, Council approved Amendment No. 1 to the Cooperative Agreement (10-397) between the City of Modesto and Caltrans for the construction of State Route 99 and Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, on August 11, 2015, by Resolution No. 2015-295, Council approved Amendment No. 2 to Agreement 397 between the City of Modesto and Caltrans for State Route 99 and Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, On March 30, 2017, Caltrans submitted Invoice No. 17007250 requesting reimbursement for testing services provided during the construction of the SR 99/Pelandale Avenue Interchange Reconstruction Project, and

WHEREAS, staff informed Caltrans per the first amendment signed on September 9, 2014, that Caltrans will draw from the bond funds directly to reimburse itself, and

WHEREAS, Caltrans informed staff that they could not directly pull from the bond funds and instead would need to submit an invoice for the City to pay to allow for reimbursement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves Amendment No. 3 to Agreement 10-397 between the City of Modesto and Caltrans for the State Route 99 and Pelandale Avenue Interchange Reconstruction Project.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the Amendment.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGRÉN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-472**

RESOLUTION APPROVING A PURCHASING AGREEMENT BY UTILIZING, “PIGGYBACKING” A COMPETITIVELY BID CONTRACT WITH THE STATE OF CALIFORNIA FOR FLEET TIRE PURCHASES BETWEEN THREE VENDORS BASED ON AVAILABILITY, COST AND NEEDS AT THE TIME OF PURCHASE, FOR AN OVERALL ANNUAL COST OF \$290,000 WITH A TOTAL COST NOT TO EXCEED \$1,450,000 OVER A FIVE YEAR PERIOD, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the State of California has a purchasing agreement with contracted vendors to supply government agencies with all products identified in the contract at a specific rate, and

WHEREAS, the following vendors, America’s Tire Depot, McCoy Tire/McCoy Truck Tire and Valley Tire all of which are located in Modesto, CA shall supply the City of Modesto Fleet Services Division with all products identified in the contract, and

WHEREAS, these vendors will provide tires for passenger cars, light duty and heavy duty trucks, pursuit rated and emergency vehicles and transit buses at the contracted rate, and

WHEREAS, local government agencies are allowed to purchase these good in accordance with the requirements of contract# 1-18-26-01A, subsection 2, “Local government agencies are defined as “any city, county, city and county, district or other governmental body or corporation... empowered to expend public funds for the acquisition of products, per Public Contract Code, Chapter 2, Paragraph 10298 (a) (b)”, and

WHEREAS, the State contract is available for local government use and the Purchasing Division has determined that utilizing this contract will keep the City in

compliance and consistent with its procurement policies and practices; the City also recognizes that it shall adhere to the same responsibilities as do State agencies and that it does not have the authority to amend, modify or change any condition of this contract, and

WHEREAS, the Finance Department, Purchasing Division suggested “accessing the terms” i.e., a “piggyback” on an existing competitively bid contract for the State of California for new passenger pursuit, light duty trucks and bus tires, and

WHEREAS, current needs require the Fleet Services Division to budget \$225,000 for the purchase of tires for the Corporation Yard and Cop Shop, and to budget \$65,000 for the purchase of bus tires for transit buses, and

WHEREAS, budgeting \$290,000 on an annual basis for a two year period with three one year extensions for a total cost not to exceed \$1,450,000 over a five year period will allow room for any increase in cost from the contracted vendors, and

WHEREAS, MMC Section 8-3.204(d), is available where the Purchasing Manager, at her discretion, determines that a process other than the usual formal bid procedure set for in MMC Section 8-3.203 will result in procurement for the City at the lowest possible cost commensurate with the desired quality; acting within her discretion, the Purchasing Manager invoked that exception for this purchase due to the cost savings of staff time and the limited number of competitors, and by “accessing the terms of the State of California contract# 1-18-26-01A, will conform to MMC Section 8-3.204(d), and

WHEREAS, sufficient funds have been budgeted in the Fleet Maintenance budget, Fund No. 549-53255-53105 in Fiscal Year 18/19 for the immediate purchase of tires.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchasing agreement by utilizing i.e. “piggybacking” a competitively bid contract with the State of California for fleet tire purchases between three vendors based on availability, cost and needs at the time of purchase, for an overall annual cost of \$290,000 with a total cost not to exceed \$1,450,000 over a five year period.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-473**

RESOLUTION APPROVING VARIOUS PURCHASES WITH ADESA GOLDEN GATE AUCTION OF TRACY, CA AND ENTERPRISE VEHICLE EXCHANGE OF MODESTO, CA FOR A TWO YEAR TERM FOR AN ANNUAL REPLACEMENT VEHICLE ACQUISITION COST NOT TO EXCEED \$361,000 WITH A TOTAL COST NOT TO EXCEED \$722,000 SPLIT EQUALLY BETWEEN THE TWO VENDORS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, every fiscal year, a Fleet Replacement list is submitted to Council and is approved as a part of the new fiscal year's Fleet Replacement Budget, and

WHEREAS, once a unit is replaced and placed into City service, funds for its replacement are charged out as monthly recurring charges until the end of a unit's life; these funds are specifically designated for the replacement of City vehicles and equipment, and

WHEREAS, these units will be assigned primarily to the Police Department, with a few exceptions in other areas, and

WHEREAS, these units will replace various police undercover detective vehicles that will reach the end of their service life during a fiscal year or will replace units that have been involved in a collision and are considered a total loss, and

WHEREAS, the Fleet Services Division has obtained a dealership license that allows the purchase of vehicles through a wholesalers auction (Adesa Golden Gate Auction or a wholesale inventory sale (Enterprise Vehicle Exchange), and

WHEREAS, this is advantageous in that Fleet can purchase current model year vehicles with extremely low mileage for about of the cost of a new vehicle, and the City has a need to purchase approximately 19 replacement vehicles including contingency for accidents each fiscal year, and

WHEREAS, the Fleet Services Division currently purchases these vehicles with the dealership license for undercover police vehicles and cars and SUVs as needed for the City's fleet, and

WHEREAS, the Fleet Services Division is seeking approval to purchase once vehicles are selected and the City is the highest bidder, with Adesa Golden Gate Auction of Tracy, CA and Enterprise Vehicle Exchange of Modesto, CA , and

WHEREAS, the purchase of these replacement vehicles does not fall into the formal bidding process under Modesto Municipal Code (MMC) Section 8-3.203 which generally requires all purchases, which meet or exceed \$50,000 for material equipment or contractual services to be formally bid, and

WHEREAS, purchasing vehicles at wholesale pricing and in a bid setting does conform with Section 8-3.204(d) where the Purchasing Manager, in her discretion, determines that a process other than the form bid procedure set forth in Section 8-3.203 will results in a procurement for the City at the lowest possible cost to commensurate with the desired quality, and

WHEREAS, having approval to purchase from both vendors would allow the Fleet Manager, or his designee to purchase vehicles at either auction, and

WHEREAS, the Director of Finance, or her designee, would ensure that the department does not exceed the annual totals and will make adjustments between the two vendors based on availability of vehicles but not to exceed the totals by monitoring the payment and tracking of each vendor, and once the two year term has ended purchasing options will be reevaluated, and

WHEREAS, sufficient funds for all replacement vehicles have been encumbered

in Various Funds, the fund will depend on whether this is a routine replacement vehicle or the Department is adding to their fleet.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of bid for various purchases with Adesa Golden Gate Auction of Tracy, CA and Enterprise Vehicle Exchange of Modesto, CA for a two year term for an annual replacement vehicle not to exceed \$361,000 with a total cost not to exceed \$722,000 split equally between the two vendors.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is hereby authorized to issue this purchasing agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

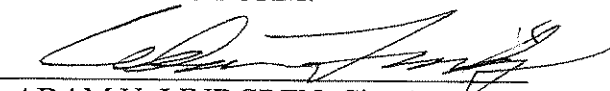
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-474**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE SERVICES AGREEMENT WITH THYSSENKRUPP ELEVATOR CORP. FOR ELEVATOR MAINTENANCE AND REPAIR, IN THE AMOUNT OF \$150,560, FOR A REVISED TOTAL NOT TO EXCEED \$383,960 OVER FIVE YEARS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the City owns, operates and manages elevators and elevator-type equipment in eleven City facilities, and

WHEREAS, in June 2015 the City issued a formal Request for Proposals (RFP) to provide elevator maintenance and repair services, and

WHEREAS, ThyssenKrupp Elevator Corp., West Sacramento, CA (“ThyssenKrupp”) ranked highest, and

WHEREAS, on September 22, 2015, by Resolution No. 2015-352, Council approved a two year Agreement with three one-year extension options with ThyssenKrupp to provide elevator maintenance and repair services, for an estimated annual cost of \$46,680, and

WHEREAS, the annual cost of \$46,680 was the total of the monthly inspections and maintenance costs, but did not establish a spending limit for additional repairs and emergency services, and

WHEREAS, the hourly rates for additional repairs and emergency services were approved in the agreement, and range from \$250 to \$810 per hour depending on time of day and number or type of technicians needed, and

WHEREAS, repairs and emergency work expenses have averaged \$26,000 per year for the first three years of the contract, and

WHEREAS, the proposed amendment seeks to include the costs of essential repairs that the City is obligated to make in order to comply with state requirements and that were previously not included in the total annual cost in the Agreement, and

WHEREAS, the proposed amendment will increase the maximum annual compensation by \$75,280, for a total increase not to exceed \$150,560 over two years, and for a new total five-year spending limit not to exceed \$383,960, and

WHEREAS, the increase to the contract covers cost of anticipated essential repairs to the elevator systems in multiple City facilities, and

WHEREAS, the annual cost for repairs is included in the adopted Fiscal Year 2018-2019 operating budget.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a First Amendment to the Services Agreement with ThyssenKrupp Elevator Corp. for elevator maintenance and repair, in the amount of \$150,560, for a revised total not to exceed \$383,960 over five years.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the amendment, in a form approved by the City Attorney.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

MODESTO CITY COUNCIL
RESOLUTION NO. 2018-475

RESOLUTION APPROVING THE QUARTERLY FUEL ADJUSTMENTS TO THE MAXIMUM RATE SCHEDULE FOR CITY SOLID WASTE COLLECTION SERVICES FOR AN INCREASE OF \$0.22 PER MONTH FOR RESIDENTIAL SERVICES AND AN INCREASE OF \$0.20 PER CUBIC YARD PER MONTH FOR COMMERCIAL SERVICES, RETROACTIVE TO OCTOBER 1, 2018, AND RESCINDING RESOLUTION NO. 2018-241 FOR THE JULY 1, 2018 QUARTERLY FUEL ADJUSTMENT AND RESOLUTION NO. 2018-242 FOR THE JULY 1, 2018 ANNUAL RATE ADJUSTMENT TO THE MAXIMUM RATE SCHEDULE

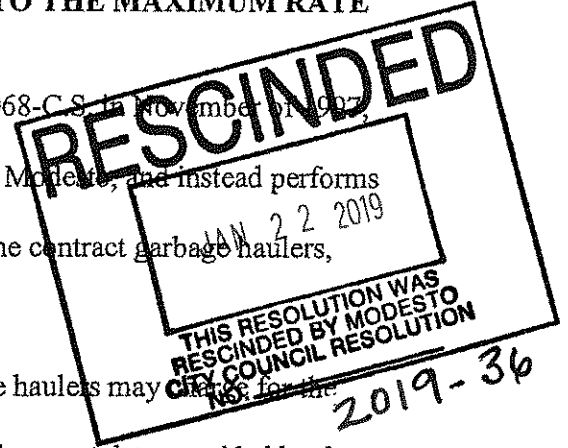
WHEREAS, with the adoption of Ordinance No. 3068-C.S. in November of 2017, the City no longer sets rates for the collection of garbage in Modesto, and instead performs a comprehensive review of cost information submitted by the contract garbage haulers, and

WHEREAS, the City sets the maximum rate that the haulers may charge for the various types of services provided under the contracts based on cost data provided by the lowest cost hauler, and

WHEREAS, Section f (2) of the City's Service Agreements with its solid waste collectors requires that when the City makes adjustments to the collection services provided under the Agreements, any additional costs should be covered by adjustments to the maximum rates, and

WHEREAS, in addition, maximum rates for solid waste collection services are reviewed annually as per the Agreements with the City's garbage collection companies, and

WHEREAS, the City analyzes the audited financial statements provided by the garbage haulers, supplemental data provided by the garbage haulers, and fuel price information and forecast prices developed by the United States Department of Energy, and



WHEREAS, on June 27, 2006, by Resolution No. 2006-410, Council approved making routine quarterly adjustments as needed to the component of the maximum rates attributable to the cost of fuel, and

WHEREAS, the fuel rates analyzed for this rate adjustment were based on the Department of Energy average diesel fuel prices from April 2018 through June 2018, and

WHEREAS, this action is to adjust maximum rates for fuel and therefore does not require environmental review, and

WHEREAS, it was found and determined by the Council of the City of Modesto that the quarterly adjustments to the fuel component of the maximum rates should be made.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the quarterly fuel adjustments from April 2018 through June 2018 to the Maximum Rate Schedule for Garbage Services, **Attachment A**, dated October 1, 2018, of \$0.22 per month for residential services and \$0.20 per cubic yard per month for commercial services and shall become effective retroactive to October 1, 2018 and shall remain in effect until rescinded.

BE IT FURTHER RESOLVED that Resolution No. 2018-241 and Resolution No. 2018-242 are hereby rescinded effective October 1, 2018.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

ATTACHMENT A

October 1, 2018

MAXIMUM CHARGES FOR GARBAGE SERVICE

STANDARD CONTAINERS

Maximum Monthly Rates (Once a Week Pickup Service)

Standard container service maximum rates shall include the following:

- One 96-gallon container for garbage and one 96-gallon container for organics recycling
- Two bulky item collections per year by appointment
- Maintenance of City trees, including collection & composting of Green Waste/Forestry materials
- Removal of illegally dumped items in streets and alleys
- Drop off program for Household Hazardous Waste at the HHW Facility

Standard container service customers may opt for smaller containers; however, maximum rates apply. Containers must be placed in a location set forth in Section 5-5.111 of the Municipal Code.

1. Standard container service

- a. The maximum rate for new sign-ups for service or changes in service that occur after October 1, 1996, shall be **\$33.31 per month** regardless of size of container. A fuel component of \$1.24 per month is included in the maximum rate based on diesel fuel rates for April 2018 through June 2018. The fuel component may be adjusted quarterly as needed.
- b. The maximum rate for each additional garbage container shall be **\$21.44 per month, and \$10.27 per month** for each additional organics recycling container.

2. 60-gallon container service (grandfathered customers)

- a. The maximum rate for customers with 60-gallon containers who subscribed to service at an address prior to July 1, 1996 and who have not changed their service address shall be **\$24.41 per month**. A fuel component of \$1.24 per month is included in the maximum rate based on diesel fuel rates for April 2018 through June 2018. The fuel component may be adjusted quarterly as needed
- b. The maximum rate for each additional 60-gallon garbage container shall be **\$20.90 per month**.

3. **Fuel Component adjustments** - The fuel component will be analyzed quarterly and adjustments shall be made as needed. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October 1/April-June; January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy, Energy Information Agency.

**DETACHABLE CONTAINERS
Maximum Monthly Rates**

Container Size	Regular Container Maximum Rates					
	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
1 CY	\$44.12	\$88.24	\$132.36	\$176.48	\$220.60	\$264.72
2 CY	\$88.24	\$176.48	\$264.72	\$352.96	\$441.20	\$529.44
3 CY	\$132.36	\$264.72	\$397.08	\$529.44	\$661.80	\$794.16
4 CY	\$176.48	\$352.96	\$529.44	\$705.92	\$882.40	\$1,058.88
5 CY	\$220.60	\$441.20	\$661.80	\$882.40	\$1,103.00	\$1,323.60
6 CY	\$264.72	\$529.44	\$794.16	\$1,058.88	\$1,323.60	\$1,588.32

Organic Recycling Participants signed prior to 2016 Container Maximum Rates						
Container Size	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
2 CY	\$66.18	\$132.36	\$198.54	\$264.72	\$330.90	\$397.08
3 CY	\$99.27	\$198.54	\$297.81	\$397.08	\$496.35	\$595.62
4 CY	\$132.36	\$264.72	\$397.08	\$529.44	\$661.80	\$794.16
5 CY	\$165.45	\$330.90	\$496.35	\$661.80	\$827.25	\$992.70
6 CY	\$198.54	\$397.08	\$595.62	\$794.16	\$992.70	\$1,191.24
90-gallon	\$24.98	\$49.97	\$74.95	\$99.93	\$124.91	\$149.90

1. **Weekly rental/Detachable Containers** - Shall not exceed the rate for 1 pick-up per week for each size container.
2. **Fuel Component** - A fuel component of \$1.08 per cubic yard per month per pick-up is included in the maximum rate for April 2018 through June 2018. The fuel component shall be analyzed quarterly and adjustments shall be made as necessary. The adjustment shall be based on the average price of fuel for a preceding quarter as follows: July 1/January-March; October/April-June;

January 1/July-September; April 1/October-December. Average prices shall be determined based on published prices for California from the Department of Energy.

DROP BOX CONTAINERS

- 1. Pick up charge** - \$383.00 per pick-up
- 2. Rental**
 - \$0.85 per day up to 7 day maximum rental
 - \$3.00 per day for boxes kept 7 or more days without servicing
 - \$10.00 per day for boxes kept 21 or more days without servicing
- 3. Disposal charge** - Actual charge to be paid by customer. Garbage company will provide up to 40 CY Drop Box containers for above stated charges subject only to load limit of transfer vehicle. An AB 939 Green Waste Diversion Fee of \$15.64 per ton is added to the disposal charges.

COMPACTORS

Front Loader Type:

Compactor Rates						
Container Size	NUMBER OF COLLECTIONS PER WEEK					
	1	2	3	4	5	6
3 CY	\$397.08	\$794.16	\$1,191.24	\$1,588.32	\$1,985.40	\$2,382.48
4 CY	\$529.44	\$1,058.88	\$1,588.32	\$2,117.76	\$2,647.20	\$3,176.64
6 CY	\$794.16	\$1,588.32	\$2,382.48	\$3,176.64	\$3,970.80	\$4,764.96

Roll-Off Types:

- 1. 6 CY to 40 CY** \$383.00 per pick-up
- 2. Hospital waste compactors** \$265.00 per pick-up
- 3. Washing compactor** \$30.00
- 4. Disposal Charge:** Actual charge to be paid by customer
- 5. AB 939 Green Waste Diversion Fee** \$9.45 per ton

EXTRA PICKUPS

- 1. Standard containers or equivalent** \$3.50 plus \$2.30/container
- 2. Detachable containers** \$12.00 plus \$4.15/cubic yard

SPECIAL SERVICE CONDITIONS

In situations where none of the above maximum rates reasonably apply, the cost of service is to be negotiated between the garbage company and the customer.

**DETACHABLE CONTAINER ONLY
REPLACEMENT AND CLEANING SERVICE**

1 CY	1½ CY	2 CY	3 CY	4 CY	5 CY	6 CY
\$10.12	\$11.00	\$12.10	\$15.40	\$20.24	\$25.08	\$29.92

NOTATIONS

1. Recycling Fee: The above maximum rates include a \$0.41 per month residential recycling fee; a \$0.97 per cubic yard per month commercial recycling fee; and a \$14.07 per pull industrial recycling fee.
2. Litter Abatement Fee: The above maximum rates include a \$0.59 per cubic yard per month commercial litter abatement fee.
3. AB 939 Green Waste Diversion Fee: The above maximum rates include a \$4.82 per household per month residential AB 939 Green Waste Diversion Fee; a \$9.45 per cubic yard per month commercial bin and front-loader compactor AB 939 Green Waste Diversion Fee; and a \$15.64 per ton industrial drop box AB 939 Green Waste Diversion Fee.
4. Carpenter Road Landfill Mitigation Fee: The above maximum rates include a \$.50 per household per month residential Carpenter Road Landfill Mitigation Fee; a \$.95 per cubic yard per month commercial Carpenter Road Landfill Mitigation Fee, and a \$13.79 per pull Carpenter Road Landfill Mitigation Fee on industrial wastes.
5. Pursuant to Section 11-6.16(c)(2) of the Modesto Municipal Code, the garbage company may require a deposit equivalent to two (2) months service charge from customers prior to beginning service. The deposit will be credited back to the customer after 18 months under specified conditions.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-476**

RESOLUTION APPROVING AN AGREEMENT CONSENTING TO COMMON USE WITH MODESTO IRRIGATION DISTRICT FOR THE CROSSING OF ITS HIGHLINE LATERAL ADJACENT TO YOSEMITE AVENUE, FOR AN AREA OF APPROXIMATELY 300 SQUARE FEET AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, FOR THE EMPIRE SEWER TRUNK LINE REPLACEMENT PROJECT

WHEREAS, the City is making improvements to the Empire Sewer Trunk Collection System, and

WHEREAS, the project is known as the Empire Sewer Trunk Line Replacement Project, and

WHEREAS, the existing system has been identified for upgrade and replacement, and

WHEREAS, a part of the work will replace an older 10" sewer line with a new 15" line and cross Modesto Irrigation District's Highline Lateral, and

WHEREAS, the crossing area contains approximately 300 square feet, and

WHEREAS, Modesto Irrigation District requires an Agreement Consenting to Common Use for this purpose, and

WHEREAS, the Agreement is required to construct project improvements and to cross Modesto Irrigation District's Highline Lateral.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Agreement Consenting to Common Use, to cross a 300 square feet area, located adjacent to Yosemite Avenue, at no cost to the City, for the Empire Sewer Trunk Line Replacement Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-477**

RESOLUTION APPROVING A LICENSE AGREEMENT WITH MODESTO IRRIGATION DISTRICT FOR THE CROSSING OF ITS LATERAL NO. 1 ADJACENT TO GARNER ROAD, FOR AN AREA OF APPROXIMATELY 750 SQUARE FEET AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT, FOR THE EMPIRE SEWER TRUNK LINE REPLACEMENT PROJECT

WHEREAS, the City is making improvements to the Empire Sewer Trunk Collection System, and

WHEREAS, the project is known as the Empire Sewer Trunk Line Replacement Project, and

WHEREAS, the existing system has been identified for upgrade and replacement, and

WHEREAS, a part of the work will replace an older 15" sewer line with a new 18" line and cross Modesto Irrigation District's Lateral No. 1, and

WHEREAS, the crossing area contains approximately 750 square feet, and

WHEREAS, Modesto Irrigation District requires a License Agreement for this purpose, and

WHEREAS, the Agreement is required to construct project improvements and to cross Modesto Irrigation District's Lateral No. 1.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the License Agreement, to cross a 750 square feet area, located adjacent to Garner Road, at no cost to the City, for the Empire Sewer Trunk Line Replacement Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-478**

RESOLUTION REQUESTING THE STATE WATER RESOURCES CONTROL BOARD PURSUE A COMPREHENSIVE SOLUTION, WHICH PRIORITIZES NON-FLOW MEASURES TO PROTECT NATIVE FISH SPECIES BEFORE REQUIRING FLOW INCREASES FOR BAY-DELTA PLAN - SUBSTITUTE ENVIRONMENTAL DOCUMENT, AND OPPOSES ANY ACTION AND PLAN THAT DOES NOT ADDRESS THESE ITEMS

WHEREAS, the State Water Resources Control Board's (SWRCB) Bay-Delta Plan, Phase 1 Draft Substitute Environmental Document (SED) issued in December 2012 proposed to require the Stanislaus, Tuolumne, and Merced rivers release 35 percent of unimpaired flows from February to June each year for environmental benefit; and

WHEREAS, the SWRCB, after a hearing in March 2013 and submittal of comments regarding the adequacy and sustainability of the SED, has now revised and increased the recommendations of the Draft SED to 40% unimpaired flows, with the ultimate intention of finalizing the SED and updating the Bay-Delta Water Quality Control Plan with its Board for adoption at a date to be determined; and

WHEREAS, flows described in the SED will create "significant and unavoidable" lasting impacts that will harm the socioeconomic welfare of those within Stanislaus, San Joaquin and Merced Counties as well as Northern California counties which will be impacted under Phase 2; and

WHEREAS, water supply impacts of flows described in the SED include the loss of hundreds-of-thousands of acre-feet of surface water that is used to supply drinking water, and water for agriculture - the region's economic engine. This loss of water would destroy communities and have the most severe impacts on the drinking water for some of our poorest minority communities; and

WHEREAS, groundwater impacts of flows described in the SED include increased groundwater pumping at a time when California is working to implement the landmark Sustainable Groundwater Management Act. The SED estimates additional and significant groundwater impacts resulting from an increased reliance on groundwater pumping. The reduced surface water deliveries proposed in the SED will severely hamper the ability to conjunctively use surface water deliveries on farms adequately recharge groundwater; and

WHEREAS, electrical power impacts of flows described in the SED include public power agencies being resigned to generating more hydropower at a time of low demand, meaning less water is available to generate hydropower in summer when power demand is at its peak. This has economic impacts to public power agencies, and such impacts bear a direct relation to local customer utility rates; and

WHEREAS, there is reasonable and significant doubt that the flows described in the SED will benefit native fish populations or promote ecosystem restoration. The SED focuses narrowly on flows as a solution to environmental concerns while ignoring non-flow alternatives such as predator suppression and fish habitat restoration. Such non-flow management measures are often less costly and more effective; and

WHEREAS, the cities and Irrigation Districts within San Joaquin, Stanislaus and Merced Counties have made significant investments in diversifying their drinking water sources to include the use of water from the Stanislaus, Tuolumne and Merced rivers. With the implementation of the SED, the use of river water for drinking water is threatened, leaving local communities even more vulnerable to the impacts of drought and potentially stranding significant investments in these vital assets.

NOW, THEREFORE BE IT RESOLVED THAT the Modesto City Council request the State Water Resources Control Board to pursue a comprehensive solution, which takes into account, rather than dismisses, the impacts listed above. This solution must prioritize non-flow measures to protect native fish species, such as predation reduction programs, before requiring flow increases that would threaten the economic vitality of our region.

BE IT FURTHER RESOLVED the Modesto City Council opposes any action by the SWRCB that does not take these factors into account and opposes any plan that does not directly address these items.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-479**

RESOLUTION ACCEPTING THE AIRPORT HANGAR 1S ROOF REPLACEMENT PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING \$364,201.35 TO BEST CONTRACTING SERVICES, INC. OF GARDENA, CA

WHEREAS, on September 5, 2017, by Resolution No. 2017-344, Council awarded a contract to Best Contracting Services, Inc., for the construction of the Airport Hangar 1S Roof Replacement project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of September 18, 2017, and

WHEREAS, all contract and administrative work was completed by May 25, 2018, and

WHEREAS, the Airport Hangar 1S Roof Replacement project has been completed by Best Contracting Services, Inc. of Gardena, CA. in accordance with the contract agreement dated September 5, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Airport Hangar 1S Roof Replacement project is hereby accepted as complete by Best Contracting Services, Inc. of Gardena, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$364,201.35 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-480**

**RESOLUTION APPROVING A FIRST AMENDMENT TO THE CITY
MANAGER'S EMPLOYMENT AGREEMENT TO INCLUDE THE CITY
MANAGER'S PERFORMANCE GOALS, AND AUTHORIZING THE MAYOR
OR HIS DESIGNEE TO EXECUTE THE AMENDMENT**

WHEREAS, on July 10, 2018, by Resolution No. 2018-297, Council approved an Employment Agreement with Joseph P. Lopez to serve as the City Manager ("Employment Agreement"); and

WHEREAS, Section 12, "Performance Evaluation," of the Employment Agreement required that a list of goals be presented to the City Council by August 31, 2018; and

WHEREAS, a presentation on the list of goals were provided to the City Council on August 14, 2018; and

WHEREAS, the City Council extended the deadline for submittal and approval of the City Manager's Performance Goals to the end of October and created a subcommittee comprised of two City Councilmembers to further evaluate these goals; and

WHEREAS, the performance goals have been evaluated and are recommended to be forwarded to the full City Council for approval.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council for the City of Modesto, approves the City Manager's Performance Goals and approves the First Amendment to the Employment Agreement with Joseph P. Lopez to include the City Manager's Performance Goals.

BE IT FURTHER RESOLVED THAT the approval of the City Manager's Performance Goals and approval of the First Amendment to the Employment Agreement

with Joseph P. Lopez is pursuant to Section 12, "Performance Evaluation," of the Employment Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

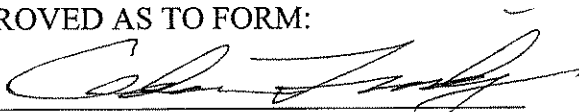
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-481**

RESOLUTION APPROVING THE FIRST AMENDMENT TO THE LAND EXCHANGE AGREEMENT BETWEEN THE CITY AND STANISLAUS FOOD PRODUCTS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, the City is the fee owner of certain real property (the “**City Property**”), known as 11th Street between D Street and Morton Blvd., 12th Street between B Street and Morton Blvd., and B Street between 12th Street and 10th Street, located in the City; and

WHEREAS, Stanislaus Food Products (SFP) is the fee owner of certain real property (the “**Stanislaus Property**,”) located in the City, formerly known as a portion of 10th Street between B Street and D Street, and strips of land bordering 10th Street between B Street and Morton Blvd., and a strip of land from 11th Street to Morton Blvd. on both sides of 11th Street, and a strip of land along 9th and B Streets; and

WHEREAS, SFP owns the property adjacent to the City Property and desires to acquire ownership of the City Property with no restrictions in order to close 11th Street between D Street and Morton Blvd, 12th Street between B Street and Morton Blvd., and B Street between 12th Street and 10th Street, and to make permanent improvements that will benefit SFP; and

WHEREAS, the City desires to purchase the SFP Property for future public Purposes; and

WHEREAS, the City and SFP have negotiated a land exchange agreement (the “**Land Exchange Agreement**”) that was approved by the City Council on October 10, 2017 by Resolution No. 2017-404; and

WHEREAS, the City and SFP now desire to amend certain provisions of the Land Exchange Agreement to allow both parties more time to meet conditions precedent set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the First Amendment to the Land Exchange Agreement between the City and Stanislaus Food Products.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the First Amendment to the Land Exchange Agreement, in a form approved by the City Attorney, and to take all other actions and execute all other documents that are necessary to carry out the intent of this Resolution and to exchange the properties, as set forth in the Land Exchange Agreement and the First Amendment thereto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-482**

RESOLUTION APPROVING ANNUAL RATE INCREASES AND PROPERTY TAX PAYMENTS FOR WELLS 291, 292, AND 308 LEASED FROM MODESTO AND EMPIRE TRACTION COMPANY IN THE AMOUNT OF \$10,344 AND A TOTAL AMOUNT NOT TO EXCEED \$720,145 THROUGH DECEMBER OF 2024, RATIFYING PAST EXPENDITURES THAT EXCEEDED COUNCIL AUTHORITY, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO APPROVE ANY FUTURE CONSUMER PRICE INDEX INCREASES

WHEREAS, with the acquisition of the Del Este water system in 1995, the City began leasing several well sites from Beard Land Improvement Company and M&ET, and

WHEREAS, the City is currently leasing three well sites (291, 292, and 308) from M&ET, and

WHEREAS, on October 28, 2014, by Resolution Nos. 2014-432 and 433, Council approved water well/right-of-way lease agreements for Wells 291, 292, and 308 for a ten year term for a total annual cost of \$90,000, and

WHEREAS, the agenda report and resolutions did not include annual Consumer Price Index (CPI) increases or the County Property Tax that the City pays, which were specified in the signed agreements, and

WHEREAS, the three well sites leased from M&ET (291, 292, and 308) have exceeded the annual amounts authorized in Resolutions 2014-432 and 2014-433 by a total of \$10,344 since Council approval on October 28, 2014, and

WHEREAS, staff has estimated the annual CPI increases at 5% each year for the remaining six (6) years and four (4) months of the agreements, and

WHEREAS, the total estimated expense for the lease payments, with annual CPI increases and annual property taxes, is \$720,145 until the end of the agreements, and

WHEREAS, staff recommends approval of the annual CPI increases and property tax payments to provide for continued support of the City's water supply and distribution within the Modesto Regional Water System, and

WHEREAS, sufficient funding is available in the Water Fund for the lease increases in account 4100-45050-53070.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves annual rate increases and property tax payments for Wells 291, 292, and 308 leased from Modesto and Empire Traction Company in the amount of \$10,344 and a total amount not to exceed \$720,145 through December of 2024, and ratifies past expenditures that exceeded Council authority.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to approve any future Consumer Price Index increases.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-483**

RESOLUTION APPROVING ANNUAL RATE INCREASES TO THE LAND LICENSE FOR PROPERTY AT 236 CODONI IN THE AMOUNT OF \$57,204 AND A TOTAL AMOUNT NOT TO EXCEED \$67,003 THROUGH FEBRUARY OF 2020, RATIFYING PAST EXPENDITURES THAT EXCEEDED COUNCIL AUTHORITY, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO APPROVE ANY FUTURE CONSUMER PRICE INDEX INCREASES

WHEREAS, on March 25, 2003, by Resolution No. 2003-151, Council approved License and Environmental Indemnity Agreements with Beard Land Improvement company in the amount of \$2,790 per month and also entered into a rental agreement for a modular building for the purpose of housing a satellite corporation yard at 236 Codoni Ave., and

WHEREAS, since 2003, the City's Water Services Division has had an ongoing land license with no established end date, no allowance for Consumer Price Index (CPI), as well as an ongoing modular rental agreement with no established end date, and

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices and the review findings concluded that the Land License for 236 Codoni Ave. was approved by Council but the approvals did not include the annual CPI increases or an established end date, and

WHEREAS, the Codoni Land License was a Revocable License with no end date established. Staff believes the intention of the land license was to be temporary in anticipation of the City acquiring land for a new Water Corporation Yard; however, due to budget constraints this acquisition did not happen until 2016, and

WHEREAS, the new Water Corporation Yard is currently under construction with an estimated completion date of February 29, 2020, which should allow sufficient time to relocate the staff and equipment to the new Water Corporation Yard, and

WHEREAS, the land license payments have exceeded the original agreement by \$57,204 due to annual CPI increases, and

WHEREAS, staff estimates the land license total with an additional 5% for the CPI not to exceed \$67,003 for the remaining eighteen (18) months of the agreement, and

WHEREAS, sufficient funding is available in the Water Fund for the lease increases in account 4100-45050-53070.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves annual rate increases to the land license for the property at 236 Codoni in the amount of \$57,204 and a total amount not to exceed \$67,003 through February of 2020, and ratifying past expenditures that exceeded Council authority.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to execute any future Consumer Price Index increases.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

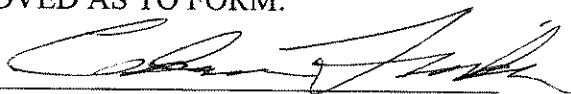
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-484**

RESOLUTION RATIFYING THE PAYMENTS MADE PER THE RENTAL AGREEMENT WITH PACIFIC MOBILE STRUCTURES FOR THE MODULAR AT 236 CODONI OVER THE \$50,000 IN THE AMOUNT OF \$377,576 AND A TOTAL AMOUNT NOT TO EXCEED \$61,078 THROUGH FEBRUARY OF 2020, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO APPROVE ANY FUTURE CONSUMER PRICE INDEX INCREASES

WHEREAS, on March 25, 2003, by Resolution No. 2003-151, Council approved License and Environmental Indemnity Agreements with Beard Land Improvement Company in the amount of \$2,790 per month and also entered into a rental agreement for a modular building for the purpose of housing a satellite corporation yard at 236 Codoni Ave., and

WHEREAS, since 2003, the City's Water Services division has had an ongoing land license with no established end date, no allowance for Consumer Price Index (CPI), as well as an ongoing modular rental agreement with no established end date, and

WHEREAS, the City has conducted a comprehensive review of past and current contracting and purchasing practices and the review findings concluded the modular rental for 236 Codoni Ave. was approved by Council; however, when the total paid to the vendor exceeded \$50,000 it was not returned to Council for approval, and

WHEREAS, when the modular rental was established in 2003, the annual amount was under \$50,000 and required City Manager approval; however, continued usage and rental payments for the modular over the last fifteen (15) years have exceeded the \$50,000 limit by a total of \$377,576, and

WHEREAS, staff estimates the total modular rental for the remaining eighteen (18) months not to exceed \$61,078, which includes estimated "tear down" fees of

\$15,000, and rental of the modular will cease when staff moves into the new Water Corporation Yard, and

WHEREAS, sufficient funding is available in the Water Fund for the lease increases in account 4100-45050-53070.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby ratifies the payments made per the rental agreement with Pacific Mobile Structure for the modular at 236 Codoni over the \$50,000 in the amount of \$377,576 and a total amount not to exceed \$61,078 through February of 2020.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to approve any future Consumer Price Index increases.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-485**

RESOLUTION APPROVING ANNUAL RATE INCREASES AND PROPERTY TAX PAYMENTS FOR WELLS 225 AND 279 LEASED FROM BEARD LAND IMPROVEMENT COMPANY IN THE AMOUNT OF \$14,098 AND A TOTAL AMOUNT NOT TO EXCEED \$489,067 THROUGH DECEMBER OF 2024, RATIFYING PAST EXPENDITURES THAT EXCEEDED COUNCIL AUTHORITY, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO APPROVE ANY FUTURE CONSUMER PRICE INDEX INCREASES

WHEREAS, with the acquisition of the Del Este water system in 1995, the City began leasing several well sites from the Beard Land Improvement Company and Modesto and Empire Traction Company (M&ET), and

WHEREAS, over the years, some well sites have been demolished and the City is currently leasing two well sites (225 and 279) from the Beard Land Improvement Company, and

WHEREAS, on October 28, 2014, by Resolutions Nos. 2014-430 and 2014-431, Council approved water well/right-of-way lease agreements with Beard Land Improvement Company for Wells 225 and 279 for a ten year term for a total annual cost of \$60,000, and

WHEREAS, the agenda report and resolutions did not include the annual Consumer Price Index (CPI) increases or the County Property Tax the City pays, which were both specified in the signed agreements, and

WHEREAS, the two well sites (225 and 279) have exceeded the annual amounts authorized in Resolution Nos. 2014-430 and 2014-431 by a total of \$14,098 since Council approval on October 28, 2014, and

WHEREAS, staff has estimated the annual CPI increase at 5% each year for the remaining six (6) years and four (4) months of the agreement, and

WHEREAS, the total estimated expense for the lease payment with CPI increase and property taxes is \$489,067, and

WHEREAS, staff recommends approval of the annual CPI increases and property tax payments to provide for continued support of the City's water supply and distribution within the Modesto Regional Water System, and

WHEREAS, sufficient funding is available in the Water Fund for the lease increases in account 4100-45050-53070.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves annual rate increases and property tax payments for Wells 225 and 279 leased from Beard Land Improvement company in the amount of \$14,098 and a total amount not to exceed \$489,067 through December of 2024, and ratifies past expenditures that exceeded Council authority.

BE IT FURTHER RESOLVED, that the Purchasing Manager, or her designee, is hereby authorized to approve any future Consumer Price Index increases.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 23rd day of October, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

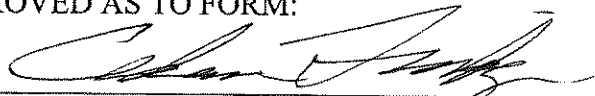
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-486**

**RESOLUTION ACCEPTING THE RESIGNATION OF FRANK PLOOF FROM
THE CITY OF MODESTO'S CITIZENS' HOUSING AND COMMUNITY
DEVELOPMENT COMMITTEE**

WHEREAS, the Citizens' Housing and Community Development Committee was established to make policy and funding recommendations regarding the Community Development Block Grant, Emergency Solutions Grant, and HOME Investment Partnership Grant programs; and

WHEREAS, on January 22, 2013, by Resolution No. 2013-38, Frank Ploof was appointed to the City of Modesto's Citizens' Housing and Community Development Committee and was later reappointed by Resolution No. 2017-163; and

WHEREAS, recently, Frank Ploof has accepted employment with the City of Modesto as part of the effort to address homelessness and therefore is no longer eligible to serve on the Committee and has submitted his resignation, dated October 9, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto accepts the resignation of Frank Ploof from the City of Modesto's Citizens' Housing and Community Development Committee.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

SEAL

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-487**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND PROGRESSIVE AG, LLC, A LIMITED LIABILITY COMPANY TO CONNECT TO THE CITY OF MODESTO'S EXISTING WATER SYSTEM FOR THE PROPERTY LOCATED AT 1324 MCWILLIAMS WAY IN MODESTO (APN: 029-038-013) AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE, TO APPROVE THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, Progressive Ag, LLC, a limited liability company, owns property located at 1324 McWilliams Way, and

WHEREAS, a representative of the property owner has requested water service connection, and

WHEREAS, on May 22, 2012, the City Council approved Resolution No. 2012-202 that amended City Council Policy 5.001, and

WHEREAS, on June 5, 2012, the City Council approved final adoption of Ordinance No. 3566-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS, both of these amendments included language which required that the City Manager, upon the recommendation of the Director responsible for utility system planning, request City Council approval for all extensions of water services into unincorporated areas, and

WHEREAS, on November 25, 2014, the City Council approved Resolution No. 2014-472 that amended City Council Policy 5.001, and

WHEREAS, on December 9, 2014, the City Council approved adoption of Ordinance No. 3611-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS, both of these amendments included language allowing the City Manager upon the recommendation of the Director responsible for utility system planning, to approve standard agreements of service for extension of water services into certain unincorporated areas that are located within the former Del Este Water Service Area without City Council approval, and

WHEREAS, the property located at 1324 McWilliams Way is not located within the former Del Este Water Service area and therefore requires City Council approval prior to allowing the new water service connection, and

WHEREAS, it has been determined that a sufficient quantity of potable water is available for normal usage by the proposed development, and

WHEREAS, the water connection fees will be paid and associated permits be obtained prior to beginning any on site construction, and

WHEREAS, the property owner has executed an Outside Service Agreement for Water Service as required to receive water service outside of City limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for Water Service for the property located at 1324 McWilliams Way in Modesto (APN: 029-038-013).

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to approve the Will Serve Letter and execute the Outside Service Agreement for Water Service.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

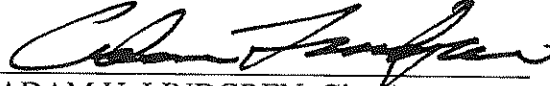
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-488**

RESOLUTION APPROVING A WILL SERVE LETTER AND OUTSIDE SERVICE AGREEMENT BETWEEN THE CITY OF MODESTO AND PROGRESSIVE AG, LLC, A LIMITED LIABILITY COMPANY TO CONNECT TO THE CITY OF MODESTO'S EXISTING SEWER SYSTEM FOR THE PROPERTY LOCATED AT 1324 MCWILLIAMS WAY (APN: 029-038-013), AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SIGN THE WILL SERVE LETTER AND EXECUTE THE OUTSIDE SERVICE AGREEMENT

WHEREAS, Progressive Ag, LLC, a limited liability company owns commercial property located at 1324 McWilliams Way which is located outside of Modesto City Limits and inside the City's Sphere of Influence, and

WHEREAS, the property located at 1324 McWilliams Way, is not connected to City's sewer system and is requesting a sewer connection due to a failing septic system, and

WHEREAS, on November 25, 2014, City Council approved Resolution No. 2014-473 amending City Council Policy 5.002, and

WHEREAS, on December 9, 2014, City Council approved adoption of Ordinance No.3612-C.S. amending City of Modesto Municipal Code Section 11-1.05, and

WHEREAS both of these amendments included language allowing the City Manager, upon the recommendation of the Director responsible for utility system planning to approve standard agreements of service for extension of sewer services into certain unincorporated areas without City Council approval, and

WHEREAS, the property located at 1324 McWilliams Way is not located within one of those designated areas and therefore requires City Council approval prior to allowing the sewer connection, and

WHEREAS, City staff has completed an analysis and determined that it is reasonable for the City of Modesto to provide sewer service to this property, and

WHEREAS, consistent with adopted LAFCO Policy 15, the extension of sewer service is proposed to remedy a health and safety concern in an area with failing septic system, and

WHEREAS, the sewer connection fees shall be paid and associated permits will be obtained prior to connecting to the City sewer system, and

WHEREAS, the property owner has executed an Outside Service Agreement for sewer service with the City as required to receive sewer service outside the City limits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Will Serve Letter and Outside Service Agreement for sewer service for the property located at 1324 McWilliams Way (APN: 029-038-013) in Modesto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to approve the Will Serve letter and execute the Outside Service Agreement for sewer service.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

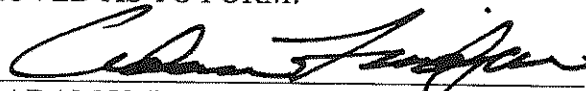
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-489**

**RESOLUTION APPROVING THE AWARD OF COMMUNITY
DEVELOPMENT BLOCK GRANT FUNDS IN AN AMOUNT NOT TO EXCEED
\$280,000 TO THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS
FOR THE ACQUISITION OF 0 VINE STREET MODESTO CA, AND
AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE
ALL RELATED LOAN DOCUMENTS**

WHEREAS, City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, Community Development Block Grant (CDBG) Program funds are utilized, in partnership with local nonprofit affordable housing developers, to fund a wide range of activities related to the development of affordable housing projects, and making the projects available for rent or homeownership, to low income citizens, and

WHEREAS, On October 9, 2018 the City Council, by Resolution No. 2018-455 approved Amendment No. 1 to the Program Year 2018-2019 Annual Action Plan; and

WHEREAS, this project was identified as an amended project within Amendment No. 1, and

WHEREAS, the 0 Vine Street Development is a collaborative effort involving the Housing Authority of the County of Stanislaus (HACS), Self Help Federal Credit Union, and the City of Modesto for the development of 35 affordable housing units, and

WHEREAS, the Development will be constructed in two (2) phases consisting of two (2) gated communities, one for seniors and one for veterans, and

WHEREAS, this two (2) Phase development will provide permanent affordable rental housing to individuals with incomes below 80% of the area median income (AMI); and

WHEREAS, the Vine Street Development will offer these clients a solution to their housing challenges, and

WHEREAS, this project helps meet the City of Modesto and HUD objectives of: increasing affordable rental housing, provide permanent supportive housing, and prevent homelessness for those at risk, and

WHEREAS, CDBG funds will assist with the acquisition of the project site at 0 Vine Street Modesto, CA 95351, and

WHEREAS, on October 11, 2018 the Citizens Housing and Community Development Committee reviewed, approved, and forwarded the award of Community Development Block Grant funds in an amount not to exceed \$280,000 to the Housing Authority of the County of Stanislaus for the acquisition of 0 Vine Street.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding an amount not to exceed \$280,000 of Community Development Block Grant funds to the Housing Authority of the County of Stanislaus for the acquisition of 0 Vine Street Modesto CA.

BE IT FURTHER RESOLVED; that the City Manager, or his designee, is hereby authorized to execute the Loan Documents in substantially the form **attached** hereto as **Exhibit A**, with such changes as deemed necessary by the City Attorney. The City Manager is authorized to take such actions as necessary to carry out the purpose and intent of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

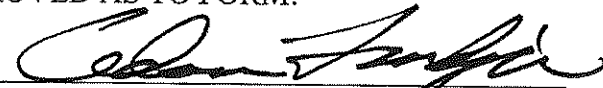
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:

City of Modesto
1010 10th Street
P. O. Box 642
Modesto, CA 95353
Attention: CEDD Director

No fee for recording pursuant to
Government Code Section 27383

APN: _____

REGULATORY AGREEMENT AND
DECLARATION OF RESTRICTIVE COVENANTS
(Vine Street)

This Regulatory Agreement and Declaration of Restrictive Covenants (this “**Agreement**”) is entered into as of March __, 2018, by and between the City of Modesto, a California charter city (the “**City**”) and the Housing Authority the County of Stanislaus (the “**Borrower**”). City and Borrower are collectively referred to herein as the “**Parties**.”

RECITALS

1. City and Borrower have entered into certain contracts in connection with a promissory note pursuant to which the City loaned to Borrower Two Hundred Eighty Thousand Dollars (\$280,000) (the “**City Loan**”).
2. The City Loan is funded with Community Development Block Grant (“**CDBG**”) funds received by the City from HUD pursuant to Title I of the Housing and Community Development Act of 1974.
3. The Borrower owns certain property located in the City of Modesto, California, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference (the “**Property**”).
4. The City provided the City Loan in order to assist Borrower with purchase of the Property, in order to facilitate the development of affordable housing thereon.
5. In consideration of receipt of the City Loan, the Borrower agrees to observe all the terms and conditions set forth in this Agreement.
6. In order to ensure that the entire Property will be used and operated for affordable housing, the City and the Borrower wish to enter into this Agreement.

THEREFORE, in consideration of the mutual covenants contained herein and good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions.

When used in this Agreement, the following terms shall have the respective meanings assigned to them in this Article 1:

- (a) “**Actual Household Size**” means the actual number of persons in the applicable household.
- (b) “**Adjusted Income**” means the total anticipated annual income of all persons in the Tenant household as calculated in accordance with 24 C.F.R. Section 5.611.
- (c) “**Agreement**” means this Regulatory Agreement and Declaration of Restrictive Covenants.
- (d) “**Borrower**” means the Housing Authority the County of Stanislaus.
- (e) “**CDBG**” means the Community Development Block Grant program under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et. seq.), as amended.
- (f) “**CDBG Regulations**” means the statutory and regulatory provisions that govern the CDBG program under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et. seq.), as amended including 24 C.F.R. Part 570 et seq.
- (g) “**Certificate of Occupancy Date**” means after completion of the renovation work funded by the City Loan, the date of issuance of a Certificate of Occupancy for the Property.
- (h) “**City-Assisted Units**” means seventeen (17) Units on the Property designated as assisted by the City.
- (i) “**City Deed of Trust**” means the deed of trust dated of even date herewith in favor of the City to be recorded on the Property and which secures repayment of the City Loan and the performance the terms and conditions of the City Note and this Agreement.
- (j) “**City Loan**” means all funds loaned to the Borrower by the City pursuant to the City Note.

(k) **“City Note”** means the promissory note in the amount of Two Hundred Eighty Thousand Dollars (\$280,000) executed by the Borrower to the City evidencing the City Loan, dated _____, 2018.

(l) **“City”** means the City of Modesto.

(m) **“Development”** means the Property, as well as any improvements, and all landscaping, roads and parking spaces existing thereon, as the same may from time to time exist.

(n) **“HUD”** means the United States Department of Housing and Urban Development.

(o) **“Loan Agreement”** means the Loan Agreement between Borrower and City, dated of even date herewith, evidencing the City Loan.

(p) **“Low Income Household”** means the occupants of a Unit with an Adjusted Income that does not exceed eighty percent (80%) of Median Income, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than sixty percent (60%) of Median Income on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(q) **“Low Income Rent”** means the maximum allowable rent for a Low Income Unit pursuant to Section 2.2 below.

(r) **“Low Income Units”** means the City-Assisted Units which, pursuant to Section 2.2(a) below, are required to be occupied by Low Income Households.

(s) **“Median Income”** means the median gross yearly income, adjusted for Actual Household Size as specified herein, in Stanislaus County, California, as published from time to time by HUD. In the event that such income determinations are no longer published, or are not updated for a period of at least eighteen (18) months, the City shall provide the Borrower with other income determinations which are reasonably similar with respect to methods of calculation to those previously published by HUD.

(t) **“Official Records”** means the official land records of the County of Stanislaus, California

(u) **“Property”** means the property described in the attached Exhibit A.

(v) **“Rent”** means the total of monthly payments by the Tenant of a Unit for the following: use and occupancy of the Unit and land and associated facilities, including parking; any separately charged fees or service charges assessed by Borrower which are required of all Tenants, other than security deposits; an allowance for the cost of an adequate level of service for utilities paid by the Tenant, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuel, but not telephone service or cable television;

and any other interest, taxes, fees or charges for use of the land or associated facilities and assessed by a public or private entity other than Borrower, and paid by the Tenant.

(w) “**Tenant**” means an individual occupying a Unit.

(x) “**Term**” means the term of this Agreement, which shall commence on the date of this Agreement and shall continue for thirty years or until all principal and interest of the Loan is repaid, whichever is later.

(y) “**Unit**” means each of the 35 units in the Project.

ARTICLE 2
AFFORDABILITY AND OCCUPANCY COVENANTS

2.1 Occupancy Requirements.

Seventeen (18) Units on the Property shall be City-Assisted Units, rented to and occupied by, or if vacant, available for occupancy by Low Income Households. At initial occupancy, affordability by bedroom type shall be met in accordance with the following:

Unit Size	Low Income
1 Bedroom	17
Total	17

Borrower agrees to use its best efforts to maintain the distribution shown in the above chart for the Term of this Agreement.

2.2 Allowable Rent.

The rent (including utility allowance) paid by Tenants of the Low Income Units shall not exceed one-twelfth of thirty percent (30%) of eighty percent (80%) of the Median Income.

2.3 Increased Incomes of Tenant.

(a) Non-Qualifying Household. If, upon recertification of the income the Borrower determines that a former Low Income Household has an Adjusted Income exceeding the maximum qualifying income for a Low Income Household, such Tenant shall be permitted to continue occupying the Unit and, upon expiration of the Tenant's lease and upon sixty (60) days written notice, the Rent shall be increased to the lesser of one-twelfth (1/12th) of thirty percent (30%) of the actual Adjusted Income of the Tenant, or fair market rent, except that tenants of City-Assisted Units in a project that has been allocated low income housing tax credits by a housing credit agency pursuant to Section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) must pay rent governed by Section 42. Borrower shall not be required to evict an otherwise qualified household due to an increase in household income above the limit set forth herein for a Low Income Household. When the Tenant vacates the Unit the Borrower shall rent the Unit to a

Low Income Household to comply with the requirements of Section 2.1 above.

(b) Termination of Tenancy. Upon termination of occupancy of a City-Assisted Unit by a Tenant, such City-Assisted Unit shall be rented to Low Income Household, or a Low-Income Household, as applicable, to comply with the requirements of Section 2.1 above.

(c) Units Available to the Disabled. In compliance with Section 504 of the Rehabilitation Act of 1973 (29 USC 794 et. seq.), a minimum of three (3) Units shall be made accessible for persons with mobility impairments and a minimum of one (1) Unit shall be accessible for persons with hearing or vision impairments.

2.4 Fair Housing.

The Property shall be operated at all times in compliance with the provisions of: (i) the Unruh Act; (ii) the California Fair Employment and Housing Act, (iii) Section 504 of the Rehabilitation Act of 1973; (iv) the United States Fair Housing Act, as amended, and (v) any other applicable law or regulation (including the Americans With Disabilities Act, to the extent applicable to the Property). Borrower agrees to indemnify, protect, hold harmless and defend (by counsel reasonably satisfactory to City) City, and its council members, officers and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Borrower's failure to comply with applicable legal requirements related to housing for persons with disabilities. The provisions of this subsection shall survive expiration of the Term or other termination of this Agreement, and shall remain in full force and effect.

ARTICLE 3 INCOME CERTIFICATION AND REPORTING

3.1 Income Certification.

The Borrower will obtain, complete and maintain on file, immediately prior to initial occupancy and annually thereafter, income certifications from each Tenant renting any of the Units. The Borrower shall make a good faith effort to verify that the income provided by an applicant or occupying household in an income certification is accurate by taking two or more of the following steps as a part of the verification process: (a) obtain three (3) months of pay stubs for the most recent three (3) month pay period; (b) obtain income tax returns for the most recent two (2) tax years; (c) conduct a credit agency or similar search; (d) obtain an income verification form from the applicant's current employer; (e) obtain an income verification form from the Social Security Administration and/or the California Department of Social Services if the applicant receives assistance from either of such agencies; or (f) if the applicant is unemployed and has no such tax return, obtain another form of independent verification. Borrower shall also complete and/or have the Tenant complete and sign the "Tenant Income Certification", the "Borrower's Certification of Household Income", and any other forms related to Tenants' income provided to Borrower by the City. Copies of Tenant income certifications shall be available to the City upon request.

3.2 Annual Report to City.

Borrower shall submit to the City annual reports in a form approved by the City, no later than sixty (60) days after the end of Borrower's fiscal year. The reports shall contain such information as the City may require, including, but not limited to, the following:

- (a) A statistical report, including income and rent data and household characteristics for all Units, setting forth the information called for therein.
- (b) A statement of the fiscal condition of the Property, including a financial statement indicating surpluses or deficits in operating accounts, a detailed itemized listing of income and expenses, and the amounts of any fiscal reserves. The report due after the end of each fiscal year shall contain an audited version of this statement. Such audit shall be prepared in accordance with the requirements of the City and certified at the Property's expense by an independent Certified Public Accountant licensed by the State of California. The Borrower shall also follow audit requirements of the Single Audit Act and OMB Circular A-122 and 110.
- (c) The substantial physical defects in the Property, if any, including a description of any major repair or maintenance work undertaken in the reporting period.
- (d) The occupancy of the Property indicating:
 - (1) A listing of current Tenants' names, income levels, move-in dates and the ethnic groups to which tenants belong; and
 - (2) General management performance, including Tenant relations and other relevant information.

Upon request of the City, Borrower shall furnish within fifteen (15) days of such request, copies of all tenant agreements. Within fifteen (15) days after receipt of a written request from the City, Borrower shall also submit, any other information or completed forms requested by the City in order to comply with reporting requirements of HUD (provided, however, that the Borrower shall in no event be obligated to provide any information that it cannot legally obtain as a housing provider), the State of California or any other government entity or lender to Borrower.

3.3 Additional Information.

The Borrower shall provide any additional information reasonably requested by the City. The City shall have the right to examine and make copies of all books, records or other documents of the Borrower that pertain to the Property.

3.4 Records.

The Borrower shall maintain complete, accurate and current records pertaining to the Property and all those records set forth in the Loan Agreement, and shall permit any duly

authorized representative of the City to inspect records, including records pertaining to income and household size of Tenants. All Tenant lists, applications and waiting lists relating to the Property shall at all times be kept separate and identifiable from any other business of the Borrower and shall be maintained as required by the City, in a reasonable condition for proper audit and subject to examination during business hours by representatives of the City. The Borrower shall retain copies of all materials obtained or produced with respect to occupancy of the Units for a period of at least five (5) years.

3.5 On-site Inspection.

The City shall have the right to perform an on-site inspection of the Project, when deemed necessary by the City, at least one time per year. The Borrower agrees to cooperate in such inspection and request tenants cooperate with such inspections.

ARTICLE 4
OPERATION OF THE DEVELOPMENT

4.1 Residential Use.

The Property shall be operated to provide affordable housing in accordance with Article 2 of this Agreement. The Development shall be operated only for residential use, and any change in the use of Property shall be subject to 24 CFR 570.505. No part of the Property may be operated as transient housing

4.2 Compliance with City Note and Deed of Trust.

Borrower shall comply with all the terms and provisions of the Loan Agreement, the City Note and City Deed of Trust.

4.3 Taxes and Assessments.

Borrower shall pay all real and personal property taxes, assessments and charges and all franchise, income, employment, old age benefit, withholding, sales, and other taxes assessed against it, or payable by it, at such times and in such manner as to prevent any penalty from accruing, or any lien or charge from attaching to the Property; provided, however, that Borrower shall have the right to contest in good faith, any such taxes, assessments, or charges. In the event Borrower exercises its right to contest any tax, assessment, or charge against it, Borrower, on final determination of the proceeding or contest, shall immediately pay or discharge any decision or judgment rendered against it, together with all costs, charges and interest.

4.4 Property Tax Exemption.

Borrower shall not apply for a property tax exemption for the Property under any provision of law except California Revenue and Taxation Section 214(g), without the prior written consent of the City.

4.5 Tenant Selection Plan.

Before leasing the City-Assisted Units, the Borrower must provide the City, for its review and approval, Borrower's written tenant selection plan. Borrower's tenant selection plan must, at a minimum meet the requirements for tenant selection set out in 24 CFR 570 and any modifications thereto. Borrower shall not make material modifications to its tenant selection plan without the prior written approval of the City, which approval shall not be unreasonably withheld.

ARTICLE 5 PROPERTY MANAGEMENT AND MAINTENANCE

5.1 Management Responsibilities.

The Borrower is responsible for all management functions with respect to the Property, including without limitation the selection of tenants, certification and recertification of household size and income, evictions, collection of rents and deposits, maintenance, landscaping, routine and extraordinary repairs, replacement of capital items, and security. The City shall have no responsibility over management of the Property or the Project. Borrower shall retain a professional property management company approved by the City in its reasonable discretion to perform its management duties hereunder.

5.2 Management Agent; Periodic Reports.

The Property shall at all times be managed by an experienced management agent reasonably acceptable to the City, with demonstrated ability to operate residential facilities like the Property in a manner that will provide decent, safe, and sanitary housing (as approved, the "Management Agent"). The Borrower shall submit for the City's approval the identity of any proposed Management Agent and if applicable, the management agreement between Borrower and the Management Agent (the "Management Agreement"). The Borrower shall also submit such additional information about the background, experience and financial condition of any proposed management agent as is reasonably necessary for the City to determine whether the proposed management agent meets the standard for a qualified management agent set forth above. If the proposed management agent meets the standard for a qualified management agent set forth above, the City shall approve the proposed management agent by notifying the Borrower in writing. Unless the proposed management agent and proposed management agreement is disapproved by the City within thirty (30) days, which disapproval shall state with reasonable specificity the basis for disapproval, it shall be deemed approved.

5.3 Periodic Performance Review.

The City reserves the right to conduct an annual (or more frequently, if deemed necessary by the City) review of the management practices and financial status of the Property. The purpose of each periodic review will be to enable the City to determine if the Property is being operated and managed in accordance with the requirements and standards of this Agreement. The Borrower shall cooperate with the City in such reviews.

5.4 Replacement of Management Agent.

If, as a result of a periodic review, the City determines in its reasonable judgment that the Property is not being operated and managed in accordance with any of the material requirements and standards of this Agreement, or, if applicable, the Management Agreement, the City shall deliver notice to Borrower of its determination that the Property does not satisfy the requirements of this Agreement, such notice may include a request to cause replacement of the Management Agent, including the reasons therefor. Within fifteen (15) days after receipt by Borrower of such written notice, City staff and the Borrower shall meet in good faith to consider methods for improving the financial and operating status of the Property, including, without limitation, replacement of the Management Agent.

If, after such meeting and not less than thirty (30) days opportunity to cure, City staff recommends in writing the replacement of the Management Agent, Borrower shall promptly dismiss the current Management Agent (subject to any applicable notice and cure periods in the Management Agreement or this Agreement), and shall appoint as the Management Agent a person or entity meeting the standards for a management agent set forth in Section 5.2 above and approved by the City pursuant to Section 5.2 above.

Any contract for the operation or management of the Property entered into by Borrower shall provide that the Management Agent may be dismissed and the contract terminated as set forth above. Failure to remove the Management Agent in accordance with the provisions of this Section shall constitute default under this Agreement, and the City may enforce this provision through legal proceedings as specified in Section 6.9 below.

5.5 Approval of Management Policies.

The Borrower shall submit its written management policies with respect to the Property to the City for its review, and shall amend such policies in any way necessary to ensure that such policies comply with the provisions of this Agreement.

5.6 Property Maintenance.

The Borrower agrees, for the entire Term of this Agreement, to maintain all interior and exterior improvements, including landscaping, on the Property in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, municipal, and other governmental

agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials, and in accordance with the maintenance conditions in this Section.

The Borrower shall, for the entire Term of this Agreement, maintain all interior and exterior improvements, including landscaping, on the Property in good condition and repair (and, as to landscaping, in a healthy condition) and in accordance with all applicable laws, rules, ordinances, orders and regulations of all federal, state, county, municipal, and other governmental agencies and bodies having or claiming jurisdiction and all their respective departments, bureaus, and officials, and in accordance with the following maintenance conditions:

(a) Landscaping. The Borrower shall have landscape maintenance performed on a regular basis, including replacement of dead or diseased plants with comparable plants. Borrower agrees to adequately water the landscaping on the Property. No improperly maintained landscaping on the Property is to be visible from public streets and/or rights of way;

(b) Yard Area. Borrower shall not leave any yard areas on the Property unmaintained, including:

(1) broken or discarded furniture, appliances and other, household equipment stored in yard areas for a period exceeding one (1) week;

(2) packing boxes, lumber trash, dirt and other debris in areas visible from public property or neighboring properties; and

(3) vehicles parked or stored in other than approved parking areas.

(c) Building. The Borrower shall not leave any buildings located on the Property in an unmaintained condition so that any of the following exist:

(1) violations of state law, uniform codes, or City ordinances;

(2) conditions that constitute an unsightly appearance that detracts from the aesthetics or value of the Property or constitutes a private or public nuisance;

(3) broken windows;

(4) graffiti (must be removed within 72 hours); and

(5) conditions constituting hazards and/or inviting trespassers, or malicious mischief.

(d) Sidewalks. The Borrower shall maintain, repair, and replace as necessary all public sidewalks adjacent to the Development.

The City places prime importance on quality maintenance to protect its investment and to ensure that all City and City-assisted affordable housing projects within the City are not allowed to deteriorate due to below-average maintenance. Normal wear and tear of the Property will be acceptable to the City assuming the Borrower agrees to provide all necessary improvements to assure the Property is maintained in good condition. The Borrower shall make all repairs and replacements necessary to keep the improvements in good condition and repair.

In the event that the Borrower breaches any of the covenants contained in this Section and such default continues for a period of seven (7) days after written notice from the City with respect to graffiti, debris, waste material, and general maintenance or thirty (30) days after written notice from the City with respect to landscaping and building improvements, then the City, in addition to whatever other remedy it may have at law or in equity, shall have the right to enter upon the Property and perform or cause to be performed all such acts and work necessary to cure the default. Pursuant to such right of entry, the City shall be permitted (but is not required) to enter upon the Property and perform all acts and work necessary to protect, maintain, and preserve the improvements and landscaped areas on the Property, and to attach a lien on the Property, or to assess the Property, in the amount of the expenditures arising from such acts and work of protection, maintenance, and preservation by the City and/or costs of such cure, including a ten percent (10%) administrative charge, which amount shall be promptly paid by the Borrower to the City upon demand.

(e) Safety Conditions. The Borrower acknowledges that the City places a prime importance on the security of City-assisted projects and the safety of the residents and surrounding community. The Borrower shall implement and maintain throughout the Term the following security measures in the Development:

(1) to the extent feasible employ defensible space design principles and crime prevention measures in the operation of the Development including, but not limited to, maintaining adequate lighting in parking areas and pathways;

(2) use its best efforts to work with the City Police Department to implement and operate an effective neighborhood watch program; and

(3) provide added security including dead-bolt locks for every entry door, and where entry doors are damaged, replace them with solid-core doors.

(f) The City shall have the right to enter on the Property and/or contact the City Police Department if it becomes aware of, or is notified of, any conditions that pose a danger to the peace, health, welfare or safety of the Tenants and/or the surrounding community, and to perform, or cause to be performed, such acts as are necessary to correct the condition.

ARTICLE 6
MISCELLANEOUS

6.1 Lease Provisions.

The Borrower shall use a form of Tenant lease approved by the City. The form of Tenant leases as applicable to certain Units pursuant to Section 2.1 of this Agreement shall, among other matters:

(a) provide for termination of the lease and consent by the Tenant to immediate eviction for failure: (i) to provide any information required under this Agreement or reasonably requested by Borrower to establish or recertify the Tenant's qualification, or the qualification of the Tenant's household, for occupancy in the Property in accordance with the standards set forth in this Agreement, or (ii) to qualify as a Low Income Household or a Low Income Household as a result of any material misrepresentation made by such Tenant with respect to the income computation.

(b) be for an initial term of not less than one (1) year, unless by mutual agreement between the Tenant and Borrower (and only if allowed by all financing sources), and provide for no increase in Rent during such year. After the initial year of tenancy, the lease may be month-to-month by mutual agreement of Borrower and the Tenant.

6.2 Lease Termination.

Any termination of a lease or refusal to renew a lease for a City-Assisted Unit shall be in conformance with the CDBG Regulations and shall be preceded by not less than sixty (60) days written notice to the Tenant by the Borrower specifying the grounds for the action.

6.3 Nondiscrimination.

(a) The Property shall be operated at all times in compliance with the provisions of: (i) the Unruh Act; (ii) the California Fair Employment and Housing Act; (iii) Section 504 of the Rehabilitation Act of 1973; (iv) the Fair Housing Act, as amended; and (v) any other applicable law or regulation (including the Americans With Disabilities Act, to the extent applicable to the Property). Borrower shall agree to indemnify, protect, hold harmless and defend (with counsel reasonably satisfactory to City) City, and its boardmembers, officers and employees, from all suits, actions, claims, causes of action, costs, demands, judgments and liens arising out of Borrower's failure to comply with applicable legal requirements related to housing for persons with disabilities. The provisions of this subsection will survive expiration of the Term or other termination of this Agreement, and remain in full force and effect.

(b) All of the Units shall be available for occupancy on a continuous basis to members of the general public who are income eligible and meet operating funder requirements. The Borrower shall not give preference to any particular class or group of persons in renting the Units, except to the extent that the Units are subject to certain occupancies requirements as set forth in Section 2.1 of this Agreement. Except as legally permitted, there shall be no

discrimination against or segregation of any person or group of persons, on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, source of income (e.g. SSI), age, ancestry, or disability, in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of any Unit nor shall the Borrower or any person claiming under or through the Borrower, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy, of tenants, lessees, sublessees, subtenants, or vendees of any Unit or in connection with the employment of persons for the construction, operation and management of any Unit. Notwithstanding the above, with respect to familial status, the above should not be construed to apply to housing for older persons as defined in Section 12955.9 of the Government Code and other applicable sections of the Civil Code as identified in Health and Safety Code Section 33050(b).

6.4 Section 8 Certificate Holders.

The Borrower will accept as Tenants, on the same basis as all other prospective Tenants, persons who are recipients of federal certificates for rent subsidies pursuant to the existing housing program under Section 8 of the United States Housing Act, or its successor. The Borrower shall not apply selection criteria to Section 8 certificate or voucher holders that are more burdensome than criteria applied to all other prospective Tenants, nor shall the Borrower apply or permit the application of management policies or lease provisions with respect to the Property which have the effect of precluding occupancy of the City-Assisted Units by such prospective Tenants.

6.5 Term.

The terms of this Agreement shall expire thirty years from the date a certificate of occupancy is issued for the Development. The provisions of this Agreement shall apply to the Property for the entire Term even if the City Loan is paid in full prior to the end of the Term. This Agreement shall bind any successor, heir or assign of the Borrower, whether a change in interest occurs voluntarily or involuntarily, by operation of law or otherwise, except as expressly released by the City. The City makes the City Loan on the condition, and in consideration of, this provision, and would not do so otherwise.

6.6 Compliance with Program Requirements.

Borrower actions with respect to the Property shall at all times be in full conformity with: (i) all requirements of the Loan Agreement all requirements imposed on projects assisted under the CDBG Program as contained in the CDBG Regulations and other implementing rules and regulations. Without limiting the forgoing, Borrower, and Borrower's employees, agents, officers, and board members shall comply with the conflict of interest requirements set forth in 24 CFR 611.

6.7 Notice of Expiration of Term.

(a) At least six (6) months prior to the expiration of the Term, Borrower shall provide by first-class mail, postage prepaid, a notice to all Tenants containing (i) the

anticipated date of the expiration of the Term, (ii) any anticipated increase in Rent upon the expiration of the Term, (iii) a statement that a copy of such notice will be sent to the City, and (iv) a statement that a public hearing may be held by the City on the issue and that the Tenant will receive notice of the hearing at least fifteen (15) days in advance of any such hearing. Borrower shall also file a copy of the above-described notice with the Housing Director of the City.

(b) In addition to the notice required above, Borrower shall comply with the requirements set forth in California Government Code Sections 65863.10 and 65863.11. Such notice requirements include: (i) a twelve (12) month notice to existing tenants, prospective tenants and Affected Public Agencies (as defined in California Government Code Section 65863.10(a), which would include the City Manager) prior to the expiration of the Term, (ii) a six (6) month notice requirement to existing tenants, prospective tenants and Affected Public Agencies prior to the expiration of the Term; (iii) a notice of an offer to purchase the Property to "qualified entities" (as defined in California Government Code Section 65863.11(d)), if the Property is to be sold within five (5) years of the end of the Term; (iv) a notice of right of first refusal within the one hundred eighty (180) day period that qualified entities may purchase the Property.

6.8 Covenants to Run With the Land.

The City and the Borrower hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land, and shall bind all successors in title to the Property, provided, however, that on the expiration of the Term of this Agreement said covenants and restrictions shall expire. Each and every contract, deed or other instrument hereafter executed covering or conveying the Property or any portion thereof, shall be held conclusively to have been executed, delivered and accepted subject to such covenants and restrictions, regardless of whether such covenants or restrictions are set forth in such contract, deed or other instrument, unless the City expressly releases such conveyed portion of the Property from the requirements of this Agreement. Notwithstanding the automatic expiration of this Agreement set forth above, upon the expiration of the Term, the Parties hereby agree to execute and record in the Official Records such document(s) as may be necessary to evidence the termination and release of this Agreement as an encumbrance against the Property.

6.9 Enforcement by the City.

Subject to the notice and cure rights of Borrower's limited partner set forth in the Loan Agreement, if the Borrower fails to perform any obligation under this Agreement, and fails to cure the default within thirty (30) days after the City has notified the Borrower in writing of the default or, if the default cannot be cured within thirty (30) days, failed to commence to cure within thirty (30) days and thereafter diligently pursue such cure and complete such cure within ninety (90) days, the City shall have the right to enforce this Agreement by any or all of the following actions, or any other remedy provided by law:

(a) Calling the City Loan. The City may declare a default under the City Loan Agreement, accelerate the indebtedness evidenced by the City Note, and proceed with foreclosure under the City Deed of Trust. City and Borrower agree and acknowledge that the

enforcement by the City of Borrower's obligation to repay the Grant shall in no event constitute the collection of, or enforcement of, monetary damages.

(b) Action to Compel Performance or for Damages. The City may bring an action at law or in equity to compel the Borrower's performance of its obligations under this Agreement, for damages, or for injunctive relief.

(c) Remedies Provided Under City Note or Deed of Trust. The City may exercise any other remedy provided under the City Note or City Deed of Trust.

(d) Special Remedy for Breach of Use Requirement. Pursuant to 24 C.F.R. 570.503(b)(7)(ii), if Borrower substantially changes the use of the Property to a use that fails to meet a national objective as defined in 24 C.F.R 570.208, City may require Borrower to pay to City the fair market value of the Property based on an appraisal. Such appraisal shall be performed by an appraiser selected by the City and shall take into consideration the Borrower's new use of the Property (that is not permitted by this Agreement). Funds recovered from Borrower pursuant to this subsection shall be credited: (1) by the City against any remaining amount of the CDBG Grant.

6.10 Attorneys Fees and Costs.

In any action brought to enforce this Agreement, the prevailing party shall be entitled to all costs and expenses of suit, including attorneys' fees. This Section shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.

6.11 Recording and Filing.

The City and the Borrower shall cause this Agreement, and all amendments and supplements to it, to be recorded in the Official Records.

6.12 Governing Law.

This Agreement shall be governed by the laws of the State of California.

6.13 Waiver of Requirements.

Any of the requirements of this Agreement may be expressly waived by the City in writing, but no waiver by the City of any requirement of this Agreement shall, or shall be deemed to, extend to or affect any other provision of this Agreement.

6.14 Amendments.

This Agreement may be amended only by a written instrument executed by all the parties hereto or their successors in title, and duly recorded in the Official Records.

6.15 Notices.

Any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first-class United States certified mail, postage prepaid, addressed to the appropriate party as follows:

City: City of Modesto
1010 10th Street
P. O. Box 642
Modesto, CA 95353
Attention: Aaron Farnon - CEDD

Borrower: Housing Authority of the County of Stanislaus
1701 Robertson Road
P.O. Box 581918
Modesto, CA 95358
Attn: Executive Director

Such addresses may be changed by notice to the other party given in the same manner as provided above.

6.16 Severability.

If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining portions of this Agreement shall not in any way be affected or impaired thereby.

6.17 Multiple Originals; Counterparts.

This Agreement may be executed in multiple originals, each of which is deemed to be an original, and may be signed in counterparts.

6.18 Revival of Agreement after Foreclosure.

This Agreement shall be revived according to its original terms if, during the original Term, the Borrower of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former Borrower or those with whom the former Borrower has or had family or business ties, obtains an ownership interest in the Property or Project.

6.19 Indemnification.

Borrower shall indemnify, defend and hold the City harmless against all claims made against it and expenses (including reasonable attorneys' fees) which arise out of or in connection with the development, construction, marketing and operation of the Property, except to the extent such claim arises from the grossly negligent or willful misconduct of the City, its agents, and its

employees. The provisions of this Section shall survive the expiration of the Term and the reconveyance of the City Deed of Trust.

6.20 Encumbrances.

Borrower shall not encumber the Property, including the granting of commercial leases, or permit the conveyance, transfer or encumbrance of such Property (except by qualified tenants) or to allow the placement of any liens, notes or deeds or use the Property as security for a note or loan except: (i) with the written consent of the City or (ii) upon a sale or transfer of the Property in accordance with the terms of this Regulatory Agreement.

6.21 Subordination Agreement.

If necessary to secure other financing, City may subordinate this Agreement, resulting in this Agreement becoming subject to and of lower priority than the lien of some other security instrument, subject to the conditions to subordination in Section 2.5 of the Loan Agreement.

6.22 Notice of Litigation.

Borrower shall promptly notify the City in writing of any litigation materially affecting Borrower or the Property and of any claims or disputes that involve a material risk of such litigation.

6.23 CDBG Funds.

Upon the expiration of the Agreement, the Borrower shall transfer to the City any remaining CDBG funds and any accounts receivable attributable to the use of CDBG funds.

[Signature Pages Follow]

IN WITNESS WHEREOF, the City and the Borrower have executed this Agreement by duly authorized representatives, all on the date first written above.

**HOUSING AUTHORITY OF THE COUNTY OF
STANISLAUS**

By: _____

Title: _____

CITY OF MODESTO

By: _____

Joseph Lopez, City Manager

ATTEST:

By: _____

Stephanie Lopez, City Clerk

(SEAL)

APPROVED AS TO LEGAL FORM

Adam U. Lindgren, City Attorney

By: _____

Adam U. Lindgren, City Attorney

SIGNATURES MUST BE NOTARIZED

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

State of California)

County of _____)

On _____ before me, _____, Notary Public, ,
personally appeared,

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

I certify under penalty of perjury under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Exhibit A

Legal Description of the Property

The land is situated in the City of Modesto, County of Stanislaus, State of California, and is described as follows:

EXHIBIT B

FORM INCOME COMPUTATION AND CERTIFICATION
AND OWNER'S CERTIFICATION OF HOUSEHOLD INCOME

I, the Undersigned, certify that I have read and answered fully, and truthfully each of the following questions for all persons in the household who are to occupy a room in this house for which application is made.

<u>Occupant's Name</u>	<u>Social Security #</u>	<u>Age</u>	<u>Place of Employment</u>	<u>Annual Income</u>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
			TOTAL:	

The total anticipated annual household income* for the twelve (12) month period beginning this date (the sum of the final column): \$ _____.

Signed: _____
Head of Household

Date: _____

* The anticipated annual Income as determined under 24 CFR 5.609(b) and (c), and as verified under Attachment A .

Attachment A
Owner's Certification of Household Income

Household Name _____

I certify, as Owner/Management Agent for _____ that I have verified this Household's Income by using the following:

1. Tax returns _____
2. Place of employment verification _____
3. Pay stubs _____
4. Notarized statement from lessee _____
5. Other (please describe) _____

Owner/Management Agent

Date

3071369.1

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-490**

RESOLUTION APPROVING THE AWARD OF HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS IN AN AMOUNT NOT TO EXCEED \$800,000 TO THE HOUSING AUTHORITY OF THE COUNTY OF STANISLAUS FOR THE DEVELOPMENT OF 416 COOLIDGE AVE MODESTO CA, AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE THE AGREEMENTS

WHEREAS, City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, HOME Investment Partnerships Program (HOME) funds are utilized, in partnership with local nonprofit affordable housing developers to fund a wide range of activities to construct, acquire, and/or rehabilitate affordable housing projects, and make available for rent or homeownership to low income citizens, and

WHEREAS, On October 9, 2018 the City Council, by Resolution No. 2018-455 approved Amendment No. 1 to the Program Year 2018-2019 Annual Action Plan, and

WHEREAS, this project was identified as an amended project within Amendment No. 1, and

WHEREAS, the proposed Kestrel Ridge project located at 416 E. Coolidge Ave, Modesto, CA., is a collaborative effort involving the Housing Authority of the County of Stanislaus (HACS), Stanislaus County Behavioral Health and Recovery Services (BHRS) and the City of Modesto to develop eight (8) single family homes as permanent supportive housing for behavioral health clients, and

WHEREAS, the project is intended to provide permanent affordable rental housing to individuals with incomes below 80% of the area median income (AMI), and

WHEREAS, the housing units are slated to serve mental health clients who meet eligible criteria, as determined by BHRS, and

WHEREAS, the project would help meet the City of Modesto and HUD objectives of: increasing affordable rental housing, provide permanent supportive housing, and prevent homelessness for those at risk, and

WHEREAS, On October 11, 2018 the Citizens Housing and Community Development Committee reviewed, approved and forwarded the award of HOME Investment Partnership Funds in an amount not to exceed \$800,000 to the Housing Authority of the County of Stanislaus (HACS), for the development 416 E. Coolidge Ave.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the awarding an amount not to exceed \$800,000 of HOME Investment Partnerships Program funds to the Housing Authority of the County of Stanislaus for the development of 416 E. Coolidge Ave., Modesto, CA.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute all agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-491**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 MULTI-YEAR PROJECT BUDGET TO ESTABLISH A NON-CAPITAL PROJECT TO BE FUNDED IN THE AMOUNT OF \$800,000 WITH HOME INVESTMENT PARTNERSHIP PROGRAM GRANT FUNDS TO HOUSING AUTHORITY OF STANISLAUS COUNTY (101150) AND UP TO 10% FOR ELIGIBLE ACTIVITY DELIVERY COSTS IN THE AMOUNT OF \$80,000 FOR THE DEVELOPMENT OF AN AFFORDABLE HOUSING PROJECT LOCATED AT 416 E. COOLIDGE AVENUE, MODESTO AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO TAKE THE NECESSARY STEPS TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the City of Modesto receives annual entitlements from HUD based on its population size, number of households living below poverty level and number of sub-standard housing units, and

WHEREAS, the fiscal year 2018-19 Multi-Year Budget must be amended as outlined in **Exhibit A**, which is incorporated by reference, as certain budgetary transactions are necessary in order to track development costs of 416 E Coolidge Project (Project), and

WHEREAS, the Project will be funded with \$800,000 Home Investment Partnership Program Grant Funds to the Housing Authority of Stanislaus County and \$80,000 for activity delivery costs.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal year 2018-19 Multi-Year Budget as shown in **Exhibit A attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provision of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

IDIS Activity #1322

FUND: 1170
COST CENTER: 14998
PROJECT #: 101150
PROJECT NAME: CED: AFFORDABLE HOUSING – 416 E Coolidge
Development 1322
TASK: 1322 APPR UNIT C
EXPENSE TYPE: DIRECT GRANT
\$800,000

FUND: 1170
COST CENTER: 14998
PROJECT #: 101150
PROJECT NAME: CED: AFFORDABLE HOUSING – 416 E Coolidge
Development 1322
TASK: 1322 APPR UNIT C
EXPENSE TYPE: SERVICE CITY FORCES - INTERFUND
\$80,000

REVENUE:

\$880,000

1170-14030-42030-101150-01322-00000.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-492**

RESOLUTION APPROVING THE FIRST AMENDMENT INCREASING THE AGREEMENT AMOUNT WITH FINAL CUT MEDIA, FOR THE MANAGEMENT SERVICES OF THE EDUCATION AND GOVERNMENT TELEVISION MASTER CONTROL ROOM IN THE COUNCIL CHAMBERS BY \$202,070 FROM \$202,070 TO A NEW TOTAL AMOUNT OF \$404,140, AND EXTENDING THE TERM OF THE AGREEMENT FROM NOVEMBER 13, 2018 TO NOVEMBER 13, 2019; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT

WHEREAS, the City has an ongoing need to maintain the master control room located in the basement floor of Tenth Street Place for the purpose of airing Education-Government (EG) meetings and events;

WHEREAS, Final Cut Media will provide management of the daily operations of an Education and Government (EG) television control room facility including scheduling of multi-media programming, and

WHEREAS, Final Cut Media will provide production and management of the Education and Government master control room operations as stated in **Exhibit "A"** and **Exhibit "B"** included in the Final Cut Media agreement, and

WHEREAS, the expenditures for maintenance contracts/support agreements have been approved by Council through the budget process.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the agreement with Final Cut Media to extend the term of the agreement for a period of one year in the amount of \$202,070 for the continued management of the Education and Government television master control room.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

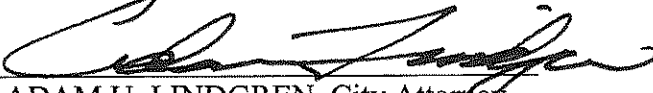
BY: 
ADAM U. LINDGREN, City Attorney

EXHIBIT "A"
SCOPE OF SERVICES
FOR
MANAGEMENT SERVICES OF
EDUCATION & GOVERNMENT PROGRAMMING

Final Cut Media shall provide the following services to the City:

- A. Management of the Education, and Government television master control room facility. Scheduling of all programming on the Education and Government channels, including live web casting via the Internet.
- B. Consultant shall report solely to the Director of the Information Technology Department (IT) or to designated IT staff regarding the management of the Education and Government Channels and master control facility.
- C. Production and Broadcasting Services - Consultant will provide camera crew to produce, broadcast and/or video tape the following meetings originating from the basement chambers of Tenth Street Place, Modesto Centre Plaza, Modesto Police Department, Stanislaus County Office of Education and/or any other City of Modesto sites identified in exhibit "B":
 - a. All regularly or specially scheduled Modesto City Council Meetings
 - b. All regularly or specially scheduled Modesto City Council Committee Meetings (upon request)
 - c. All regularly or specially scheduled Modesto City Planning Commission Meetings
 - d. Specially scheduled City of Modesto Department and/or Citizen Advisory Committee Meetings (upon request).
 - e. All regularly or specially scheduled Stanislaus County Board of Supervisors Meetings
 - f. All regularly or specially scheduled Stanislaus County Board of Supervisors Committee Meetings (upon Request).
 - g. All regularly or specially scheduled Stanislaus County Planning Commission Meetings.
 - h. Specially scheduled Stanislaus County Department Meetings.
 - i. Regularly scheduled "Making the Grade" programs of the Stanislaus County Office of Education.
 - j. Specially scheduled Stanislaus County Office of Education meetings.
 - k. Government Youth Commission Meetings.
 - l. Yearly City and County Budget Meetings.
- D. The City's site locations have been identified in exhibit "B. Consultant shall be equipped and capable of broadcasting at any of the listed sites in exhibit "B".
- E. Media Duplication - Consultant staff will duplicate media of all Modesto City Council and Stanislaus County Board of Supervisors, meetings, providing copies of said meetings

to the City of Modesto Clerk's Office and the Stanislaus County Clerk of the Board's Office and storing master copies of all meetings in the Master Control Room library. Master copies shall not be discarded or destroyed without the prior written consent from the City Clerk or Clerk of the Board.

- F. Create Video bulletin boards that appear between taped or live programming. Information will be submitted to Consultant at least five (5) days prior to the requested start date.
- G. Any new programming airing on the Government and Education must be pre-approved by IT staff.
- H. Consultant will provide ongoing recommendations to IT staff for the effective management of the Master Control Room facility. All final decisions pertaining to the Master Control Room facility shall be made by IT staff, unless upon emergency and IT staff is unavailable for direction.
- I. Consultant will work with IT staff and contracted broadcast engineers to ensure the proper maintenance and installation of new equipment at the Master Control Room location of 1100 H Street, Modesto, California.
- J. Consultant agrees that any commercial use of equipment is prohibited. Consultant may not rent City-owned equipment to other parties. Consultant also may not profit from programs produced with City equipment and facilities. Any questions regarding commercial use should be directed to the IT staff.
- K. Additional production or equipment setup that is not listed on the Scope of Services shall be compensated at a rate of \$75.00 per hour.
- L. Consultant shall provide staff possessing a qualified skill-level and working knowledge of operating and maintaining broadcast equipment for the transmission of Education and Government programming.
- M. Consultant agrees to maintain the Regular Hours of Operation as:
 - a. Monday through Friday 10 am - 5 pm for Master Control Room Operation
 - b. Monday through Saturday as needed for Education & Government programming
 - c. Saturday and Sunday - Open only for Master Control Room Operation
 - d. On-Call - 24 hours per day and 365 days per year to oversee the use of the facility and provide technical management as needed
 - e. Master Control Room access is available by appointment only.
- N. City and Consultant shall perform quarterly inspections of the basement chambers of Tenth Street Place and the Master Control Room location of 1100 H Street, Modesto, California. Consultant agrees to respond and correct deficiencies as identified.

- O. Consultant shall provide a comprehensive inventory, drawings, diagrams, flow chart and other related material of all equipment and communications that are utilized in conducting broadcast services. Material shall be provided at signing of agreement and updated bi-annually.

2659739.1

CITY OF MODESTO Locations (Exhibit "B")

Site	Address	Comments
City/County Chambers	1010 10th Street	
Modesto Police Department	600 10th Street	
New Command Center	Sutter and Chicago	
Northeast Area Command (C W Center)	3705 Oakdale Road	
Northwest Area CMD	3401 Dale Road	
Property Evidence Bldg	1124 F Street	
Police Dept. Evidence	11th and G Streets	
Fire		
Fire Administration	600 11th Street	
Station 1	610 11th Street	
Station 2	629 2nd Street	
Station 3	637 El Vista Ave	
Station 4	1505 Blue Gum Ave	
Station 5	200 W. Briggsmore Ave	
Station 6	2700 Standiford Ave	
Station 7	1800 Mable Ave	
Station 8	737 Airport Ave	
Station 9	4025 Fara Buindo Drive	
Station 10	148 Imperial Ave	
Fire Prevention	1010 10th Street	
Station 11 (Proposed)	Carver and Pelandale	
Station 2A (Proposed)	Sutter and Chicago	
Training Center	1220 Fire Science Lane	
Other City Facilities		
Recreation Center	720 Coldwell Ave.	
Senior Opportunity Services	416 Downey Ave.	
King Kennedy Memorial	601 Martin Luther King	
Modesto Centre Plaza	1000 L Street	
Boy Scout Clubhouse	400 Enslin Ave	
Senior Citizens Center	211 Bodem Street	
McHenry Mansion	906 15th Street	
McHenry Museum	1402 I Street	
American Legion Hall	1021 S. Santa Cruz Ave	
Maddux Youth Center	615 Sierra Drive	
Graceda Park/Mancini Bowl	410 Needham (Needham and Sycamore)	
John Thurman Field	601 Neece Drive	Added (May 2003)
Modesto Municipal Golf Course	400 Toulumne Boulevard	Added (March 2004)
Corporation Yard	501 N. Jefferson Street	
Portable Bldg	115 Elm Street	
Transportation Center	9th Street & J Street	
Airport Terminal	617 Airport Way	
Airport General Aviation	700 Tioga Drive	
Sanitation Plant	1221 Sutter Ave	
Amtrak Station	1700 Held Drive	
Intersection of Hatch and Morgan	Hatch and Morgan	

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-493**

RESOLUTION ACCEPTING THE CONGESTION MITIGATION AND AIR QUALITY (CMAQ) GRANT AWARD IN THE AMOUNT OF \$500,000 TO SYNCHRONIZE ALL THE TRAFFIC SIGNALS OUTSIDE THE DOWNTOWN AREA, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE ALL NECESSARY DOCUMENTS

WHEREAS, the City of Modesto has applied for and received Congestion Mitigation and Air Quality (CMAQ) Grant Funds, and

WHEREAS, on June 19, 2018 the application for this grant was submitted to the California Department of Transportation (Caltrans), and

WHEREAS, on July 3, 2018, the City was notified that it was awarded this project, and

WHEREAS, the project will be 100% funded by the CMAQ grant, with no funding required by the City, and

WHEREAS, the project is to synchronize all the traffic signals outside the downtown area, and

WHEREAS, the Federal Highway Safety Administration recommends synchronizing the City's traffic signals every three to five years.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the CMAQ Grant Funds award in the amount of \$500,000, to synchronize the traffic signals outside the downtown business district.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute all necessary documents.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-494**

**RESOLUTION AMENDING FISCAL YEAR 2018-19 NON-CAPITAL
IMPROVEMENT PROJECT BUDGET, PROJECT #101128 IN THE AMOUNT
OF \$500,000 TO FUND SYNCHRONIZING THE TRAFFIC SIGNALS OUTSIDE
THE DOWNTOWN BUSINESS DISTRICT, AND AUTHORIZING THE CITY
MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF
THIS RESOLUTION**

WHEREAS, the City of Modesto has applied for and received Congestion Mitigation and Air Quality (CMAQ) Grant Funds in the amount of \$500,000, and

WHEREAS, on July 3, 2018, the City was notified that it was awarded this project

WHEREAS, the Fiscal Year 2018-19 budget for non-capital improvement project 101128 – Synchronize Outside the Downtown -2017, must be amended by \$500,000.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-19 Non-Capital Improvement Program budget to fund Synchronizing of the Traffic Signals Outside the Downtown Business District.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

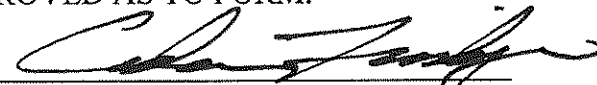
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-495**

**RESOLUTION APPROVING THE FIRST AMENDMENT TO THE
CONSULTANT SERVICES AGREEMENT WITH CAROLLO ENGINEERS INC.
FOR THE CITY'S COMPOST FACILITY GROUNDWATER MONITORING
WELLS WORK PLAN AND INSTALLATION IN THE AMOUNT OF \$20,700,
WITH A POSSIBLE CONTINGENCY AMOUNT OF \$4,400, FOR A TOTAL
NOT TO EXCEED AMOUNT OF \$69,400, AND AUTHORIZING THE CITY
MANAGER, OR HIS DESIGNEE TO EXECUTE THE AMENDMENT**

WHEREAS, in 2011 the City of Modesto contracted with Carollo Engineers, Inc. for the design work of Phase 2 of the Tertiary Wastewater Treatment Project, which included producing the design documents for the relocation of the Compost Facility to an adjacent parcel that met the existing requirements of the Central Valley Regional Water Quality Control Board (CVRWQCB), and

WHEREAS, on April 11, 2017, the CVRWQCB issued a Revised Notice of Applicability (NOA) General Order 2015-0121-DWQ-R5S003 "General Waste Discharge Requirements for Composting Operations" for the City of Modesto's Compost Facility which required the City to install groundwater monitoring wells at the facility by March 30, 2018, and

WHEREAS, the City entered into a Standard Agreement for Consultant Services with Carollo Engineers, Inc. on January 4, 2018, for the design of a Groundwater Monitoring Well Installation Workplan, the installation of the required three new wells, and a final report, for a not to exceed cost of \$44,300, with an additional 10% contingency that could be authorized by the City Manager, for a total possible cost of \$48,700, and

WHEREAS, per the original agreement, Carollo Engineers submitted the Groundwater Monitoring Well Installation Workplan to include the design and

installation of three monitoring wells to the CVRWQCB on March 26, 2018, and

WHEREAS, on May 4, 2018 the CVRWQCB responded with a conditional approval, but added a requirement of installing an additional three wells, and

WHEREAS, after some discussions between Carollo Engineers and the CVRWQCB, the CVRWQCB agreed to eliminate one well and require the installation of just two new wells, and

WHEREAS, the original Agreement approved the installation of three wells, this First Amendment agrees to expand the scope of services to include two additional wells for a total installation project of five groundwater monitoring wells at the Compost Facility, which is required to meet the regulations of the CVRWQCB General Order for Composting Operations, and

WHEREAS the Amendment increases the budget for the project by an additional \$20,700, with a possible contingency amount of \$4,400, for a total not to exceed amount of \$69,400 which will be paid out of the Compost Fund (4890).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the First Amendment to the Consultant Services Agreement with Carollo Engineers, Inc. for the City's Compost Facility Groundwater Monitoring Wells work plan and installation in the amount of \$20,700, with a possible contingency amount of \$4,400, for a total not to exceed amount of \$69,400.

BE IT FURTHER RESOLVED, that the City Manager or his designee is hereby authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-496**

RESOLUTION APPROVING THE AWARD OF BID FOR THE FURNISHING OF ON-CALL PLUMBING SERVICES AT CITY PROPERTIES TO CHAMPION INDUSTRIAL CONTRACTORS, INC., MODESTO, CA, FOR A TWO YEAR AGREEMENT WITH THREE ONE-YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST NOT TO EXCEED \$68,000 AND A TOTAL AMOUNT NOT TO EXCEED \$361,089 OVER FIVE YEARS, WHICH INCLUDES POTENTIAL CONSUMER PRICE INDEX INCREASES, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENT

WHEREAS, the City has a need for on-call plumbing services at City properties on an “as needed” basis, and

WHEREAS, Utilities, Parks, Police and the Fire Departments, as well as Building Services, use on-call plumbing services for residential and commercial plumbing repairs, addressing issues that arise from city-related construction and maintenance events, and

WHEREAS, the contract will include parts and components and will be charged at the Contractor’s landed cost, less any earned discounts, plus a 10% mark up and labor costs, and

WHEREAS, previously, these services were provided by utilizing Blanket Purchase Agreement No. 86512 for \$25,000 and Agreement No. 87017 for \$25,000, and

WHEREAS, because expenditures for citywide plumbing services in the past two years reached the Blanket Purchasing Agreements maximum of \$50,000, Departments have anticipated the following estimated annual expenses for on-call plumbing services:

FUND	ACCOUNT NUMBER	Estimated Annual Expense
Parks	0100-35220-53300	\$ 5,000
Water	4100-45020, 45040	\$ 7,000

Water CIP	100575, 100576, and 100577	\$10,000
Fire	0100-18610-53150	\$15,000
Police	0100-19490-53300	\$15,000
Building Services	5800-52120-53300	\$16,000
TOTAL		\$68,000

and,

WHEREAS, the City Manager authorized the Purchasing Manager to issue a formal RFB for on-call plumbing services at City properties, and

WHEREAS, on March 22, 2018, the Purchasing Division issued RFB No. 1718-08 for on-call plumbing services at City properties on the PlanetBids website, and

WHEREAS, on April 10, 2018, bids were due and no companies chose to respond, and

WHEREAS, the Purchasing Department worked with staff to modify the bid to repost, and

WHEREAS, on June 1, 2018, the Purchasing Division issued RFB No. 1718-08R for on-call plumbing services at City properties on the PlanetBids website, and prospective bidders were notified online of the bid opportunity, and

WHEREAS, on June 26, 2018, bids were formally opened in the Clerk's office and one vendor chose to respond and provided a responsive and responsible bid, and

WHEREAS, based on providing the lowest responsive and responsible bids, staff recommends the award of bid to the overall lowest responsive and responsible bidder, Champion Industrial Contractors, Inc., Modesto, CA, for a two year agreement with three one-year extension options, for an annual cost not to exceed \$68,000 and a total amount

not to exceed \$361,089 over five years, which includes potential Consumer Price Index increases, and

WHEREAS, Modesto Municipal Code Section 8-3.203 states that all purchases, in excess of fifty thousand dollars (\$50,000), or when directed by the City Manager for any purchase of fifty thousand dollars (\$50,000) or less, shall follow formal bid procedures, and

WHEREAS, and the award of bid for the furnishing of on-call plumbing services at City properties to Champion Industrial Contractors, Inc., Modesto, CA, conforms to the Modesto Municipal Code based on providing the overall lowest cost, while providing greater efficiency in placing orders and in managing the agreement, and

WHEREAS, below is a breakdown of estimated yearly expenses for on-call plumbing services at City properties. Staff has included potential Consumer Price Index increases (5%) for Years 3, 4, and 5.

On-Call Plumbing	Year 1	Year 2	Year 3	Year 4	Year 5	Total
On-Call Plumbing	\$68,000	\$68,000	\$68,000	\$71,400	\$74,970	\$350,370
Consumer Price Index (5%)			\$3,400	\$3,570	\$3,749	\$10,719
Total for 5-Yr Contract	\$68,000	\$68,000	\$71,400	\$74,970	\$78,719	\$361,089

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the award of bid for the furnishing of on-call plumbing services at City properties to Champion Industrial Contractors, Inc., Modesto, CA, for a two year agreement with three one-year extension options, for an annual cost not to exceed \$68,000 and a total amount not to exceed \$361,089 over five years, which includes potential Consumer Price Index increases.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue the Purchasing Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-497**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: A PORTION OF 308 N. MADISON STREET, MODESTO, CA 95351 (APN 101-004-059), OWNER: JEFFREY AND NORINA MANGLONA

WHEREAS, the State Route 132 West Freeway/Expressway — Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee and a 24-month temporary construction easement, from property located at the 308 N. Madison Street, Modesto, CA 95351 (APN 101-004-059), as more particularly described and depicted in **Exhibit 1 attached** hereto and made a part hereof by this reference (“Property”), for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act “(NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit 1** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit 1** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

BY: 
ADAM U. LINDGREN, City Attorney

Exhibit 1

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
Jeffrey Manglona et ux to City of Modesto
APN: 101-004-059

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Jeffrey Manglona and Norina Manglona, husband and wife, as joint tenants, filed for record on June 11, 2015 as Document No. 2015-0044828, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northeasterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;

thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;


thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

Containing (890 square feet Grid), 890 square feet [0.02 acres] Ground, more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

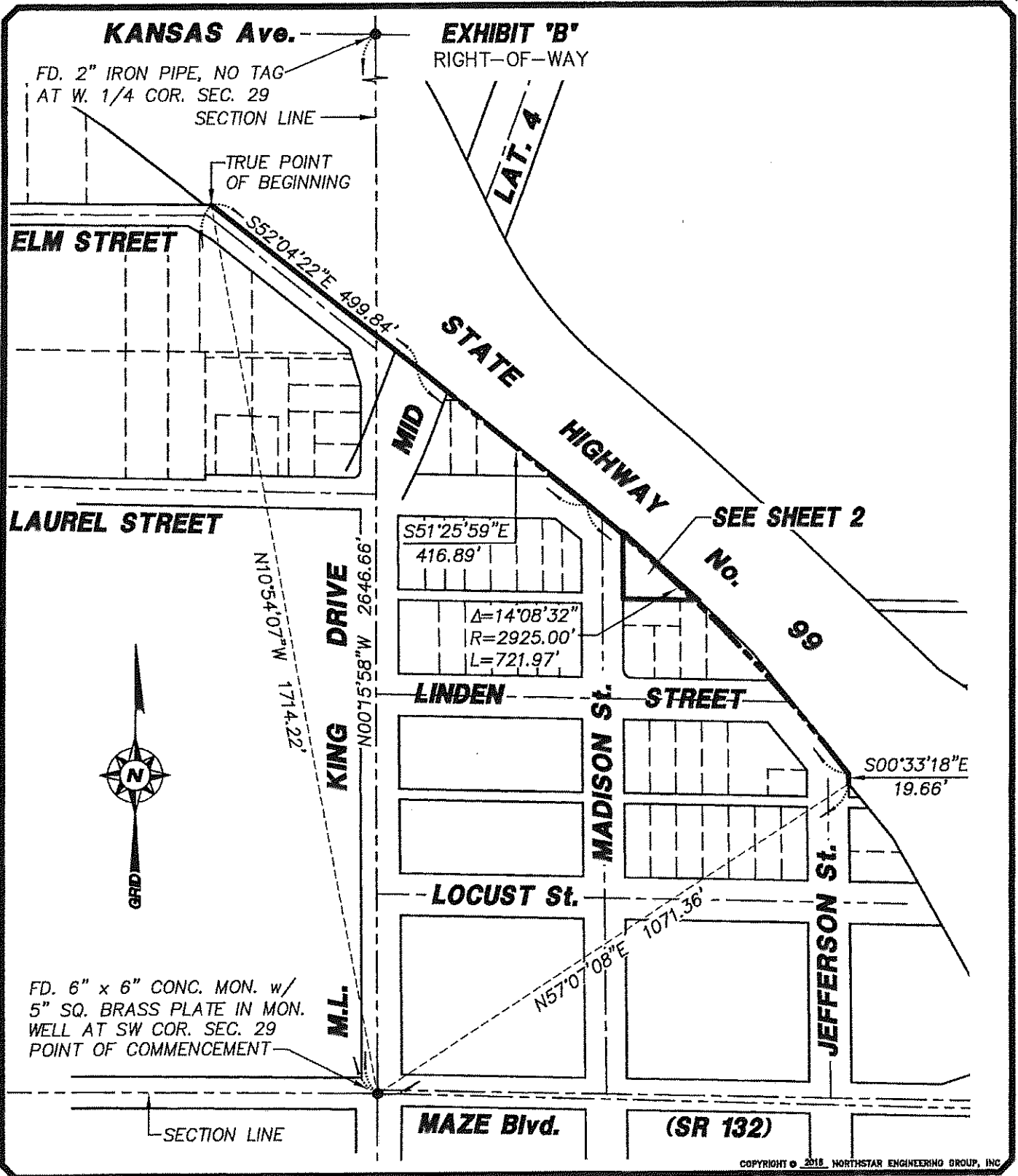
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



2/7/18



NorthStar
Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •
620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

PLAT TO ACCOMPANY LEGAL DESCRIPTION

BEING A PORTION OF LOT 29 OF "ADOBE ABODE SUBDIVISION", Bk. 34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

DATE: 02/07/18 11:51 PLotted: 02/27/18 11:51

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 362.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
RP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)

Error Closure: 0.00 Course: S 25-11-02 W

Error North: -0.004 East : -0.002

Precision 1: 4,443,940,000.00

Parcel name: APN 101-004-059 Area

North:	2056471.70	East :	6413926.77
Curve Length:	197.19	Radius:	3902.73
Delta:	2-53-42	Tangent:	98.62
Chord:	197.17	Course:	S 48-22-45 E
Course In:	S 40-10-24 W	Course Out:	N 43-04-06 E
RP North:	2053489.64	East :	6411409.12
End North:	2056340.74	East :	6414074.17
Line Course:	N 88-37-01 W	Length:	8.74
North:	2056340.95	East :	6414065.44
Curve Length:	187.06	Radius:	2925.00
Delta:	3-39-51	Tangent:	93.56
Chord:	187.02	Course:	N 47-49-45 W
Course In:	S 44-00-11 W	Course Out:	N 40-20-20 E
RP North:	2054236.99	East :	6412033.45
End North:	2056466.51	East :	6413926.82
Line Course:	N 00-32-52 W	Length:	5.19
North:	2056471.70	East :	6413926.77

Perimeter: 398.17 Area: 890 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 59-33-58 W
Error North: -0.002 East : -0.003
Precision 1: 398,180,000.00

EXHIBIT "A"

Temporary Construction Easement

SR132 Phase 1 Construction Project
Jeffrey Manglona et ux to City of Modesto
APN: 101-004-059

Legal description:

ALL that certain real property, being a portion of the lands described in Grant Deed to Jeffrey Manglona and Norina Manglona, husband and wife, as joint tenants, filed for record on June 11, 2015 as Document No. 2015-0044828, Stanislaus County Records, and situate in the southwest quarter of Section 29, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, and being more particularly described as follows:

A strip of land 5.00 feet wide, coincident with and lying southwesterly of the following described line:

COMMENCING at a 6" x 6" concrete monument with a 5" square brass plate in a monument well at the southwest corner of said Section 29, from which a 2" iron pipe, no tag, at the West 1/4 corner of said Section 29 bears North 00°15'58" West 2646.66 feet; thence North 10°54'07" West 1714.22 feet to a point on the southwest right-of-way line of State Highway Route 99, said point being the northwest terminus of the line labeled "N. 52°22'45" W. 452.41'", as shown on State Highway Map Route 99, Post Mile 16.7, sheet 17 of 23 sheets, on file at the Surveyor's Office of the County of Stanislaus as file No. B-9A-PS-32, and the **TRUE POINT OF BEGINNING**;

thence (1), along the southwest right-of-way line of said State Highway, South 52°04'22" East 499.84 feet;

thence (2), leaving said southwesterly right-of-way line and proceeding South 51°25'59" East 416.89 feet to the beginning of a curve concave to the southwest having a radius of 2925.00 feet;


thence (3), Southeasterly 721.97 feet along the arc of said curve through a central angle of 14°08'32" to a point on said southwest right-of-way line;

thence (4), along said, non-tangent, southwest right-of-way line South 00°33'18" East 19.66 feet to the South terminus of the line labeled "24.17'" of said State Highway Map, and the terminal point of this description, said terminal point bears North 57°07'08" East 1071.36 feet from aforementioned southwest corner of Section 29.

Containing (910 square feet Grid), 910 square feet [0.02 acres] Ground, more or less.

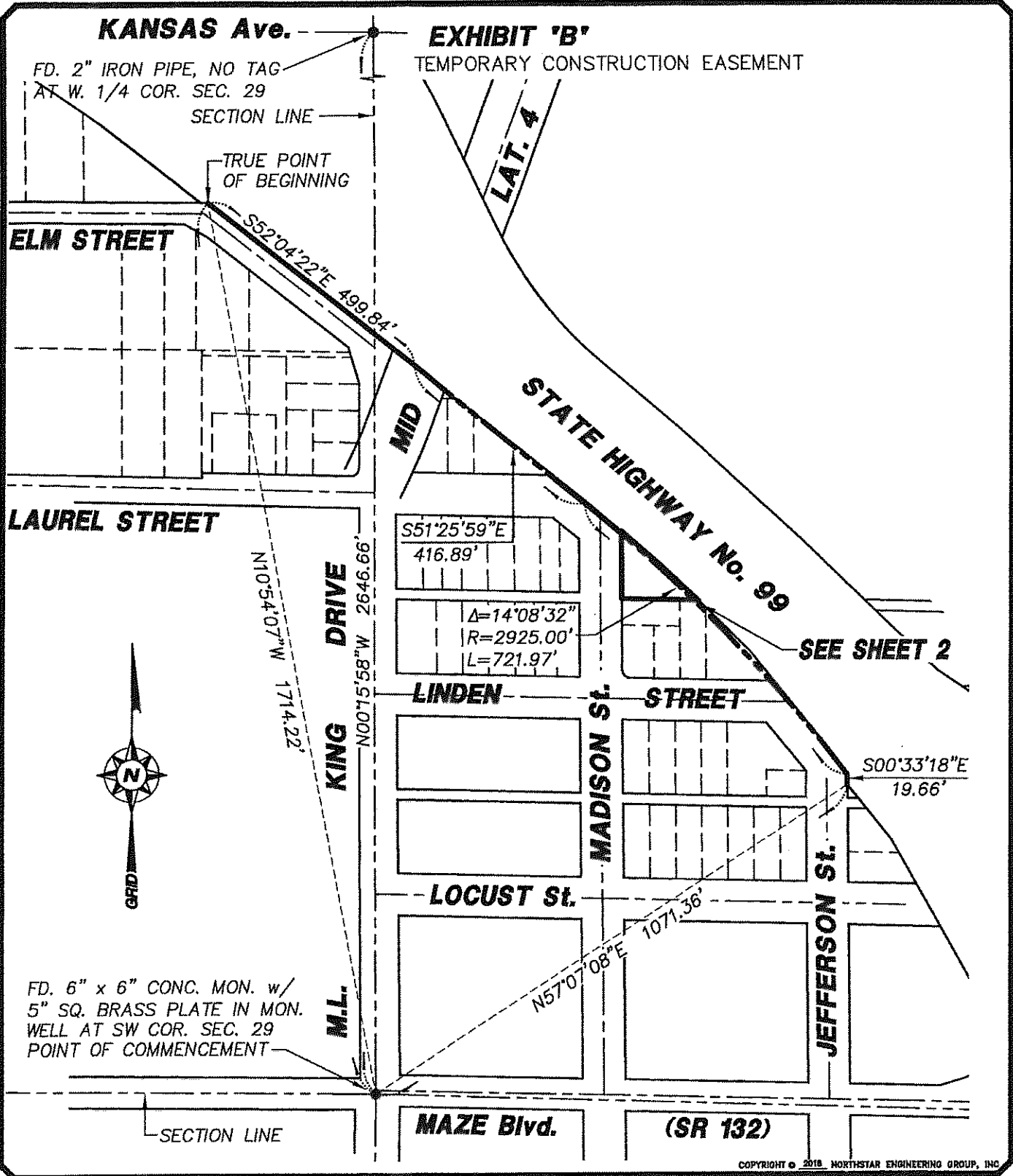
The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946



2/7/18



C:\MAPS\PLAT-1907-1807-56-132-Engineering\07_101-104-039_Maps\101-104-039.plt
 101-104-039 Modesto-LINEN
 02/07/18 11:57

FD. 6" x 6" CONC. MON. w/
 5" SQ. BRASS PLATE IN MON.
 WELL AT SW COR. SEC. 29
 POINT OF COMMENCEMENT

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 620 12th Street Modesto, CA 95354
 (209) 524-3525 Phone (209) 524-3526 Fax

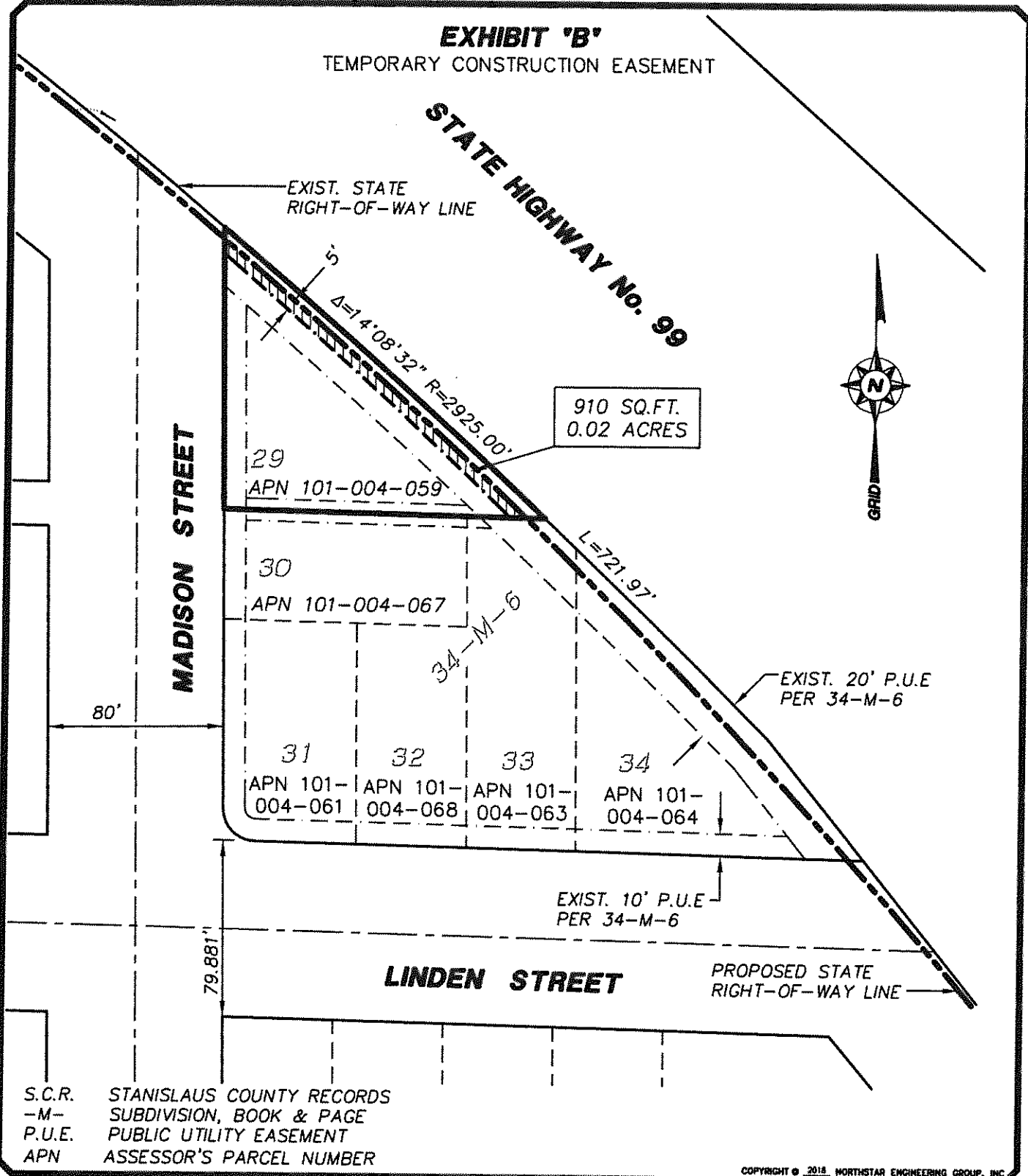
**PLAT TO ACCOMPANY
 LEGAL DESCRIPTION**

BEING A PORTION OF LOT 29 OF "ADOBE ABODE SUBDIVISION", Bk.
 34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1"=250'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	01 OF 02

EXHIBIT 'B'
TEMPORARY CONSTRUCTION EASEMENT

STATE HIGHWAY No. 99



S.C.R. STANISLAUS COUNTY RECORDS
 -M- SUBDIVISION, BOOK & PAGE
 P.U.E. PUBLIC UTILITY EASEMENT
 APN ASSESSOR'S PARCEL NUMBER

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**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF LOT 29 OF "ADOBE ABODE SUBDIVISION", Bk. 34 MAPS Pg. 6, S.C.R., SW 1/4 SEC. 29, T.3 S., R.9 E., M.D.M.
MODESTO STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	02/07/18
SCALE:	1" = 60'
DRAWN:	RG
DESIGN:	RG
CHK'D:	RG
SHEET	02
	OF 02

DWG NAME: K:\17-1907-02-133 Expressway Pl. 11.dwg | MapInfo | L:\GIS\MapInfo\Projects\17-1907-02-133 Modesto-TCE.dwg | PLOTTED: 02/07/18 11:24

Parcel name: ROW at Laurel LEGAL

North: 2055407.84 East : 6413460.96
Line Course: N 10-54-07 W Length: 1714.22
North: 2057091.12 East : 6413136.75
Line Course: S 52-04-22 E Length: 499.84
North: 2056783.89 East : 6413531.02
Line Course: S 51-25-59 E Length: 416.89
North: 2056523.99 East : 6413856.98
Curve Length: 721.97 Radius: 2925.00
Delta: 14-08-32 Tangent: 362.83
Chord: 720.13 Course: S 44-21-43 E
Course In: S 38-34-01 W Course Out: N 52-42-33 E
RP North: 2054236.99 East : 6412033.45
End North: 2056009.13 East : 6414360.49
Line Course: S 00-33-18 E Length: 19.66
North: 2055989.47 East : 6414360.68
Line Course: S 57-07-08 W Length: 1071.36
North: 2055407.83 East : 6413460.96

Perimeter: 4443.92 Area: 917,929 sq.ft. 21.07 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)

Error Closure: 0.00 Course: S 25-11-02 W

Error North: -0.004 East : -0.002

Precision 1: 4,443,940,000.00

Parcel name: APN 101-004-059 TCE

North:	2056459.89	East :	6413926.89
Curve Length:	176.97	Radius:	2920.00
Delta:	3-28-21	Tangent:	88.51
Chord:	176.94	Course:	S 47-50-24 E
Course In:	S 40-25-26 W	Course Out:	N 43-53-47 E
RP North:	2054236.99	East :	6412033.45
End North:	2056341.12	East :	6414058.05
Line Course:	S 88-37-01 E	Length:	7.39
North:	2056340.95	East :	6414065.44
Curve Length:	187.06	Radius:	2925.00
Delta:	3-39-51	Tangent:	93.56
Chord:	187.02	Course:	N 47-49-45 W
Course In:	S 44-00-11 W	Course Out:	N 40-20-20 E
RP North:	2054236.98	East :	6412033.45
End North:	2056466.51	East :	6413926.83
Line Course:	S 00-32-52 E	Length:	6.62
North:	2056459.89	East :	6413926.89

Perimeter: 378.03 Area: 910 sq.ft. 0.02 acres

Mapcheck Closure - (Uses listed courses, radii, and deltas)
Error Closure: 0.00 Course: S 08-49-35 E
Error North: -0.004 East : 0.001
Precision 1: 378,040,000.00

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-498**

RESOLUTION OF NECESSITY DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION OF REAL PROPERTY DIRECTING THE COMMENCEMENT OF EMINENT DOMAIN PROCEEDINGS FOR THE STATE ROUTE 132 FREEWAY/EXPRESSWAY PHASE 1 PROJECT RE: A PORTION OF 1420 KANSAS AVENUE, MODESTO, CA 95351 (APN 029-018-044), OWNER: HARMAN MANAGEMENT CORP.

WHEREAS, the State Route 132 West Freeway/Expressway — Phase 1 Project (“Project”) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue; and

WHEREAS, the Project, will improve regional and interregional circulation, relieve traffic congestion along existing State Route 132 (SR-132)/Maze Boulevard, and improve traffic operations by creating a new alignment connecting SR-132 with the City of Modesto; and

WHEREAS, on October 10, 2017, Council approved a Measure L Cooperative Agreement with StanCOG (“StanCOG Cooperative Agreement”) for the Plans, Specifications and Estimates Stage of Phase 1 of the State Route 132 Project; and

WHEREAS, on October 24, 2017, Council approved a Joint Powers Agreement with Stanislaus County (“City/County JPA”) to engage right of way acquisition services in County lands outside City limits, through which the County delegated to the City its authority under State law to acquire real property for the purposes of the Project; and

WHEREAS, on March 2, 2018, the California Department of Transportation (“Caltrans”) approved the Environmental Document and selected Project Alternative 2; and

WHEREAS, on August 8, 2018, Council approved a Cooperative Agreement between the City of Modesto and Caltrans (“City/Caltrans Cooperative Agreement”); and

WHEREAS, the City is vested by law with the authority to acquire real property and exercise the power of eminent domain to acquire real property under the provisions and authority of and for the purposes and uses authorized by Article 1, Section 19 of the Constitution of the State of California, Government Code sections 37350.5, 37353, 39792, 40401, 40404, Streets & Highways Code sections 104, 113, 114, 116, 130, 1810, 10102, and by California Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510 and 1240.610, and pursuant to the City/Caltrans Cooperative Agreement; and

WHEREAS, pursuant to Code of Civil Procedure section 1240.140, the Joint Exercise of Powers Act (Government Code sections 6500, *et seq.*), and City/County JPA, Stanislaus County delegated to the City its authority to acquire and condemn property for the Project pursuant to Article I, Section 19 of the Constitution of the State of California, Government Code section 25350.5, Streets and Highways Code sections 104, 116, 130, 760 and 943, Code of Civil Procedure sections 1240.110, 1240.120, 1240.150, 1240.410, 1240.510, and 1240.610, and Streets & Highways Code sections 104, 116, 130 and 760; and

WHEREAS, it is desirable and necessary for the City to acquire certain real property interests in fee from property located at the 1420 Kansas Avenue, Modesto, CA 95351 (APN 029-018-044), as more particularly described and depicted in **Exhibit 1 attached** hereto and made a part hereof by this reference (“Property”), for the construction of the Project; and

WHEREAS, the City and Caltrans have investigated and examined alternatives to the Project and the acquisition of the Property, and concluded that both the Project and the acquisition of the Property for the Project are necessary; and

WHEREAS, the requirements of the California Environmental Quality Act (“CEQA”) and National Environmental Policy Act (“NEPA”) have been satisfied for the Project; and

WHEREAS, pursuant to the provisions of Section 1245.235 of the Code of Civil Procedure of the State of California, notice has been duly given to the owner(s) of the property herein, all of whom have been given a reasonable opportunity to appear and be heard before the City Council of the City of Modesto at the time and place set forth in said notice, regarding the matters specified therein,

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The public interest and necessity require the Project.
2. The Project is planned or located in the manner that will be most compatible with the greatest public good and the least private injury.
3. The property described and depicted in **Exhibit 1** hereto is necessary for the Project.
4. The offer required by Section 7267.2 of the Government Code, together with the accompanying statement of the amount established as just compensation, has been made to the owner or owners of record, which offer and statement were in a format and contained the information required by Government Code Section 7267.2.

5. The City has complied with all conditions and statutory requirements, including those prescribed by CEQA and NEPA, that are necessary for approval and adoption of the Project.

6. All conditions and statutory requirements necessary to exercise the power of eminent domain (“the right to take”) to acquire the property described herein have been complied with by the City.

7. Insofar as any portion of the property has heretofore been appropriated for public use, the proposed use set forth herein will not unreasonably interfere with or impair the continuation of the public use as it exists or may reasonably be expected to exist in the future, and is therefore a compatible public use pursuant to Code of Civil Procedure Section 1240.510, or, as applicable, constitutes a more necessary public use to which the property is appropriated pursuant to Code of Civil Procedure Section 1240.610.

8. The City Attorney and/or his designee, is hereby authorized and empowered to acquire in the name of the City of Modesto by condemnation the property described and depicted in **Exhibit 1** hereto; to prepare, prosecute and conduct to conclusion in the name of the City of Modesto such proceedings in the proper court as is necessary for such acquisition and to make such action as may be deemed advisable or necessary in connection therewith; and to deposit the probable amount of just compensation, based on an approved appraisal.

9. An order for prejudgment possession may be obtained in said condemnation proceeding and a warrant issued to the State Treasury Condemnation Fund, in the amount based on the approved appraisal, as a condition to the right of immediate possession and use the Subject Property for said public uses and purposes.

BE IT FURTHER RESOLVED, that the recitals contained hereinabove are true and correct, and all the findings and determinations made by the City Council pursuant to this Resolution are based upon substantial evidence in the entire record before the City Council, and are not based solely on the information provided in this Resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 6th day of November, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

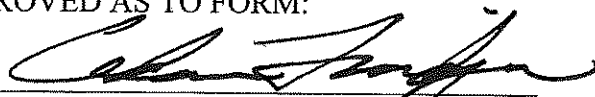
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT 1

EXHIBIT "A"
RIGHT-OF-WAY

SR132 Phase 1 Construction Project
Harman Mgmt. Corp. to City of Modesto
APN: 029-018-044

Legal description

ALL that certain real property, being a portion of the lands described in Grant Deed to Harman Management Corp., a Utah Corporation, filed for record February 23, 1995 as Instrument No. 95-0013790, Stanislaus County Records, and situate in the southwest quarter of Section 30, Township 3 South, Range 9 East, Mount Diablo Meridian, County of Stanislaus, State of California, lying northwesterly and westerly of the following described line:

COMMENCING at a 2" iron pipe with brass cap, stamped LS 5443 at the West 1/4 corner of said Section 30, from which a 3/8" iron rod with brass plate in a monument well at the southwest corner of said Section 30 bears South 00°29'26" East 2646.13 feet; thence South 84°06'14" East 248.32 feet to a point lying within the right-of-way of Kansas Avenue (variable width), last said point being the **TRUE POINT OF BEGINNING**;

thence (1), southwesterly 21.58 feet along the arc of a non-tangent curve concave to the southeast having a radius of 38.63 feet, to which beginning a radial line bears North 42°27'03" West, through a central angle of 32°00'00";

thence (2), along a non-tangent line South 00°28'15" East 51.97 feet;


thence (3) South 14°30'26" East 15.70 feet to a point lying within the right-of-way of the future State Highway Route 132, as said right-of-way is shown on sheet 24 of State Highway map STA-132P PM 13.36, and the terminal point of this description, said terminal point bears North 04°54'17" East 2544.53 feet from aforementioned southwest corner of Section 30.

Containing (410 square feet Grid) 410 square feet [0.009 acres] Ground, more or less.

This conveyance is made for the purpose of a freeway and the grantor hereby relinquishes to the grantee any and all abutter's rights including access rights, appurtenant to grantors' remaining property, in and to said freeway.

The Basis of Bearings for this description is the California State Plane Coordinate System, Zone 3, NAD83 adjusted to the 2007.00 Epoch of NGS monuments "TRACY" (PID AA4256), "PATTERSON" (PID HS5412) and "TURLOCK" (PID AA4252). All distances and areas shown are grid. To convert to ground distances, divide grid distances by a combined factor of 0.999932235. To convert to ground areas, divide grid areas by the combined factor squared (0.99986447).

All as shown on EXHIBIT "B" attached hereto and by this reference made a part hereof.


Rien Groenewoud, P.L.S. 6946

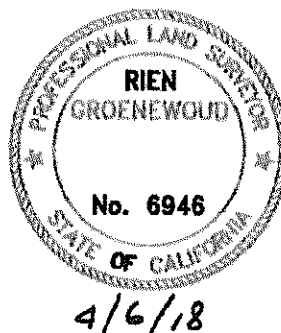
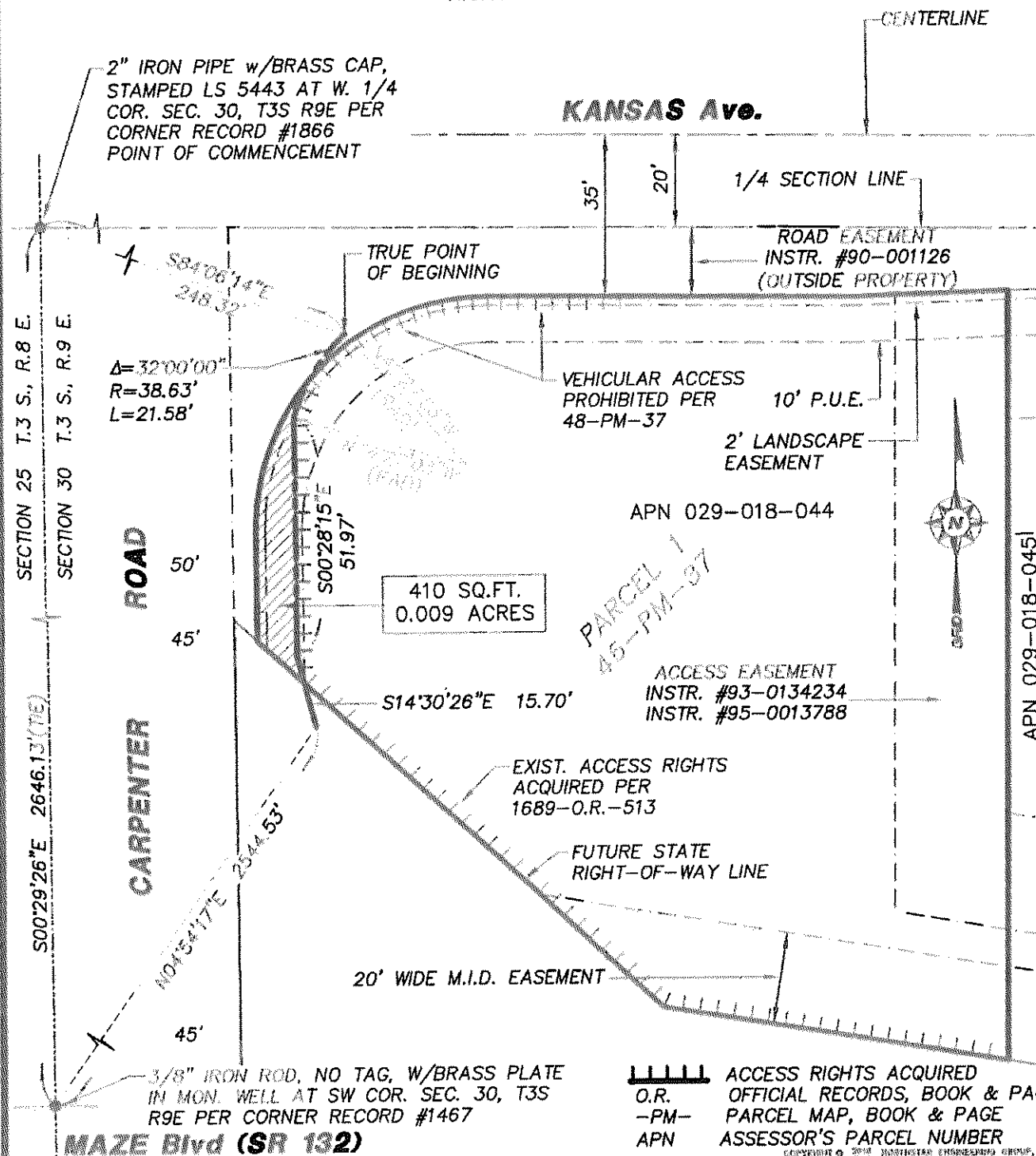


EXHIBIT 'B'
RIGHT-OF-WAY



||||| ACCESS RIGHTS ACQUIRED
O.R. OFFICIAL RECORDS, BOOK & PAGE
-PM- PARCEL MAP, BOOK & PAGE
APN ASSESSOR'S PARCEL NUMBER

North Star
Engineering Group, Inc.

• CIVIL ENGINEERING • SURVEYING • PLANNING •

620 12th Street Modesto, CA 95354
(209) 524-3525 Phone (209) 524-3526 Fax

**PLAT TO ACCOMPANY
LEGAL DESCRIPTION**

BEING A PORTION OF PARCEL 1 PER 46-PM-37, S.C.R.,
SW 1/4 SEC. 30, T.3 S., R.9 E., M.D.M.

STANISLAUS COUNTY CALIFORNIA

JOB:	J17-1907
DATE:	06/31/18
SCALE:	1"=30'
OWNER:	PG
DESIGNER:	PG
CHECKER:	PG
SHEET:	01 OF 01

DATE: 06/31/18 09:13:33

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-499**

RESOLUTION APPROVING A FIFTH AMENDMENT TO THE LEASE AGREEMENT WITH MODESTO EXECUTIVE AIR CHARTER, INC., DBA SKY TREK AVIATION (“SKY TREK”), EXTENDING THE AGREEMENT FOR 20 YEARS, ADJUSTING THE SCHEDULE OF FEES, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT TO THE AGREEMENT

WHEREAS, Modesto Executive Air Charter, dba Sky Trek Aviation, is a tenant of the City at the Modesto City-County Airport; and

WHEREAS, Sky Trek Aviation has a long-term ground Lease Agreement with the City that will expire in 2033; and

WHEREAS, Sky Trek Aviation and the City have executed four amendments to the Lease Agreement, by Resolution Nos. 2003-455, 2005-35, 2006-680, and 2007-564; and

WHEREAS, Sky Trek Aviation for the duration of its Lease Agreement with the City has remained in good standing; and

WHEREAS, Sky Trek Aviation and the City have agreed to amend the Lease Agreement fee schedule to bring the lease fees up to market rates beginning in 2029, and

WHEREAS, Sky Trek Aviation and the City agree to extend the Lease Agreement for an additional twenty (20) years; and

WHEREAS, Sky Trek Aviation and the City will both mutually benefit from these amendments to the Lease Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Fifth Amendment to the Airport Lease Agreement with Modesto Executive Air Charter, Inc., dba Sky Trek Aviation, that extends the lease

agreement an additional twenty (20) years and amends the schedule of fees to bring the fees up to market rates beginning in 2029.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the amendment to the Lease Agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-500**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS,
ACCEPTING THE BID, AND AWARDING THE CONSTRUCTION CONTRACT
TO GEORGE REED, INC. OF MODESTO, CALIFORNIA IN THE AMOUNT OF
\$309,311 FOR THE BUS TURNOUT IMPROVEMENTS ON SOUTHBOUND
DALE ROAD, SOUTH OF VENEMAN AVENUE PROJECT, AND
AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE
THE CONTRACT**

WHEREAS, in February 2012 the City applied for Congestion Mitigation and Air Quality (CMAQ) funds to provide a bus stop location on the west side of Dale Road, south of Veneman Avenue, where a bus can stop and not block southbound traffic flow, and

WHEREAS, this project is intended to reconstruct the existing bus stop in a location further to the west thus reducing the amount of congestion on Southbound Dale Road, and

WHEREAS, on December 11, 2012, by Resolution No. 2012-509, Council accepted CMAQ funds in the amount of \$85,000 for Preliminary Engineering, and

WHEREAS, since the original acceptance of funds, the City Council has accepted additional CMAQ funds, Regional Surface Transportation Program (RSTP) funds, and Transportation Development Act (TDA) funds as necessary to fully fund this project, and

WHEREAS, on December 8, 2015 during Closed Session, staff received authorization to present the Appraisal Summary Statement and Summary of the Basis for Just Compensation to MS Portfolio, LLC and to negotiate the purchase of the property required for this project, and

WHEREAS, on April 26, 2016, Council approved a Purchase and Sale Agreement with MS Portfolio, LLC for partial acquisition of a 2,424 square foot portion of real property, located at 3401 Dale Road, in the amount of \$86,200, and

WHEREAS, the City is ready to construct the Bus Turnout Improvements Southbound Dale Road South of Veneman Avenue project, and

WHEREAS, the project was advertised for bids on September 25, 2018, and

WHEREAS, bids were publicly opened on October 23, 2018 pursuant to Modesto Municipal Code Section 8-3.403 and Modesto Charter Section 1307 and four responsive bids were received, and

WHEREAS, George Reed, Inc. of Modesto, California, is the lowest responsive and responsible bidder, and

WHEREAS, the Director of Community and Economic Development has recommended that the bid of \$309,311 received from George Reed Inc. of Modesto, California, be accepted as the lowest responsible and responsive bid and the contract be awarded to George Reed, Inc, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to follow the formal bid procedures and an award of \$309,311 and agreement for Construction for Community and Economic Development Department to use George Reed Inc., Modesto, CA, conforms to the Modesto Municipal Code because the City complied with the formal bid procedures and George Reed Inc. was the lowest responsive and responsible bidder, and

WHEREAS, city staff and the City Manager recommend awarding the contract to George Reed, Inc. of Modesto, California.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications, accepts the bid, and awards the construction contract to George Reed Inc. of Modesto, California in the amount of \$309,311 for the Bus Turnout Improvements Southbound Dale Road South of Veneman Avenue project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-501**

**RESOLUTION ACCEPTING FEDERAL REGIONAL SURFACE
TRANSPORTATION PROGRAM (RSTP) GRANT FUNDS IN THE
AMOUNT OF \$2,081,000 AND AUTHORIZING THE CITY MANAGER
TO EXECUTE NECESSARY FEDERAL GRANT FUND DOCUMENTS**

WHEREAS, the SR132 West Freeway/Expressway – Phase I Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017, by Resolution No. 2017-175, Council authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees (CFF) reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-85, Council authorized staff to engage in real property negotiation and acquisitions not to exceed \$3,540,000 Million utilizing CFF funds, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-234, Council accepted \$3,395,081 of Federal DEMO funds to be used for right of way acquisition, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-235, Council accepted \$5,000,000 of Public Facility Fees (PFF) which was approved by the Stanislaus County Board of Supervisors at their May 22, 2018 meeting, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-237, Council increased the total amount of funding authorized for right of way acquisition to \$11,935,081, and

WHEREAS, an additional \$2,081,000 in Federal Regional Surface Transportation Program (RSTP) grant funds are available for property acquisition needed for the right of way phase of the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the Federal Regional Surface Transportation Program grant funds in the amount of \$2,081,000 for property acquisition needed for the right of way phase of the Project.

BE IT FURTHER RESOLVED, the City Manager or his designee, is authorized to execute the necessary RSTP grant funding documents and implement the acceptance and use of such funds for right of way acquisition.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-502**

**RESOLUTION ACCEPTING REGIONAL IMPROVEMENT PROGRAM
(RIP) GRANT FUNDS IN THE AMOUNT OF \$500,000 AND
AUTHORIZING THE CITY MANAGER TO EXECUTE NECESSARY
GRANT FUND DOCUMENTS**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017, by Resolution No. 2017-175, Council authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees (CFF) reserve funds to the State Route 132 West Expressway project, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-85, Council authorized staff to engage in real property negotiation and acquisitions not to exceed \$3,540,000 Million utilizing CFF funds, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-234, Council accepted \$3,395,081 of Federal DEMO funds to be used for right of way acquisition, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-235, Council accepted \$5,000,000 of Public Facility Fees (PFF) which was approved by the Stanislaus County Board of Supervisors at their May 22, 2018 meeting, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-237, Council increased the total amount of funding authorized for right of way acquisition to \$11,935,081, and

WHEREAS, an additional \$500,000 in Regional Improvement Program (RIP) grant funds are available for property acquisition needed for the right of way phase of the Project.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby accepts the Regional Improvement Program grant funds in the amount of \$500,000 for property acquisition needed for the right of way phase of the Project.

BE IT FURTHER RESOLVED, the City Manager or his designee, is authorized to execute the necessary RIP grant funding documents and implement the acceptance and use of such funds for right of way acquisition.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-503**

RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET FOR PROJECT #100614 UPON RECEIPT OF THE AUTHORIZATION TO PROCEED (E-76) FROM CALTRANS FOR THE FEDERAL REGIONAL SURFACE TRANSPORTATION PROGRAM (RSTP) AND THE REGIONAL IMPROVEMENT PROGRAM (RIP) FUNDS IN THE TOTAL AMOUNT OF \$2,581,000 FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PROJECT AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS TO THIS RESOLUTION

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on June 12, 2018, by Resolution No. 2018-237, Council increased the total amount of funding authorized for right of way acquisition to \$11,935,081, and

WHEREAS, an additional \$500,000 in Regional Improvement Program (RIP) grant funds are available for property acquisition needed for the right of way phase of the Project, and

WHEREAS, an additional \$2,081,000 in Federal Regional Surface Transportation Program (RSTP) grant funds are available for property acquisition needed for the right of way phase of the Project, and

WHEREAS, the Request for Authorization paperwork has been submitted to Caltrans for the RIP and RSTP funds and approval of the request (E-76) is expected at any time.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends the Fiscal Year 2018-2019 Capital Improvement Project (CIP)

revenue and expense budget for project #100614 upon receipt of the Authorization to Proceed (E-76) from Caltrans for the Federal Regional Surface Transportation Program (RSTP) and Regional Improvement Program (RIP) funds in the total amount of \$2,581,000 to continue the process of right of way acquisition for the Project.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-504**

**RESOLUTION INCREASING FUNDING TO PURCHASE PROPERTY
NECESSARY FOR RIGHT OF WAY TO SUPPORT THE CONSTRUCTION OF
THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY PHASE 1
PROJECT UPON RECEIPT OF THE AUTHORIZATION TO PROCEED (E-76)
FROM CALTRANS IN A TOTAL AMOUNT NOT TO EXCEED \$14,516,081**

WHEREAS, the SR132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-085, Council authorized staff to make offers, engage in real property negotiations and to purchase property in a total amount not to exceed \$3.54 Million, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the Project Manager to recommend the amounts of just compensation for properties to be acquired for the Project, and authorized the Interim City Manager to establish the amounts of just compensation for such properties, based on approved appraisals, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council authorized the Interim City Manager to execute Purchase and Sale Agreements for properties that are acquired pursuant to the authority granted under said Resolution, and

WHEREAS, pursuant to Resolution No. 2018-085, the City Council delegated settlement authority for the purchase of properties for the Project to the certain designated City of Modesto staff, and

WHEREAS, pursuant to Resolution No. 2018-237, the City Council increased the total amount of funding authorized for right of way acquisition to \$11,935,081,

and

WHEREAS, an additional \$2,081,000 in Federal Regional Surface Transportation Program (RSTP) grant funds are available for property acquisition needed for the right of way phase of the Project, and

WHEREAS, an additional \$500,000 in Regional Improvement Program (RIP) grant funds are available for property acquisition needed for the right of way phase of the Project, and

WHEREAS, the addition of \$2,081,000 and \$500,000 to the previously approved \$11,935,081 increases the total amount authorized for right of way acquisition to \$14,516,081.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto, that it hereby authorizes the increase of funding to purchase property necessary for right of way to support the construction of the State Route 132 West Freeway/Expressway Phase 1 Project upon receipt of the Authorization to Proceed (E-76) from Caltrans in a total amount not to exceed \$14,516,081.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-505**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT PROJECT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2018-19.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2018-19 Annual Operating and Capital Improvement Project fund budgets as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2018-19

PUBLIC WORKS

A budget adjustment is necessary for the Geer Road Landfill Litigation project in the amount of \$988,336. This adjustment is increasing the revenue and expense budget for the project based on the estimated legal expenses. The revenue for this project is generated from reimbursements from the insurance company for legal fees expended within the project.

Fund	Fund Name	Project Name	Current Budget	Increase	Revised Budget
4895	Waste to Energy	Geer Road Landfill Litigation	\$1,175,600	\$988,336	\$2,163,936

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-506**

RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH RALPH ANDERSEN & ASSOCIATES, ROCKLIN, CA TO CONDUCT A CLASSIFICATION AND COMPENSATION STUDY AND REVIEW OF INTERNAL JOB AND SALARY ALIGNMENT, IN AN AMOUNT NOT TO EXCEED \$150,000, FOR A TERM OF NOVEMBER 13, 2018 TO NOVEMBER 12, 2019 AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, in accordance with provisions of the City Charter and the City Personnel Rules (2.1 through 2.3), the City Manager has the duty to establish and maintain a Position Classification Plan, upon adoption of the City Council, and

WHEREAS, individual positions and groups of positions change over time due to advances in technology, changes in business practices and the changing needs of organizations, and

WHEREAS, it is a good business practice to periodically conduct a comprehensive study of the classification plan, and

WHEREAS, during negotiations with Modesto Confidential and Management Association (MCMA), the City agreed to conduct a comprehensive study of all positions by the end of the 2018 calendar year, and

WHEREAS, the City Manager authorized the Human Resources Department to issue a Request for Qualifications (RFQ) for completion of a classification and compensation study and review of internal job and salary alignment, and

WHEREAS, the award of proposals to conduct classification and compensation study and review of internal salary alignment to Ralph Andersen & Associates, Rocklin, CA conforms to Modesto Municipal Code 8-3.103.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Professional Services Agreement with Ralph Andersen & Associates, Rocklin, CA to conduct classification and compensation study and review of internal job and salary alignment, for term of November 13, 2018 to November 12, 2019, in an amount not to exceed \$150,000.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold
NOES: Councilmembers: None
ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-507**

RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE PROJECT TITLED, “HIGH FRICTION SURFACE TREATMENT”, ACCEPTING THE BID, APPROVING A CONSTRUCTION CONTRACT WITH AMERICAN CIVIL CONSTRUCTORS WEST COAST LLC, OF BENICIA, CA, IN THE AMOUNT OF \$212,200; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, plans and specifications have been prepared for the High Friction Surface Treatment project, and applied at two curves along West Orangeburg Avenue and Scenic Drive where a loss of traction may occur, and

WHEREAS, the bids received for the High Friction Surface Treatment project were opened at 11 a.m. on September 25, 2018, and later tabulated by the Public Works Director for the consideration of the Council, and

WHEREAS, staff has reviewed the bids and American Civil Constructors West Coast LLC, of Benicia, CA, was the lowest responsive and responsible bidder, and

WHEREAS, the Public Works Director and the City Manager have recommended that the bid of \$212,200 received from American Civil Constructors West Coast LLC be accepted, and

WHEREAS, sufficient funds for The High Friction Surface Treatment project have been funded through the Highway Safety Improvement Program Grant, as well as local match thru Surface Transportation Fund.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the plans and specifications, accepts the bid, and awards the construction contract to American Civil Constructors West Coast LLC of Benicia, CA, in the amount of \$212,200 for the High Friction Surface Treatment Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-508**

RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT WITH BROWN AND CALDWELL, INC., RANCHO CORDOVA, CA, FOR DESIGN AND CONSTRUCTION SERVICES FOR THE REPLACEMENT WELL 226 PROJECT IN THE AMOUNT OF \$86,413 FOR THE IDENTIFIED SCOPE OF SERVICES, PLUS \$17,520 IN ADDITIONAL SERVICES (IF NEEDED) FOR A TOTAL AMOUNT NOT TO EXCEED \$369,452, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE SECOND AMENDMENT TO THE AGREEMENT

WHEREAS, the Replacement Well 226 Subsurface Improvement Project proposes to drill a 1,500 gallon-per-minute well on a City of Modesto owned parcel at 2501 Brenner Way, Modesto, CA, in Stanislaus County, and

WHEREAS, it will replace existing Well 226 that was permanently decommissioned in accordance with state procedures in October 2016, and

WHEREAS, on February 7, 2017, by Resolution No. 2017-42, Council approved an agreement with Brown and Caldwell to provide design, bid and engineering during construction services for the Replacement Well 226 Project, and

WHEREAS, on August 2, 2017, by Resolution No. 2017-303, Council approved an amendment to the agreement with Brown and Caldwell to provide design, bid and engineering during construction services for the Replacement Well 226 Project, and

WHEREAS, during the design process, the Utilities' Water Division requested several design changes to the well equipping to be in compliance with current NSF/ANSI 61 codes, and

WHEREAS, due to the requested design changes an amendment to the agreement is necessary.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Second Amendment to the Agreement with Brown & Caldwell, Inc., Rancho Cordova, CA, for Design and Construction Services for Replacement Well 226 in an amount not to exceed \$86,413 for the identified scope of services, plus \$17,520 for additional services, if needed, for a revised maximum total amount of \$369,452.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement in a form approved by the City Attorney.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-509**

**RESOLUTION ACCEPTING THE CURRENT LOCAL LIMITS REPORT FOR
INDUSTRIAL AND COMMERCIAL WASTEWATER DISCHARGES AND
RESCINDING RESOLUTION NO. 2006-022**

WHEREAS, the Wastewater Division, Environmental Services, permits, inspects, and monitors discharges from industrial and commercial users to ensure compliance with Federal and State Law, and

WHEREAS, to ensure the safety of employees, public health and welfare, minimize impact to the San Joaquin River water shed, comply with regulatory and permit requirements, and to protect the collection and treatment processes, Environmental Services conducted a Local Limits analysis, and

WHEREAS, the analysis of Local Limits is required by the Environmental Protection Title 40 Code of Federal Regulations, General Pretreatment Regulations (40 CFR 403.5(c)(1)) and additionally, the City's Wastewater Discharge Permit Order No. 2017-0064 and National Pollutant Discharge Elimination System Permit No. CA0079103, issued by the Central Valley Water Board, requires the City to annually report the status of our Pretreatment Program with descriptions of any significant changes, including Local Limits, and

WHEREAS, as a result of the recent sampling and analysis, the Maximum Allowable Headworks Loading (MAHL), established by Resolution No. 2006-022, no longer reflects the current Pollutants of Concern (POCs) and should be rescinded, and

WHEREAS, MAHLs were recalculated based on current data and compared with the average and maximum POC influent loading; the POCs analyzed were at or below the recommended thresholds, and

WHEREAS, implementation of Local Limits is not recommended by staff at this time, and

WHEREAS, the concentration and type of POCs within the influent fluctuates and the MAHLs that were established by Resolution No. 2006-022 are no longer representative of the type and concentration of current POCs; consequently, staff is recommending that Resolution No. 2006-022 be rescinded as it is no longer applicable, and

WHEREAS, staff is also recommending that sampling be performed midway through the City's five-year Wastewater Discharge Permit and that MAHLs be recalculated to be used as an internal control to account for changes in POCs, and

WHEREAS, staff will bring forward a committee report specifying the specific Local Limits if required for any significant exceedance to MAHLs, in accordance with Environmental Protection Title 40 Code of Federal Regulations, General Pretreatment Regulations.

NOW, THEREFORE, BE IT RESOLVED the Council of the City of Modesto accepts the current Local Limits Report for Industrial and Commercial wastewater discharges.

BE IT FURTHER RESOLVED, Resolution No. 2006-022 is hereby rescinded.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-510**

RESOLUTION ACCEPTING THE CANNERY SEGREGATION PUMP REPLACEMENT PROJECT (PROJECT NUMBER 100764) AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING \$2,644,788 TO MONTEREY MECHANICAL COMPANY, OF OAKLAND, CALIFORNIA

WHEREAS, on November 10, 2015, by Resolution No. 2015-440 Council awarded a contract to Monterey Mechanical Company for the construction of the Cannery Segregation Pump Replacement project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, all contract and administrative work was completed by July 3, 2018, and

WHEREAS, the Cannery Segregation Pump Replacement project has been completed by Monterey Mechanical Company of Oakland, CA, in accordance with the contract agreement dated November 10, 2015.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Cannery Segregation Line Pump Replacement project is hereby accepted as complete by Mechanical Company of Oakland, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$2,644,788 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-511**

**RESOLUTION ACCEPTING THE CANNERY SEGREGATION LINE
DIVERSION STRUCTURE PROJECT (PROJECT NUMBER 100679) AS
COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE
COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING
PAYMENTS TOTALING \$1,438,594 TO GATEWAY PACIFIC CONTRACTORS,
INC., OF SACRAMENTO, CA**

WHEREAS, on May 24, 2016, by Resolution No. 2016-217, Council awarded a contract to Gateway Pacific Contractors Inc., for the construction of the Cannery Segregation Line Diversion Structure project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of June 6, 2016, and

WHEREAS, all contract and administrative work was completed by October 1, 2018, and

WHEREAS, the Cannery Segregation Line Diversion Structure project has been completed by Gateway Pacific Contractors Inc., of Sacramento, CA in accordance with the contract agreement dated May 24, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Cannery Segregation Line Diversion Structure project is hereby accepted as complete by Gateway Pacific Contractors Inc., of Sacramento, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$1,438,594 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-512**

RESOLUTION ACCEPTING THE RUMBLE SEWER TRUNK REPLACEMENT PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING \$2,545,256 TO ROLFE CONSTRUCTION, OF ATWATER, CA

WHEREAS, on March 28, 2017, by Resolution No. 2017-108 Council awarded a contract to Rolfe Construction Company for the construction of the Rumble Sewer Trunk Replacement project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, all contract and administrative work was completed by December 21, 2017, and

WHEREAS, the Rumble Sewer Trunk Replacement project has been completed by Rolfe Construction Company of Atwater, CA, in accordance with the contract agreement dated March 28, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Rumble Sewer Trunk Replacement project is hereby accepted as complete by Rolfe Construction Company of Atwater, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$2,545,256 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

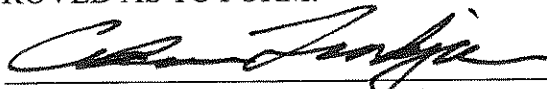
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-513**

**RESOLUTION ACCEPTING THE APPLICATION OF STAR NONEMERGENT
TRANSPORTATION, LLC AND ISSUING A PERMIT TO OPERATE AS A
NON-EMERGENCY MEDICAL TRANSPORT COMPANY IN THE CITY OF
MODESTO**

WHEREAS, Star Nonemergent Transportation, LLC has submitted an application to provide non-emergency medical transport within the City of Modesto, and

WHEREAS, Star Nonemergent Transportation, LLC has paid the required \$1,000 filing fee and has provided all necessary information as outlined in Modesto Municipal Code Section 3-9.03-3-9.04, and

WHEREAS, the Modesto Police Department has completed a background investigation regarding Star Nonemergent Transportation, LLC, per Modesto Municipal Code Section 3-9.05, and

WHEREAS, Council approval is required for Star Nonemergent Transportation, LLC to function as a non-emergency medical transport service within the City of Modesto, and

WHEREAS, a duly noticed public hearing was held by the City Council of the City of Modesto on November 13, 2018, at 5:30 p.m. in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, to consider authorizing the issuance of a permit to US Medical Transportation, Inc. for a non-emergency medical transport within the City of Modesto, and

WHEREAS, Modesto City Council finds that Star Nonemergent Transportation, LLC will serve the public convenience and necessity requirements.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the application of Star Nonemergent Transportation, LLC and issues a permit to operate as a non-emergency medical transport company in the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-514**

**RESOLUTION REAPPOINTING MS. STELLA BERATLIS AS THE CITY OF
MODESTO'S POET LAUREATE WITH A TERM EXPIRATION OF JUNE 30,
2020**

WHEREAS, Section 1102 of the Charter of the City of Modesto authorizes the City Council to appoint members to various Boards, Commissions, and Committees, and

WHEREAS, on October 30, 2018, the Culture Commission unanimously recommended Stella Beratlis to serve a second two - year term as the City of Modesto Poet Laureate, and

WHEREAS, Ms. Stella Beratlis is qualified, is willing to serve another two years as the City of Modesto Poet Laureate.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby reappointments Ms. Stella Beratlis as the City of Modesto Poet Laureate with a term expiration of June 30, 2020.

BE IT FURTHER RESOLVED that the City Clerk is hereby directed to transmit a copy of this resolution to the appointed member of the Poet Laureate, and the Secretary thereof.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-515**

**RESOLUTION AMENDING SECTION 3 AND 6 OF THE HOUSING AND
URBAN DEVELOPMENT POLICIES & PROCEDURES MANUAL**

WHEREAS, in order to align with current Federal program guidelines and replace outdated program policies, Section 3 (Community Development Block Grant Program), and Section 6 (Homeowner Rehabilitation Program) of the Housing and Urban Development Policies and Procedures Manual are to be updated, and

WHEREAS, Section 3(Community Development Block Grant Program) Section 3.3 addresses the requirement to execute written agreements for all CDBG funded projects, and

WHEREAS, Section 10.1 will provide a thoroughly detailed project description in the Integrated Disbursement and Information System (IDIS), and

WHEREAS, Section 15 will update the way the HUD award is maintained in a separate account by Catalog of Federal Domestic Assistance (CFDA) title number, HUD award identification number and year, and HUD's agency name in accordance with 2 CFR 200.302(b)(1), and

WHEREAS, Section 6 (Homeowner Rehabilitation Program) Sections 8 and 9 of has been modified to specify the term of the grant agreement for single family residences to adhere to HOME policy terms, and

WHEREAS, Section 15 has been modified to reflect that all assisted projects will include the preparation of a detailed scope of work and an independent cost estimate, and

WHEREAS, Section 18 and 19 of the Homeowner Rehabilitation Program to specify that a written agreement must be entered into between the City and all homeowners receiving assistance, and

WHEREAS, on November 8, 2018, the Citizen's Housing and Community Development Committee reviewed, approved and forwarded the revised Section 3 – Community Development Block Grant Program and Section 6 – Homeowner Rehabilitation Program to the City Council for review and approval.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends Section 3 and 6 of the Housing and Urban Development Policies & Procedures Manual.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

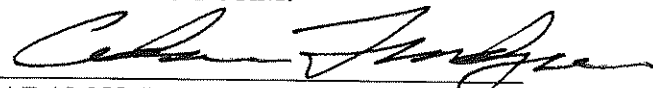
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-516**

**RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH
THE MODESTO ROTARY CLUB REGARDING THE PURCHASE,
INSTALLATION AND DONATION OF A FULL-SIZE BASKETBALL COURT
AT CATHERINE EVERETT PARK AND AUTHORIZING THE CITY
MANAGER, OR HIS DESIGNEE, TO EXECUTE THE MOU**

WHEREAS, Catherine Everett Park has no formal sport court area for basketball play, and

WHEREAS, the community wishes to replace the concrete paved area with a new full-size basketball court and replace the existing drinking fountain with an ADA compliant fixture, and

WHEREAS, in Spring 2017, staff met with members of the Modesto Rotary Club regarding the construction of the Catherine Everett Park Basketball Court, and

WHEREAS, in March 2018, meetings were held with Modesto Rotary Club members, community members and City staff to obtain agreement on the project scope, and

WHEREAS, the Modesto Rotary Club wants to enhance the neighborhood with the purchase, installation and donation of a new concrete paved basketball court, and ADA accessible drinking fountain, and

WHEREAS, City staff has prepared a Memorandum of Understanding (MOU) to allow the Modesto Rotary Club to install a new full-size concrete paved basketball court, and ADA accessible drinking fountain on City property in Catherine Everett Park, and

WHEREAS, the MOU outlines the terms of the agreement for both parties.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Memorandum of Understanding between the Modesto Rotary

Club and the City of Modesto regarding the purchase, installation and donation of a full-size basketball court at Catherine Everett Park.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the MOU.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

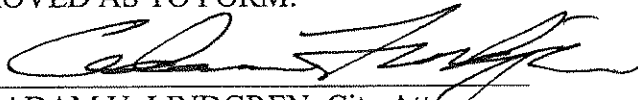
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-517**

**RESOLUTION AUTHORIZING PAYMENT TO STORER TRANSIT SYSTEMS
IN THE AMOUNT OF \$390,000 FOR FIXED COST ADJUSTMENT FOR THE
FISCAL YEAR 2016/2017 OPERATION OF MODESTO AREA DIAL-A-RIDE**

WHEREAS, the City entered into an Agreement dated May 13, 2014, with Storer Transit Systems (Storer) to operate Modesto Area Dial-A-Ride (MADAR) for the purpose of providing paratransit service to seniors and qualified disabled persons within the Modesto urban area, and

WHEREAS, Storer is paid on the basis of the number of vehicle service hours its vans operate in service and the Agreement assumes a base number of vehicle service hours of 42,600 for a twelve month period, and

WHEREAS, paragraph 23(G) of the Agreement includes a provision that requires the City to compensate Storer for “significant differences between the number of vehicle service hours actually operated by (Storer) and the base number of vehicle service hours (42,600 hours),” and

WHEREAS, at the end of a twelve month period, the City must determine if there is a difference in vehicle service hours (either positive or negative) between the actual vehicle service hours billed and the base number of vehicle service hours. If the difference between the actual service hours billed and 42,600 is greater than 4,620 (10% of 42,600), then the consideration paid to Storer must be adjusted, and

WHEREAS, for the Fiscal Year 2016/17, Storer operated 36,042 billable hours which is more than 10% less of the specified 42,600 billable hours in the number of rides provided by the service, and

WHEREAS, the fixed cost adjustment was negotiated to be \$390,000 to be paid to Storer by the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes payment to Storer Transit Systems in the amount of \$390,000 for fixed cost adjustments for the fiscal year 2016/2017 operation of Modesto Area Dial-A-Ride.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

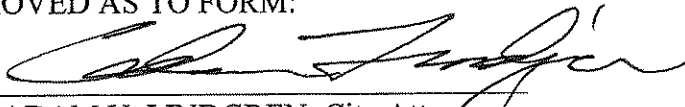
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-518**

RESOLUTION AMENDING THE FISCAL YEAR 2018/2019 OPERATING BUDGET IN THE AMOUNT OF \$390,000 TO FUND PAYMENT ISSUED TO STORER TRANSIT SYSTEMS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, Section G of the City's May 13, 2014 agreement with Storer requires the City to cover Storer's fixed costs during the prior contract year if the number of hours operated do not meet the standard established in Section G of the agreement, and

WHEREAS, the hours operated were below the established standard for the first year of the agreement, and

WHEREAS, pursuant to Section G of the agreement the City is obligated to issue payment to Storer in the amount of \$390,000, and

WHEREAS certain budgetary transactions are necessary in the amount of \$390,000 to operating cost center 53473 – Transportation Dial-A-Ride, to fund the payment to be issued to Storer as required by Section G, and

WHEREAS, the Fiscal Year 2018/2019 Operating Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Operating Budget as shown in **Exhibit A**.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

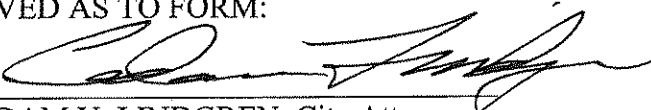
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**Request for Budget Adjustment
(Fiscal Year Operating Cost Centers)**

Contact Person: Maria Garnica
 Telephone: 577-5249
 Submitting Department: PW - Transit

Council Action Date: _____
 Resolution Number: _____
 Date Submitted by Dept: 10/16/2018

Fund Title: Bus Services - DAR Fiscal Year being Adjusted: 16/17

FY	Fund	Cost Center	Account	Current Budget	Increase/ (Decrease)	Revised Budget	Description of Account
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Revenues

FROM							
19	4520	53473	42013	\$1,344,270	\$156,000	\$1,500,270	Intergov-Federal-Federal Transit Administration
19	- 4520	- 53473	- 42107	\$1,858,226	\$234,000	\$2,092,226	Intergov-State-LTF-Current year

Expenses

FROM							
						\$0	
19	4520	53473	53350	\$3,499,821	\$390,000	\$3,889,821	Transportation Operating Contract Expenses
						\$0	

Justification for Budget Adjustment

Authorization	Signature	Date
Administrative Services Officer (if needed)		
Deputy Director (if needed)		
Department Director or Authorized Designee		
Financial Analyst		
Finance Director		
City Manager		

To be Completed by Finance Staff

Transfer Number: _____ Completed By: _____

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-519**

RESOLUTION APPROVING A SOLE SOURCE PURCHASE AGREEMENT WITH MAINTENANCE CONNECTION, INC., DAVIS, CA FOR A SMARTPHONE ENABLED COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM THAT ENABLES BUILDING SERVICES TO EFFICIENTLY TRACK WORK ORDERS, FOR A ONE TIME COST OF \$16,400 AND AN ANNUAL COST OF \$4,278 FOR THE FIRST TWELVE-MONTH PERIOD, FOR AN ESTIMATED TOTAL COST NOT TO EXCEED \$21,000, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASING AGREEMENTS

WHEREAS, Maintenance Connection Inc. is the sole provider for the maintenance support of the computerized maintenance management system for the City's Building Services Division, and

WHEREAS, the Building Services Division has had Maintenance Connection in place since its initial purchase in 2005, and

WHEREAS, Maintenance Connection enables Building Services to track work order requests, schedule preventive maintenance inspections, improve labor productivity, reduce costly downtime, and make informed decisions about repair or replacement of city assets, and

WHEREAS, expanding the capabilities of the Maintenance Connection system benefits the City by enabling staff to improve customer service and maintenance with the MC Express mobile application and technician training, to identify and repair any system inefficiencies with a system audit, and to ensure rapid resolution of software issues with monthly technical support, and

WHEREAS, the cumulative cost for the existing Maintenance Connection system, including software licenses and technical support, has been \$3,274 per year, for a total of \$42,562 paid to Maintenance Connection from 2005 through 2018, and

WHEREAS, the total cost for the purchase of the MC Express system, a system audit, technician training, and a one-year term of hosting and licenses will be \$20,873, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases, which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid, and

WHEREAS, staff recommends that the award of agreement to Maintenance Connection, Inc., should be exempt from the formal bidding process in accordance with Modesto Municipal Code 8-3.204(b) because they are the sole provider of maintenance program for Maintenance Connection, and

WHEREAS, MMC 8-3.204(b) provides that a purchase may be exempted from the City's formal bidding requirements where the Purchasing Agency's requirements can be met solely by a single article or process and this purchase qualifies for exemption from formal bidding for that reason.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a sole source Purchase Agreement with Maintenance Connection, Inc., Davis, CA, for a smartphone enabled computerized maintenance management that enables Building Services to efficiently track work orders, for a one time cost of \$16,400 and an annual cost of \$4,475, for an estimated total cost not to exceed \$21,000.

BE IT FURTHER RESOLVED the Purchasing Manager, or her designee, is hereby authorized to issue the purchasing agreements.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

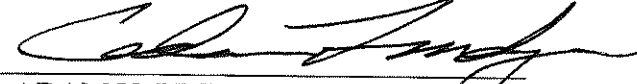
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-520**

RESOLUTION APPROVING THE DELEGATED MAINTENANCE AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION (CALTRANS), DISTRICT 10 FOR STREET SWEEPING SERVICES AND TREE MAINTENANCE, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City and California Department of Transportation (Caltrans), District 10, have two longstanding on-going maintenance agreements, and

WHEREAS, this item is regarding the Delegated Maintenance Agreement (“Delegated Agreement”) for street sweeping services and tree maintenance that supersedes the Original agreement from 1985, and

WHEREAS, the City performs maintenance work specifically delegated to it, on the identified State Highway route, and

WHEREAS, effective July 1, 2016, Caltrans took over maintenance of 25 state-owned facilities along the State’s Right of Way of State Highway Routes 99, 108, and 132, located within the City of Modesto, and

WHEREAS, staff reviewed the Delegated Maintenance Agreement for street sweeping services and tree maintenance and worked with Caltrans staff to make adjustments where needed, and

WHEREAS, this agreement will be retroactive to July 1, 2016, and Caltrans will reimburse the City for the actual cost of all routine maintenance work performed by the City as referred in **Exhibit A**.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Delegated Maintenance Agreement with (Caltrans), District 10 for street sweeping services and tree maintenance.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**DELEGATED MAINTENANCE AGREEMENT
FOR MAINTENANCE OF STATE HIGHWAY IN THE CITY OF MODESTO**

THIS AGREEMENT is made effective this _____ day of _____, 2018, by and between the State of California, acting by and through the Department of Transportation, hereinafter referred to as "STATE" and the City of Modesto; hereinafter referred to as "CITY" and collectively referred to as "PARTIES".

SECTION I

RECITALS

1. The PARTIES desire to provide that CITY perform particular maintenance functions on the State highways within the CITY as authorized in Section 130 of the Streets and Highways Code.
2. This Agreement shall supersede any previous agreement or amendments thereof with the CITY for maintenance of the portion of the STATE highways within CITY limits as identified in Exhibit A which is attached to and made a part of this agreement.
3. The CITY will perform such maintenance work as is specifically delegated to it, on the identified State highway routes, or portions thereof, all as hereinafter described under this agreement and Exhibit "A". The Exhibit may be subsequently modified upon written consent of the PARTIES hereto acting by and through their authorized representatives. No formal amendment to this Agreement will be required.
4. The degree or extent of maintenance work to be performed, and the standards therefore, shall be in accordance with the provisions of Section 27 of the Streets and Highways Code and the then current edition of the State Maintenance Manual.
5. The functions and levels of maintenance service delegated to the CITY in the attached Exhibit "A" has been considered in setting authorized total dollar amounts. The CITY may perform additional work if desired, but the STATE will not reimburse the CITY for any work in excess of the authorized dollar limits established herein.

NOW THEREFORE IT IS AGREED:

SECTION II

AGREEMENT

1. The STATE will reimburse the CITY for the actual cost of all routine maintenance work performed by the CITY as delegated under Exhibit A to this Agreement. It is agreed that during any fiscal year, the maximum expenditure on any route shall not exceed the amount as shown in Exhibit A to this Agreement unless such expenditure is revised by an amended Agreement or otherwise adjusted or modified as hereinafter provided for.

- 1.1. The cost of operating and maintaining utility-owned and maintained lighting now in place at the intersection of any State highway route and any CITY street/road shall be shared as shown in Exhibit "A" which is attached and made a part of this agreement.
 - 1.2. Upon written request by CITY the expenditure per route for routine maintenance work, as referred to in Exhibit "A", may be increased, decreased, redistributed between routes, or additional expenditures for specific projects may be made by STATE. However, such adjustments should be authorized in writing by the District Director or his authorized representative and accepted by in writing by CITY, Exhibit "A" need not be amended.
 - 1.3. Additional expenditures or an adjustment of expenditures, once authorized shall apply only for the fiscal year designated therein and shall not be deemed to permanently modify or change the basic maximum expenditure per route as specified in Exhibit "A". An adjustment of any said maximum expenditure, either an increase or decrease, shall not affect other terms of the Agreement.
2. Exhibits "A" can be amended as necessary by written concurrence of PARTIES to reflect any future changes, deletion or additions or to ensure an equitable annual cost allocation.
 3. The CITY will submit bills in a consistent periodic sequence (monthly, quarterly, semiannually, or annually). Bills for less than \$500 shall not be submitted more than once each quarter. Bills must be submitted promptly following the close of STATE's fiscal year on each June 30th and should be coded according to the Caltrans HM Program Code as outlined in this Agreement. Bills submitted for periods prior to the last fiscal year will be deemed waived and will not be honored.
 4. Maintenance services provided by contract or on a unit-rate basis with overhead costs included shall not have these above-mentioned charges added again. An actual handling charge by the CITY for the direct cost of processing this type of bill will be allowed. The CITY shall provide the STATE's Caltrans Area Superintendent a monthly sweeping schedule, in advance, and no less than 24-hours' notice prior to any sweeping activity involving STATE highways, or the STATE's right of way.

5. LEGAL RELATIONS AND RESPONSIBILITIES

- 5.1. Nothing in the provisions of this Agreement is intended to create duties or obligations to or rights in third parties not PARTIES to this contract or to affect the legal liability of either PARTY to the contract by imposing any standard of care respecting the maintenance of State highways different from the standard of care imposed by law.
- 5.2. Neither STATE nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction conferred upon CITY under this Agreement. It is understood and agreed that CITY will fully defend, indemnify, and save harmless STATE and all its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability

occurring by reason of anything done or omitted to be done by CITY under this Agreement.

5.3. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring by reason of anything done or omitted to be done by STATE, under or in connection with any work, authority or jurisdiction conferred upon STATE under this Agreement. It is understood and agreed that STATE will fully defend, indemnify, and save harmless CITY and all its officers and employees from all claims, suits, or actions of every name, kind and description brought forth under, including, but not limited to, tortious, contractual, inverse condemnation or other theories or assertions of liability occurring by reason of anything done or omitted to be done by STATE under this Agreement.

6. PREVAILING WAGES:

6.1. Labor Code Compliance- If the work performed on this Project is done under contract and falls within the Labor Code section 1720(a)(1) definition of a "public work" in that it is construction, alteration, demolition, installation, or repair; or maintenance work under Labor Code section 1771. CITY must conform to the provisions of Labor Code sections 1720 through 1815, and all applicable provisions of California Code of Regulations found in Title 8, Chapter 8, Subchapter 3, Articles 1-7. CITY agrees to include prevailing wage requirements in its contracts for public work. Work performed by CITY'S own forces is exempt from the Labor Code's Prevailing Wage requirements.

6.2. Prevailing Wage Requirements in Subcontracts - CITY shall require its contractors to include prevailing wage requirements in all subcontracts funded by this Agreement when the work to be performed by the subcontractor is a "public work" as defined in Labor Code Section 1720(a)(1) and Labor Code Section 1771. Subcontracts shall include all prevailing wage requirements set forth in CITY's contracts.

7. INSURANCE:

7.1. SELF-INSURED - CITY is self-insured. CITY agrees to deliver evidence of self-insured coverage providing general liability insurance, coverage of bodily injury liability and property damage liability, naming the STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a certificate of insurance in a form satisfactory to the STATE that shall be delivered to the STATE with a signed copy of this Agreement in a form satisfactory to STATE, along with a signed copy of the Agreement.

7.2. SELF-INSURED using Contractor - If the work performed under this Agreement is done by CITY's contractor(s), CITY shall require its contractor(s) to maintain in force, during the term of this agreement, a policy of general liability insurance, including coverage of bodily injury liability and property damage liability, naming the STATE, its officers, agents and employees as the additional insured in an amount of \$1 million per occurrence and \$2 million in aggregate and \$5 million in excess. Coverage shall be evidenced by a

certificate of insurance in a form satisfactory to the STATE and shall be delivered to the STATE with a signed copy of this Agreement.

8. STATE costs and expenses assumed under the terms of this Agreement are conditioned upon the passage of the annual State of California Budget by the Legislature, the allocation of funding by the California Transportation Commission as appropriate, and the encumbrance of funding to the District Office of STATE to pay the billing by CITY.
9. TERMINATION - This Agreement may be terminated by timely mutual written consent by PARTIES, and CITY's failure to comply with the provisions of this Agreement may be grounds for a Notice of Termination by STATE.
10. TERM OF AGREEMENT - This Agreement shall become effective on the date first shown on its face sheet and shall remain in full force and effect until amended or terminated at any time upon mutual consent of the PARTIES or until terminated by STATE for cause.

PARTIES are empowered by Streets and Highways Code section 114 and 130 to enter into this Agreement and have delegated to the undersigned the authority to execute this Agreement on behalf of the respective agencies and covenants to have followed all the necessary legal requirements to validly execute this Agreement.

IN WITNESS WHEREOF, PARTIES hereto have set their hands and seals the day and year first above written.

THE CITY OF MODESTO

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

By: _____
TED BRANDVOLD
Mayor

LAURIE BERMAN
Director of Transportation

Initiated and Approved

By: _____
JOSEPH P. LOPEZ
~~Interim~~ City Manager

By: _____
SAMUEL T. JORDAN
Deputy District Director
Maintenance
District 10

ATTEST:

By: _____
STEPHANIE LOPEZ
City Clerk

As to Form and Procedure:

By: _____
ADAM U. LUNGREN
City Attorney

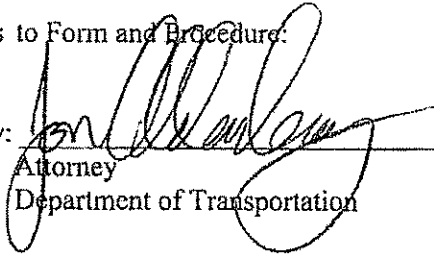
By: 
Attorney
Department of Transportation

EXHIBIT A

DELEGATION OF MAINTENANCE

Maintenance of State Highways in the City of Modesto

The specific maintenance function indicated below is hereby delegated to the CITY.

Route No.	Length Miles	Description of Routing	Program Delegated**	Maximum Annual Authorized Expenditure
99	1.11*	5 th Street from L Street to H Street <i>PM R16.121/R15.753</i> 6 th Street from D Street to M Street <i>PM R15.377/R16.22</i> <i>(1.11x\$35.00 per curb mile x 24)</i>	D	\$932.00
108	9.70	L Street from 9 th Street to Needham <i>PM R22.438/L22.836</i> K Street from 9 th Street to Needham <i>PM R22.438/R22.921</i> Needham to McHenry Avenue <i>PM L22.836/23.080</i> But not including the intersection at McHenry Avenue McHenry Avenue to the North City Limits <i>PM 23.086/26.510</i> (440' North of Coralwood) <i>(9.70 x \$35.00 per curb mile x 24)</i>	D	\$8,148.00
132	10.8	Maze Blvd. form Carpenter Road East City Limits (Claus Road) <i>PM 13.420/19.130</i> <i>(10x8 \$35.00 per curb mile x 24)</i>	D	\$9,072.00

*Non-Add Milcage-Included in length of Route 99

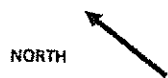
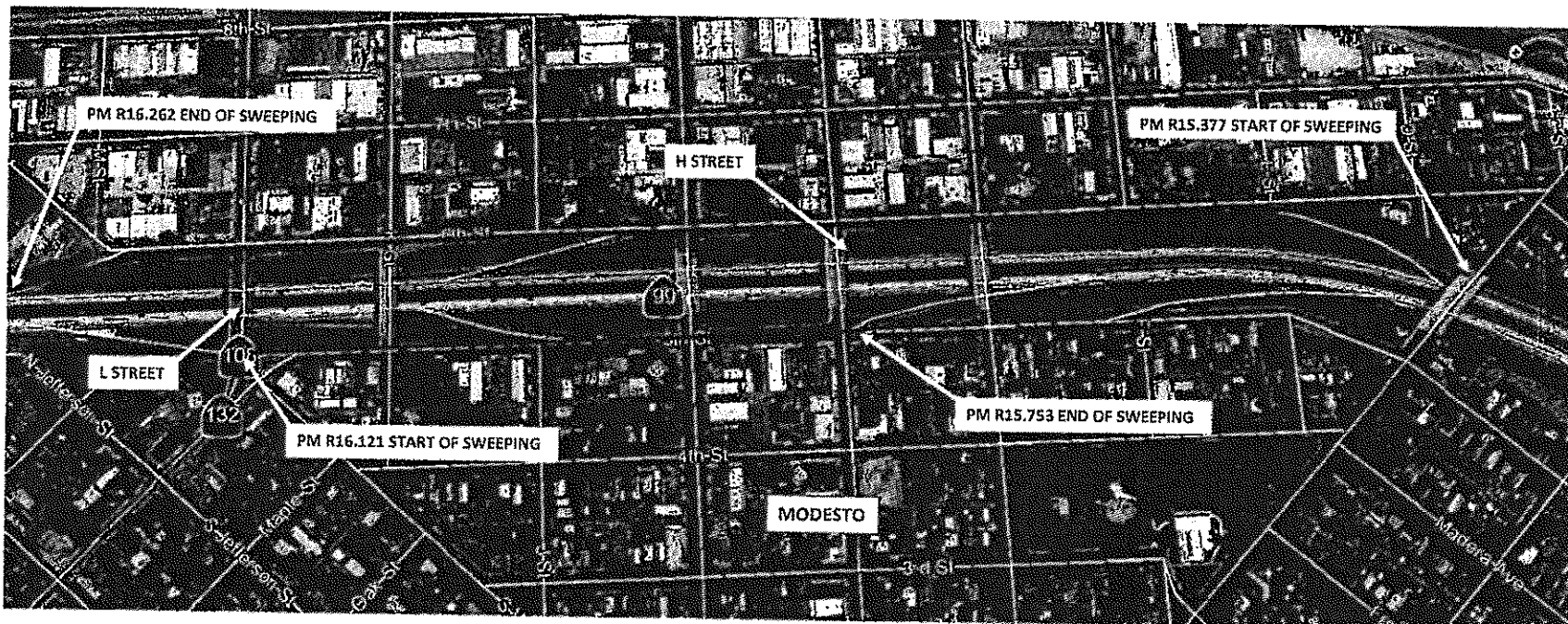
*Program Delegated:

(D) This program provides removal of litter and debris from roadway surfaces and roadsides by sweeping ping, and shall include responsibility for maintenance of trees.

TOTAL AUTHORIZED EXPENDITURE:

\$18,152.00

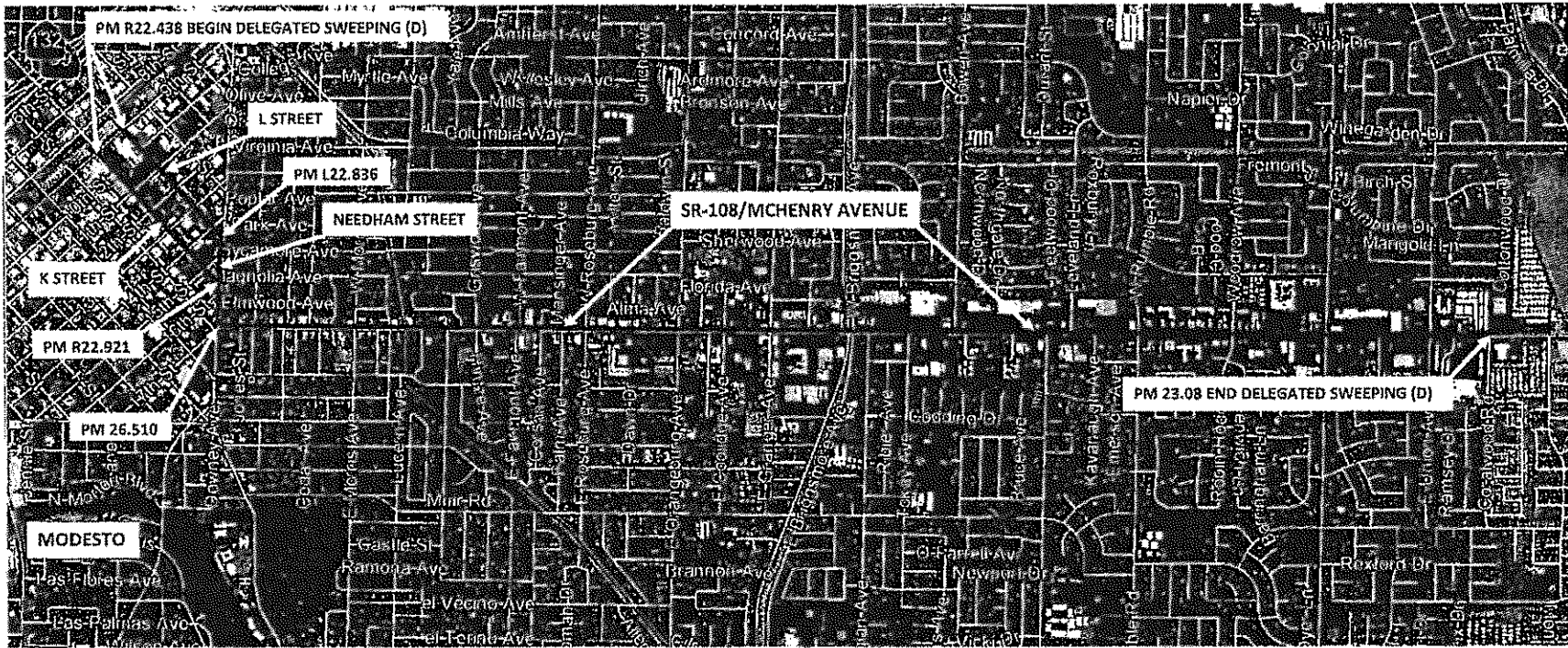
Exhibit A
Delegated Maintenance Agreement
City of Modesto Location Map – State Route 99



LEGEND:

———— DELEGATED SWEEPING (D)

Exhibit A
Delegated Maintenance Agreement
City of Modesto Location Map - State Route 108



STANISLAUS 108



LEGEND:

— DELEGATED SWEEPING (D)

Exhibit A
Delegated Maintenance Agreement
City of Modesto Location Map - State Route 132



STANISLAUS 132

NORTH



LEGEND:

— DELEGATED SWEEPING (D)

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-521**

**RESOLUTION REJECTING ALL BIDS RECEIVED FOR REQUEST FOR BID
NO. RFB 1819-06 FOR ASPHALT MATERIALS AND AUTHORIZING STAFF
TO REISSUE A RFB AT A FUTURE DATE, WITH AMENDED ITEM
DESCRIPTIONS**

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Bids RFB 1819-06 for the purchase of Asphalt Concrete for the Public Works Department, Streets Division, and

WHEREAS, on September 11, 2018, bids closed and were formally opened in the City Clerk's Office. Two companies chose to respond and both were local vendors, and

WHEREAS, after reviewing the bids and investigating large price discrepancies, staff has determined item descriptions need to be revised, and

WHEREAS, City staff recommends that the Council reject the bids received for the purchase of asphalt material, make modifications and re-advertise for the purchase of asphalt materials at future date.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby rejects all bids received for Request for Bid No. RFB 1819-06 for asphalt materials.

BE IT FURTHER RESOLVED, that staff is authorized to reissue a RFB at a future date with amended item descriptions.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

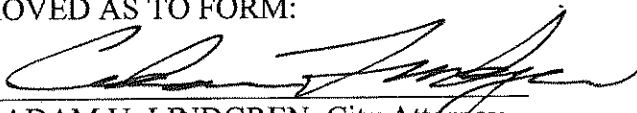
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-522**

**RESOLUTION ACCEPTING THE TERTIARY BYPASS LINE
IMPROVEMENTS PROJECT AS COMPLETE, AUTHORIZING ALL
NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER,
RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING
\$212,772 TO MYERS-RADOS, A JOINT VENTURE, SANTA ANA, CA**

WHEREAS, on December 12, 2017, by Resolution No. 2017-512, Council awarded a contract to Myers-Rados, a Joint Venture, for the construction of the Tertiary Bypass Line Improvements project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of January 16, 2017, and

WHEREAS, all contract and administrative work was completed by May 22, 2018, and

WHEREAS, the Tertiary Bypass Line Improvements project has been completed by Myers-Rados, a Joint Venture, in accordance with the contract agreement dated December 12, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Tertiary Bypass Line Improvements project is hereby accepted as complete by Myers-Rados, a Joint Venture, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$212,772 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

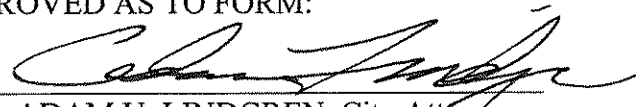
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-523**

RESOLUTION ACCEPTING THE NEW DEL RIO WELL 68 PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING \$580,019 TO ROADRUNNER DRILLING & PUMP COMPANY, INC., OF WOODLAND, CA

WHEREAS, on December 12, 2017, by Resolution No. 2017-516, Council awarded a contract to Roadrunner Drilling & Pump Company, Inc., of Woodland, CA, for the construction of the New Del Rio Well 68 project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of January 16, 2018, and

WHEREAS, all contract and administrative work was completed by April 28, 2018, and

WHEREAS, the New Del Rio Well 68 project has been completed by Roadrunner Drilling & Pump Company, Inc. of Woodland, CA in accordance with the contract agreement dated December 12, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the New Del Rio Well 68 project is hereby accepted as complete by Roadrunner Drilling & Pump Company, Inc. of Woodland, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$580,019 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

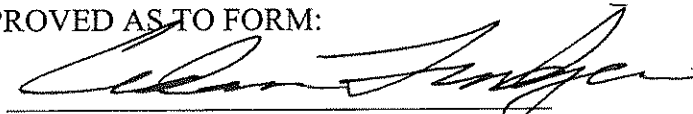
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-524**

**RESOLUTION ACCEPTING THE 2015-2016 SANITARY SEWER
COLLECTION SYSTEM REPLACEMENT PROJECT AS COMPLETE,
AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY
RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS
TOTALING \$1,527,041 TO ROLFE CONSTRUCTION, OF ATWATER, CA**

WHEREAS, on May 24, 2016, by Resolution No. 2016-217, Council awarded a contract to Rolfe Construction, for the construction of the 2015-2016 Sanitary Sewer Collection System Replacement project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of August 14, 2017, and

WHEREAS, all contract and administrative work was completed by January 13, 2018, and

WHEREAS, the 2015-2016 Sanitary Sewer Collection System Replacement project has been completed by Rolfe Construction, Of Atwater, Ca in accordance with the contract agreement dated May 24, 2016.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the 2015-2016 Sanitary Sewer Collection System Replacement project is hereby accepted as complete by Rolfe Construction of Atwater, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$1,527,041 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

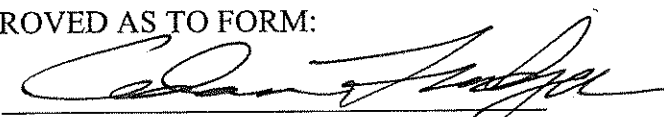
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-525**

RESOLUTION ACCEPTING THE ROSELLE AVENUE WIDENING PROJECT AS COMPLETE, AUTHORIZING ALL NECESSARY STEPS TO FILE WITH THE COUNTY RECORDER, RELEASING SECURITIES, AND RELEASING PAYMENTS TOTALING \$3,432,609 TO DSS COMPANY, DBA KNIFE RIVER CONSTRUCTION OF STOCKTON, CA

WHEREAS, on February 7, 2017, by Resolution No. 2017-35, Council awarded a contract to DSS Company DBA Knife River Construction, for the construction of the Roselle Avenue Widening project, and

WHEREAS, staff provided the construction management, inspection, survey staking, and project administration, and

WHEREAS, the contractor received the Notice to Proceed with a first working day of April 3, 2017, and

WHEREAS, all contract and administrative work was completed by January 13, 2018, and

WHEREAS, the Roselle Avenue Widening project has been completed by DSS Company DBA Knife River Construction of Stockton, CA. in accordance with the contract agreement dated February 7, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Roselle Avenue Widening project is hereby accepted as complete by DSS Company DBA Knife River Construction of Stockton, CA, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and payments totaling \$3,432,609 as is authorized and provided in the contract.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

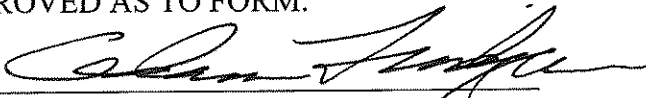
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-526**

**RESOLUTION APPROVING THE PLANS AND SPECIFICATIONS FOR THE
MODESTO AMTRAK NORTH PARKING LOT EXPANSION PROJECT,
ACCEPTING THE BID, AND APPROVING A CONSTRUCTION CONTRACT
WITH GARRETT THOMPSON CONSTRUCTION, INC. OF MODESTO, CA, IN
THE AMOUNT OF \$441,900 AND AUTHORIZING THE CITY MANAGER, OR
HIS DESIGNEE, TO EXECUTE THE CONTRACT**

WHEREAS, specifications have been prepared for the Modesto Amtrak North
Parking Lot Expansion Project, and

WHEREAS, the bids received for the Modesto Amtrak North Parking Lot
Expansion Project were opened at 11:00 a.m. on October 16, 2018 and

WHEREAS, the Director of Utilities has recommended that the bid of \$441,900
received from Garrett Thompson Construction, Inc., be accepted as the lowest
responsible and responsive bid and the contract be awarded to Garrett Thompson
Construction, Inc.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto
that it hereby approves the plans and specifications for the Modesto Amtrak North
Parking Lot Expansion Project accepts the bid of \$441,900 and awards Garrett Thompson
Construction, Inc., of Modesto, CA, the contract for the Modesto Amtrak North Parking
Lot Expansion Project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby
authorized to execute the contract, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

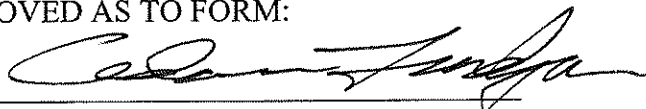
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-527**

RESOLUTION AMENDING THE FISCAL YEAR 2018-19 CAPITAL IMPROVEMENT PROGRAM BUDGET IN THE AMOUNT OF \$103,645 TO BE TRANSFERRED INTO THE PROJECT FROM THE LOCAL TRANSPORTATION FUND IN ORDER TO FULLY FUND THE CONSTRUCTION, CONTINGENCY, CONSTRUCTION ADMINISTRATION, AND DESIGN SUPPORT DURING CONSTRUCTION FOR THE MODESTO AMTRAK NORTH PARKING LOT EXPANSION PROJECT AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF HIS RESOLUTION

WHEREAS, certain budgetary transactions are necessary in the amount of **\$103,645**, in order to fund construction, contingency, construction administration, design support during construction plus City staff support for the Modesto Amtrak North Parking Lot Expansion Project, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Capital Improvement Program Budget as shown in **Exhibit A**, **attached** hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

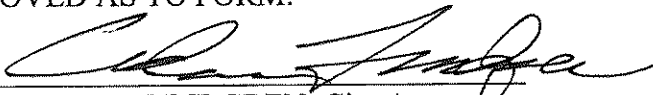
By: 
ADAM U. LINDGREN, City Attorney

Exhibit A

Due to construction costs being higher than initially budgeted for the project, line item increases/decreases are necessary for CIP Account #101014 “Modesto Amtrak North Parking Lot Expansion Project”, and the total project costs need to be increased by \$103,645.

To fund the above account, Local Transportation Revenues will be increased by \$103,645 to CIP 101014 for the Modesto Amtrak North Parking Lot Expansion Project.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-528**

RESOLUTION APPROVING THE SECOND AMENDMENT TO THE AGREEMENT WITH PROPERTY SPECIALISTS, INC. (DBA CPSI) FOR ADDITIONAL RIGHT OF WAY SERVICES FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY - PHASE 1 PROJECT IN THE AMOUNT OF \$1,356,773, PLUS \$135,677 FOR ADDITIONAL SERVICES (IF NEEDED), FROM \$1,759,687 TO A NEW TOTAL AMOUNT OF \$3,252,137, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO EXECUTE THE SECOND AMENDMENT

WHEREAS, the purpose of the Project is to improve regional and interregional circulation, relieve traffic congestion along existing State Route 132, and enhance safety and operations for the existing and proposed transportation network, and

WHEREAS, on August 8, 2017, by Resolution No. 2017-314, the City Council approved an Agreement with Property Specialists, Inc., (dba CPSI) to perform right of way consultant services for the State Route 132 West Freeway/Expressway - Phase 1 Project (Project) in a total amount of \$808,500, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-84, the City Council approved a First Amendment to the CPSI agreement to increase the contract by \$864,687, plus \$86,500 for additional services, for a total contract amount of \$1,759,687, and

WHEREAS, as the Project has progressed, additional needs to complete the project and specifically the right of way acquisition and gain project certification have been identified, and

WHEREAS, these additional needs are described by task as follows:

Task 1: Additional Appraisal and Acquisition Work

Task 2: Additional Environmental Testing

Task 3: Settlement and Conflict Resolution Work

Task 4: Broker Representation and Construction Management

Task 5: General Property Management

Task 6: Procurement and Construction Management

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Second Amendment to Agreement with Property Specialists, Inc. (dba CPSI) for additional right of way services for the State Route 132 West Freeway/Expressway - Phase 1 Project in the amount of \$1,356,773, plus \$135,677 for additional services (if needed), from \$1,759,687 to a new total amount of \$3,418,154.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is authorized to execute the Second Amendment to the Agreement in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-529**

RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET, PROJECT #100614 IN THE AMOUNT OF \$1,492,450 FOR THE STATE ROUTE 132 WEST FREEWAY/EXPRESSWAY - PHASE 1 PROJECT AND APPROPRIATION OF FUNDS FROM THE STREETS CAPITAL FACILITY FEES FUND RESERVES AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the State Route 132 West Freeway/Expressway – Phase 1 Project (Project) proposes to construct a two-lane highway on a new alignment in Stanislaus County and the City of Modesto from State Route 99 just south of Kansas Avenue to Dakota Avenue, and

WHEREAS, on May 2, 2017 the City Council, by Resolution No. 2017-175 authorized the appropriation of \$4,000,000 in Streets Capital Facility Fees reserve funds to the State Route 132 West Expressway Project, and

WHEREAS, on August 8, 2017, by Resolution No. 2017-314, the City Council approved an Agreement with Property Specialists, Inc., (dba CPSI) to perform right of way consultant services for the State Route 132 West Freeway/Expressway - Phase 1 Project (Project) in a total amount of \$808,500, and

WHEREAS, on February 27, 2018, by Resolution No. 2018-84, the City Council approved a First Amendment to the CPSI agreement to increase the contract by \$864,687, plus \$86,500 for additional services, for a total contract amount of \$1,759,687, and

WHEREAS, as the Project has progress, additional needs to complete the project and specifically the right of way acquisition and gain project certification have been identified, and

WHEREAS, a Second Amendment to the CPSI Agreement to increase the contract by a total of \$1,492,450 is needed, and

WHEREAS, the Fiscal Year 2018-2019 Capital Improvement Program Budget needs to be amended by \$1,492,450 for the State Route 132 West Freeway/Expressway - Phase 1 Project and funds need to be appropriated from the Streets Capital Facility Fees reserve funds, and

WHEREAS, staff will seek reimbursement from the Regional Measure L funds managed by the Stanislaus Council of Governments (StanCOG) to cover the cost of this Second Amendment to the CPSI Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends the Fiscal Year 2018-2019 Capital Improvement Program (CIP) Budget, project #100614 in the amount of \$1,492,450 for the State Route 132 West Freeway/Expressway - Phase 1 Project and appropriates funds from the Streets Capital Facility Fees fund reserves.

BE IT FURTHER RESOLVED, that the City Manager or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

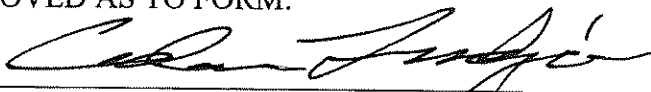
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-530**

**RESOLUTION ACCEPTING THE CODONI SEWER FORCE MAIN
EMERGENCY REPAIR AS COMPLETE, AUTHORIZING ALL NECESSARY
STEPS TO FILE WITH THE COUNTY RECORDER, RELEASE SECURITIES,
AND AUTHORIZE PAYMENTS TOTALING \$120,866 TO ROLFE
CONSTRUCTION COMPANY OF ATWATER, CA**

WHEREAS, the City was notified that the sewer force main on Codoni Avenue, south of Finch Road was leaking, and

WHEREAS, Collections crews excavated the location of the leak, made an emergency repair to the pipe and fittings and inspected the forcemain, and

WHEREAS, the sewer force main had suffered severe corrosion resulting in the deterioration of sections of the pipe and fittings which generated concern of environmental and safety risks to the public and businesses, and

WHEREAS, City staff initiated an expedited process to secure a Contractor to perform the repairs, and

WHEREAS, Section 8-3.102.(e) of the Modesto Municipal Code allows the City Manager to approve and authorize contracts in the amount of \$200,000 or less for projects that are of urgent necessity for the preservation of life, health and property, and

WHEREAS, the sewer force main required urgent repair in order to protect the public and businesses from potential harms as well as provide continued service to businesses, and

WHEREAS the Codoni Sewer Force Main Emergency Repair has been completed by Rolfe Construction Company of Atwater.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Codoni Sewer Force Main Emergency Repair are hereby accepted as complete

from said contractor, Rolfe Construction Company of Atwater, Ca, and that the City Clerk is authorized to complete all necessary steps to file with the County Recorder, release securities and authorize payments totaling \$120,866, as is authorized.

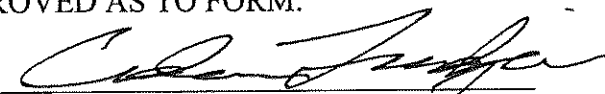
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 27th day of November, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES:	Councilmembers:	Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold
NOES:	Councilmembers:	None
ABSENT:	Councilmembers:	None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-531**

**RESOLUTION ACCEPTING THE RESIGNATION OF JOHN WILSON FROM
THE CITY OF MODESTO CULTURE COMMISSION**

WHEREAS, John Wilson was appointed to serve as a member of the Culture Commission on August 8, 2018, by Resolution No. 2018-300; and

WHEREAS, John Wilson tendered his resignation from the Culture Commission on November 7, 2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts, with regret, the resignation of John Wilson from the City of Modesto Culture Commission.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-532**

**RESOLUTION ACCEPTING THE CULTURE COMMISSION ANNUAL
REPORT FOR FISCAL YEAR 2017-2018**

WHEREAS, the City of Modesto Culture Commission (Commission) was formed by the City Council to advise the Council on matters pertaining to art, literature, music, McHenry Museum, McHenry Mansion, and other cultural activities and facilities in the City; and

WHEREAS, the Culture Commission prepares an annual report that provides an overview of its actions and activities, including the Art in Public Places Program and the Poet Laureate Program; and

WHEREAS, in Fiscal Year 2017-2018, the Commission worked on several projects/efforts including progressing several efforts underway including naming a new Poet Laureate for 2018-2020, advising a citizen committee on a proposal to rename Mellis Park to Rev. Dr. Martin Luther King Jr. Park, and murals and art in public places; and

WHEREAS, the Culture Commission reviewed and approved one public art project—the Utility Box Art project submitted by the Modesto Downtown Partnership (DoMo), which was approved by the Culture Commission on October 4, 2017; and

WHEREAS, at its regular meeting of November 7, 2018 the Culture Commission accepted the Annual Report for Fiscal Year 2017-2018.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the Culture Commission Annual Report for Fiscal Year 2017-2018 as described in **Exhibit “A” attached** hereto and incorporated herein by reference.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

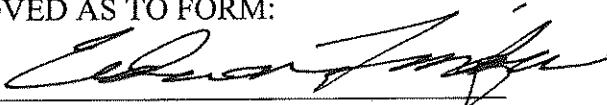
By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A
Culture Commission Annual Report for FY 2017 - 2018

CULTURE COMMISSION ANNUAL REPORT FOR FISCAL YEAR 2017-2018

The City of Modesto Culture Commission (Commission) was formed by the City Council to advise the Council on matters pertaining to art, literature, music and other cultural activities in the City. In addition, the Commission facilitates the Art in Public Places Program and the Poet Laureate Program. The Commission reconvened in January 2015. Meetings are held on the first Wednesday of the month at 3:30 p.m. The 2017-2018 Annual Report highlights a few key projects the Commission has worked on this year.

I. MEMBERSHIP

The seven-member Culture Commission comprises five (5) registered voters residing in Modesto and two (2) registered voters residing outside Modesto. A total of eight (8) commissioners have served over the past fiscal year. There is currently one vacancy for a registered voter residing outside of Modesto at this time.

Current Commissioners

Francisco "Javier" Jauregui
John Wilson
Julie Scherer (Acting-Chair)
Karina Jauregui
Miguel Jimenez
Patrick Cavanah (LPC Liaison)
Rebecca Harrington

Former Commissioners

Rosie Arce
Athens Abell
David Leamon (Chair)(LPC Liaison)
Karlha Davies

II. CITY SUPPORT

The Culture Commission is staffed by Bob Kimball, Economic Development Marketing Specialist, Wayne Mathes, Cultural Services Program Manager and Kelsie Anderson, Commission Secretary.

III. BYLAWS

The Mission Statement and Culture Commission Objectives are featured below:

Mission Statement:

The mission of the Modesto Culture Commission is to enhance the quality of life of the people of Modesto by making the city a more culturally and aesthetically enjoyable place to live.

Objectives:

- Act in an advisory capacity to the City Council and the City Manager in all matters pertaining to art, literature, music, and other cultural activities;
- Formulate and recommend annually to the City Council a program relating to art, literature, music, and other cultural activities;

- Promote the preservation of historic sites, landmarks, documents, paintings, and other objects associated with the history of the city and its area, and develop educational interest in all such historical matters;
- Act in an advisory capacity to the City Council, the City Manager, and the Director of any Museum or Culture Center that may be established by the City Council;
- Act in an advisory capacity to the City Council and the City Manager on matters related to the administration, selection, and placement of public art and art in public places;
- Facilitate the development of resources that support the City's cultural assets;
- Solicit and evaluate applicants for the position of Poet Laureate and act in an advisory capacity to the City Council for the selection of the Poet Laureate.

IV. PROJECTS

Poet Laureate

The Culture Commission has made its recommendation to City Council for the Poet Laureate appointment term 2018-2020.

Murals and Art in Public Places

The Commission discussed the installation of murals in both public and private spaces as public art and is working to define the definition of "Mural" versus "Graffiti".

7th Street Bridge

A proposal for the 7th Street Bridge was presented to the Commission along with the opportunity for rotating murals on the abutments. The Commission was interested in showing Modesto history, particularly those who were the labor force to construct the bridge. Commission Abell met with historian Janet Lancaster and staff to learn more about the history of the bridge.

Renaming of Mellis Park and King - Kennedy Center

The Commission is advising a citizen committee on a proposal to rename Mellis Park to Rev. Dr. Martin Luther King Jr. Park. Along with the renaming of Mellis Park, the Martin Luther King Jr. Committee is proposing the addition of a statue in honor of Dr. King in the park.

City of Modesto's 150th Anniversary Celebration

The Culture Commission is gathering informal information from subject matter experts in the public events area. The City of Modesto was founded on November 8, 1870. The City's 150th anniversary celebration will be held throughout the year 2020.

Completed Public Art Application Projects in 2017:

1. Utility Box Art

The Commission approved a proposal from the Modesto Downtown Partnership (DoMo) for artwork on utility boxes in Downtown Modesto. This project was funded by DoMo. There are currently 5 completed utility box murals in Downtown Modesto.

Goals and Objectives

The Commission is working to develop key goals and objectives for the Culture Commission. At this time, the following possible goals and objectives were identified:

- 1) It was discussed that there should be a 150th Anniversary Planning Committee (2020) that would include Commission members. It was also suggested that the anniversary celebration would be an ideal time to introduce the City Flag Contest.
- 2) Murals and Public Art
- 3) Marketing and Promotions – with the arrival of a Marketing Specialist in the Community and Economic Development Department, the Commission would like to showcase the City's attractions and surrounding area events on the website and in social media.
- 4) Creating a Master Art/Culture plan for the City.

V. CONCLUSION

The Culture Commission is committed to honoring its charge in making Modesto a more culturally and aesthetically enjoyable place to live and is looking forward to 2018-2019.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-533**

**RESOLUTION ACCEPTING AN ACTUARIAL VALUATION REPORT OF
OTHER POST-EMPLOYMENT BENEFITS (OPEB) AS OF JUNE 30, 2017
PURSUANT TO UPDATED FINANCIAL REPORTING AND ACCOUNTING
REQUIREMENTS FROM THE GOVERNMENTAL ACCOUNTING
STANDARDS BOARD (GASB) STATEMENTS 74 AND 75**

WHEREAS, the purpose of this report is to update the City Council on the Other Post-Employment Benefits (OPEB) liability valuation as of June 30, 2017, and

WHEREAS, this valuation follows the Governmental Accounting Standards Board (GASB) Standard 75 which determine the City's financial reporting requirements. Included in this report is the funding status of the City's liability which represents the City's current obligation to provide retiree medical benefits, and

WHEREAS, on April 27, 2018, the City entered into an agreement with Segal Company to prepare an actuarial analysis and report on OPEB in accordance to the requirements outlined under GASB 75, and

WHEREAS, based upon the 2017 valuation report, the City's net OPEB (unfunded) liability was reported in the amount of \$29.4 million, in comparison to the City's January 1, 2017 valuation report of \$54.4 million under the old GASB standards, and

WHEREAS, OPEB actuarial valuations are used by City staff for budget forecasting and funding policy development, and by the Finance Department for financial reporting for the City's Comprehensive Annual Financial Report (CAFR); the City currently funds the OPEB retiree medical benefits on a pay-as-you-go basis.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the actuarial valuation report of other post-employment benefits

(OPEB) as of June 30, 2017 prepared by Segal Company, which is incorporated by reference herein, pursuant to updated financial and accounting requirements from the Governmental Standards Board Statements 74 and 75.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

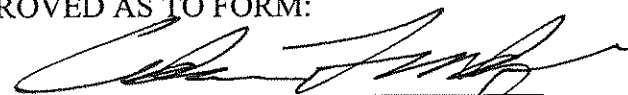
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-534**

**RESOLUTION APPROVING THE AMENDED BY-LAWS FOR THE MODESTO
CONVENTION AND VISITORS BUREAU**

WHEREAS, by Resolution No. 2003-100, Council established the Modesto Convention and Visitors Bureau (“CVB”) as an independent, non-profit status corporation, and adopted by-laws and Articles of Incorporation for the CVB, and

WHEREAS, by Resolution No. 2015-224, 2015-225, 2015-226, and 2015-227, the City Council transferred the duties, functions, and staff of the CVB to the City, and

WHEREAS, the City desires to restore the CVB as an independent agency, and

WHEREAS, the City desires to update and amend the CVB By-laws, and

WHEREAS, Amended By-Laws have been developed and herein **attached** as **“Exhibit A”**.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto, that it hereby approves the Amended Bylaws for the Modesto Convention and Visitors Bureau, herein **attached** as **Exhibit “A”**.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

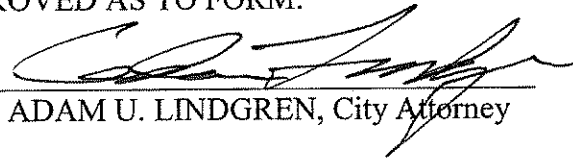
NOES: Councilmembers: None

ABSENT: Councilmembers: Grewal

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**AMENDED AND RESTATED BYLAWS OF
MODESTO CONVENTION AND VISITORS BUREAU, INC.
A California Nonprofit Mutual Benefit Corporation**

ARTICLE 1

NAME

The name of this corporation is: Modesto Convention and Visitors Bureau, Inc., (the "Corporation").

ARTICLE 2

PURPOSE

The Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law of California and shall be operated exclusively for non-profit trade or business development purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, and as set forth in the Articles of Incorporation. The specific purposes for which this Corporation was formed are: (1) To attract visitors to the area by promoting and marketing Modesto as a convention, sports, tourism, and leisure travel destination; (2) to provide coordination and leadership for the community and the visitor industry on matters relating to convention activity and tourism; (3) to gather community information designed to convey to opinion leaders and the public at large the status of the visitor industry; and (4) to work with local governmental agencies, private enterprise and other interested parties to structure suitable financing plans for the Corporation, and to implement those plans.

The Corporation shall be non-profit and non-partisan and shall neither participate in nor lend its support to the election of any candidate for public office.

ARTICLE 3

PRINCIPAL OFFICE

The principal office of the Corporation shall be located in the City of Modesto.

ARTICLE 4

MEMBERSHIP

The Board may provide for a manner in which individuals or businesses may become members of the Corporation, including the imposition of dues for such memberships. Any such program for membership shall be adopted by the Board by

EXHIBIT "A"

resolution and shall not create "members" as that term is defined in California Corporations Code section 5056.

**ARTICLE 5
DIRECTORS**

Section 1. Initial Appointments to the Board of Directors.

The Board of Directors at the time of the adoption of these Bylaws consists of the City Council members of the City of Modesto. Subsequent to the adoption of these bylaws, that Board of Directors may appoint an entirely new Board, these appointments are referred to herein as the initial appointments to the Board of Directors, and shall consist of seven members who shall meet the qualifications and serve for a term as set forth below:

a. Qualifications. Each initial appointment to the Board of Directors shall be a resident of the City of Modesto or Stanislaus County, or an employee of a business located in the City of Modesto or its metropolitan area, however, at least a majority of the appointees must be residents of the City of Modesto. The appointments shall be selected so that the composition of the Board meets the following:

i. Three Board members shall represent a major entertainment, restaurant, sports venue, or retail business or attraction in the City of Modesto and reside in Stanislaus County.

ii. Two Board members shall represent the lodging industry within the City of Modesto and shall reside in Stanislaus County.

iii. Two Board members shall be residents of the City of Modesto and may or may not be directly associated with the tourism, hospitality or entertainment industries, but shall have demonstrated an interest in the City.

b. Term. Three of the initial appointees to the Board of Directors shall serve until the January 1, following the date of their appointment and the remaining four shall serve until the following January 1. The term to be served by each initial appointee shall be determined by the Board of Directors making the appointment at the time of each such appointment. All subsequently appointed Board members shall meet the qualifications and serve on the Board as provided in the Sections below.

Section 2. Board of Directors – Appointment and Composition.

Appointments to the Board of Directors which are made after the initial appointments to the Board pursuant to Section 1., above, shall be made by a majority of the Board members. The Board of Directors shall consist of a minimum of seven (7) and a maximum of nine (9) Directors, as determined from time to time by the Board of Directors. No reduction in the number of Directors shall have the effect of removing a Director before his or her term expires.

Section 3. Qualifications.

Each Director shall be a resident of Stanislaus County, and shall be an owner or employee of a business located in the City of Modesto.

At least 50% of the Board members shall represent the hospitality industry including entertainment, attractions, food and beverage establishments, travel industry professionals, convention and meeting clients, and transportation representatives.

Section 4. Term of Office.

The term of office shall be set as of the first of January. Directors will be appointed for a term of two years and may serve a maximum of three consecutive terms. A director who has been appointed to fill an unexpired term of another director may, upon completion of that appointed term, serve three full, additional, two-year terms. Board members who have served three consecutive terms are eligible for re-appointment to the Board after a one year absence from the Board.

Section 5 Vacancies.

A vacancy on the Board shall exist on the occurrence of the following:

- a. The resignation of any Director
- b. The removal of any Director pursuant to Section 16, below
- c. The Director no longer meets the qualifications set forth in these Bylaws.

In the event of a vacancy, a replacement shall be appointed by a majority of the directors to serve the remainder of the term of the vacating Director.

Section 6. General Powers.

Subject to the provisions and limitations of the California Nonprofit Mutual Benefit Corporation Law, and any other applicable laws, the Corporation's activities shall

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be governed and managed, and all corporate powers shall be exercised by or under the Board's direction.

Section 7. Appointment of Chief Executive Officer.

The Board has the power to appoint and remove, at the pleasure of the Board, the Chief Executive Officer (CEO), and to approve the compensation range and describe the powers and duties for that position.

Section 8. Contracts.

The Board may authorize any officer or officers to enter into any contract or execute and deliver any instrument on behalf of the Corporation and such authority may be general or confined to a specific instance.

Section 9. Loans.

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Corporation. The Corporation shall not lend any money or property to, or guarantee the obligation of, any Director or Officer of the Corporation.

Section 10. Payment of Monies.

All checks, drafts, and other orders of payment of money issued in the name of the Corporation within budget shall be signed by such officer or officers, agent or agents, and in such manner as shall be determined by resolution of the Board.

Section 11. Deposits.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such depositories as the Board may direct by resolution.

Section 12. Meetings.

The Board shall hold regular quarterly meetings in January, April, July, and October. The specific dates, times and location of these meetings shall be established from time to time by resolution of the Board. The agenda for each regular quarterly meeting shall include a fiscal report for the preceding quarter.

The Board may hold adjourned regular meetings at such additional times as may be designated by the Board.

Special meetings may be called by the Chair of the Board, or at the request of a third of the Directors.

Section 13. Compensation.

The Board of Directors may establish a fee to be paid to directors for attendance at meetings. The amount of such fee shall not exceed \$50.00 per meeting with a maximum of \$50.00 per month, regardless of the number of meetings attended during the month, without the written approval of The City of Modesto. No director shall receive any other form of salary or compensation from the Corporation.

Section 14. Agendas and Notice of Meetings.

Agendas for, and Notices of, regular and special meetings shall be prepared and given in the manner required by the Brown Act, found at California Government Code Section 54950 et seq.

Section 15. Quorum and Voting.

A majority of Directors shall constitute a quorum for the transaction of business. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by statute, the Articles of Incorporation, or these Bylaws, in which case the act of such greater number shall be required to constitute the act of the Board. If a quorum is not present at any meeting, the Directors present may adjourn the meeting from time to time until a quorum shall be present.

Section 16. Resignations and Removals.

a. Resignation. Any Member of the Board may resign from the Board or a committee at any time by giving notice to the Chair of the Board or the chair of the committee.

b. Removal. If any Member of the Board does not attend two consecutive meetings of the Board without the prior consent of the Chair of the Board, the Chair may remove such Member from his or her position on the Board subject to approval of a majority of the members of the Board of Directors. The Board of Directors may remove any member of any committee at any time with or without cause.

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ARTICLE 6
OFFICERS

Section 1. Officers.

The officers of the Corporation shall be the Chair of the Board, the Vice-Chair of the Board, and the CEO. The Board may also appoint such other officers as the business of the Corporation may require.

Section 2. Election.

All officers, except the CEO, shall be elected by the Board from their own number and shall hold office for two years or until the end of their term, if their term ends prior to the expiration of two years and they are not reappointed to the Board.

Section 3. Positions and Responsibilities.

a. The Chair of the Board. The Chair of the Board shall: Preside at all meetings of the Directors; annually recommend to the Board of Directors a slate of committee chairpersons for appointment by the Board; and, perform such other duties as the Board of Directors shall from time to time designate. The Chair shall serve as an ex-officio member of all committees.

b. Vice-Chair.

The Vice-Chair of the Board shall, in the absence of the Chair, or in the event of his or her death, inability or refusal to act, assume the duties of the Chair. The Vice-Chair shall also perform such other duties as may be assigned by the Board of Directors.

c. Chief Executive Officer (CEO).

The CEO shall have general charge of the business of the Corporation and shall perform all duties delegated him or her by the Board of Directors.

ARTICLE 7
COMMITTEES

Section 1. The Executive Committee.

The Executive Committee will be comprised of the CEO, the Chair and Vice-Chair of the Board, two other members of the Board who are elected to the Executive Committee by majority vote of the Board and one member who is appointed by the City

EXHIBIT "A"

of Modesto. The two members who are selected by the majority vote of the Board shall serve on the Committee for two years or until the end of their term on the Board, if their term ends prior to the expiration of two years and they are not reappointed to the Board. The term of the City appointee shall be determined by the City. The City appointee to the Committee shall be a non-voting member of the Committee but shall be entitled to participate fully in all Committee discussion.

The Executive Committee shall perform all duties delegated to it by the Board.

Section 2. Formation of Additional Committees.

The Board may establish other standing or ad hoc committees, in addition to the Executive Committee, as it determines from time to time, by resolution of the Board. The Chair of each such committee shall be selected by a majority of the Board. Committee members shall be appointed by a majority of the Board unless such appointment has been delegated by the Board to the Chair.

**ARTICLE 8
FISCAL YEAR**

The fiscal year of the Corporation shall be the calendar year July 1 through June 30.

**ARTICLE 9
RECORDS AND REPORTS**

Section 1. Records.

The Corporation shall keep adequate and correct books and records of accounts and minutes of the proceedings of the Board and committees. The minutes shall be placed in the minute book of the Corporation with copies sent to the City of Modesto upon approval of minutes by the Board. The Articles of Incorporation and Bylaws of the Corporation, with amendments to current dates, shall also be maintained at the principal office of the Corporation.

Section 2. Budget, Business Plan and Marketing Plan.

No later than June 1 of each year, the Corporation shall provide the City of Modesto with a proposed written Budget, Business and Marketing Plan for the next fiscal year.

Section 3. Annual Report.

EXHIBIT "A"

The Board shall cause an annual report to be prepared at the end of each fiscal year. The report shall contain all of the information required by California Corporations Code Section 8321.

**ARTICLE 10
LIABILITY AND INDEMNIFICATION**

Section 1. Liability.

To the fullest extent allowed by law, there shall be no monetary liability and no cause of action for damages shall arise against any nonpaid Director, including a nonpaid Director who is serving as a nonpaid Officer or committee member of the Corporation.

Section 2. Contracts with Directors and Officers.

No Director of this Corporation, nor any person or entity in which a Director has a material financial interest, shall be interested directly or indirectly, in any contract of other transaction with the Corporation, unless the material facts regarding the Director's financial interest are fully disclosed to the Board before consideration of the contract or transaction, are noted in the minutes, and are approved in good faith by a majority of the Board by a vote sufficient for that purpose without the vote of the interested Director.

Section 3. Indemnity.

To the fullest extent permitted by law, the Corporation shall indemnify the Directors and Officers, employees and other persons described in California Corporations Code Section 7237(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonable incurred by them in connection with any proceeding, as that term is used that section. For purposes of this Section, "expenses" shall have the meaning set forth in Section 7237.

On written request to the Board by any person seeking indemnification under Corporations Code Section 7237, the Board shall promptly decide under Section 7237(e) whether the applicable standard of conduct has been met and, if so, the Board shall authorize indemnification.

Section 4. Insurance.

The corporation shall have the right to purchase and maintain insurance to the fullest extent permitted by law on behalf of its Directors, Officers, employees and other

EXHIBIT "A"

agents, to cover any liability asserted against or incurred by any Director, Officer, employee or agents in such capacity or arising from their status as such.

**ARTICLE 11
AMENDMENTS**

These bylaws may be amended at any meeting of the Board by a vote of a majority of the Board, except that any provision of the Bylaws which provides a requirement that the Corporation give a notice to, or obtain permission for an action from, the City of Modesto, may not be amended without the prior written approval of the City of Modesto.

3080139.1

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-535**

RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT WITH BRIGHTVIEW GOLF COURSE MAINTENANCE, INC. (FORMERLY KNOWN AS VALLEYCREST GOLF MAINTENANCE, INC.), IN PARTNERSHIP WITH KEMPERSPORTS MANAGEMENT, FOR GOLF COURSE MANAGEMENT AND MAINTENANCE SERVICES; TO EXTEND THE AGREEMENT TERM FOR ONE YEAR TO DECEMBER 31, 2019; TO INCREASE THE ANNUAL COMPENSATION BY \$78,861, IN AN AMOUNT NOT TO EXCEED \$2,608,304 FOR THE ONE YEAR EXTENSION; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE SECOND AMENDMENT

WHEREAS, the City owns, operates and manages the Municipal Golf Course (“Municipal Course”), Dryden Park Municipal Golf Course (“Dryden Course”), and Creekside Municipal Golf Course (“Creekside Course”), and

WHEREAS, in February 2015 the City issued a formal Request for Proposals (RFP) to provide golf course management and maintenance services, and

WHEREAS, ValleyCrest Golf Maintenance (“ValleyCrest”) ranked highest, and

WHEREAS, in July 2015, the Finance Committee opted to defer awarding the contract and directed staff to return with additional financial information, potential land use options, and possible closure scenarios for one or more courses, and

WHEREAS, in November 2015, the Finance Committee directed staff to continue pursuing options for repurposing a golf course and to proceed with agreement negotiations for a two-year contract with ValleyCrest, in partnership with KemperSports Management, Inc. (“KemperSports”), and

WHEREAS, on December 15, 2015, by Resolution No. 2015-486, Council approved a two year agreement with ValleyCrest, in partnership with KemperSports, to

provide golf course management and maintenance services, in an amount not to exceed \$2,401,705 per year, and

WHEREAS, ValleyCrest is now doing business as BrightView Golf Course Maintenance, Inc. (BrightView), and

WHEREAS, on December 12, 2017, by Resolution No. 2017-504, the City Council approved a one year extension with BrightView, in partnership with KemperSports, to provide golf course management and maintenance services, in an amount not to exceed \$2,529,443 per year, and

WHEREAS, staff and Council continue to explore and exercise options to reduce the City's General Fund subsidy to the Golf Fund, and

WHEREAS, this included two public golf workshops, a presentation to Council by the Golf Courses Advisory Committee, Council approval of a \$2 per round increase in green fees, and retaining consultant services to conduct a full assessment of the golf courses, and

WHEREAS, in order to maintain service to the City's courses, an extension is required, and

WHEREAS, BrightView and staff renegotiated the extension of the term and to amend compensation, and

WHEREAS, the proposed second amendment will extend the term of the agreement for one year or through December 31, 2019; and to increase the minimum annual compensation by \$78,861, in an amount not to exceed \$2,608,304 for the additional year, and

WHEREAS, the increase to the contract covers the rising costs of wages, primarily due to the increase in the minimum wage, as well as the cost of merchandise, food and beverages sold in the clubhouses, and

WHEREAS, the total increase is \$78,861, for a total cost of \$2,608,304 for one year, is currently included in the adopted Fiscal Year 2018-19 operating budget.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Second Amendment to the Agreement with BrightView Golf Course Maintenance, Inc. (formerly known as ValleyCrest Golf Maintenance, Inc.), in partnership with KemperSports Management, for golf course management and maintenances services; to extend the agreement term for one year to December 31, 2019; and to increase the annual compensation by \$78,861, in an amount not to exceed \$2,608,304 for the one year extension.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Second Amendment in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

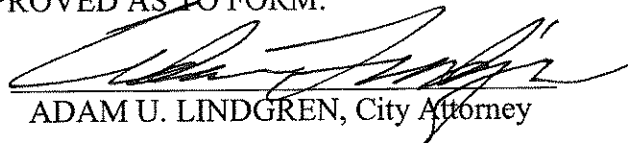
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-536**

RESOLUTION APPROVING A SECOND AMENDMENT TO THE AGREEMENT WITH THE DEL RIO CC FOUNDATION (THE FIRST TEE), MODESTO, CA, IN AN AMOUNT NOT TO EXCEED \$25,000, FOR CONTINUED MANAGEMENT OF THE MUNICIPAL GOLF COURSE; TO EXTEND THE AGREEMENT FOR AN ADDITIONAL ONE-YER TEAM TO DECEMBER 31, 2019, FOR A TOTAL AGREEMENT AMOUNT NOT TO EXCEED \$100,000 FOR THE FOUR YEAR TERM; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the City of Modesto owns, operates, and manages the Municipal Golf Course (“Muni”), and

WHEREAS, Del Rio CC Foundation is the local sponsor for the World Golf Foundation, Inc., known as the “The First Tee”, and

WHEREAS, The First Tee Program is a national program formed to promote the involvement of young people in golf and teach life skills as part of its curriculum, and

WHEREAS, on June 10, 2003, by Resolution No. 2003-284, Council approved an agreement with the Del Rio CC Foundation (“Del Rio”) as the non-profit organization to administer the The First Tee program at Muni, and

WHEREAS, on December 15, 2015, by Resolution No. 2015-487, Council approved an agreement with Del Rio to provide professional services to manage the Muni golf course, practice facility, FootGolf program, and concession services, and

WHEREAS, on December 12, 2017, the City Manager approved a one-year extension with Del Rio in an amount not to exceed \$25,000, and

WHEREAS, staff and Council continue to explore and exercise options to reduce the City’s General Fund subsidy to the Golf Fund, and

WHEREAS, this included two public golf workshops, a presentation to Council by the Golf Courses Advisory Committee, Council approval of a \$2 per round increase in green fees, and retaining consultant services to conduct a full assessment of the golf courses, and

WHEREAS, in order to maintain management services to the Muni golf course, an extension is required, and

WHEREAS, Del Rio and staff renegotiated the extension of the term, provisional language to allow for termination of the agreement due to closure or repurposing of one or more of the courses, and clarifying language on course closure dates, and

WHEREAS, the proposed second amendment will extend the term of the agreement for one year or through December 31, 2019, in an amount not to exceed \$25,000 for the additional year, and

WHEREAS, the cost to extend the Agreement is currently included in the adopted Fiscal Year 2018-19 operating budget (Golf Fund: 4600-34170).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto hereby approves the Second Amendment to the Agreement with Del Rio CC Foundation (The First Tee), in an amount not to exceed \$25,000, for continued management of the Municipal Golf Course, and to extend the agreement for an additional one-year term to December 31, 2019.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Second Amendment to the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember

Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

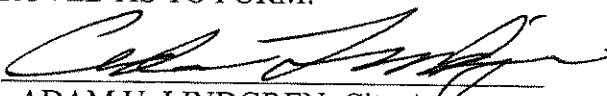
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-537**

**RESOLUTION ADOPTING THE PREVIOUSLY APPROVED CANNABIS
BUSINESS TAX AT RATES RANGING FROM TWO AND A HALF TO EIGHT
PERCENT (2.5% TO 8%), DEPENDING ON THE BUSINESS TYPE, GROSS
RECEIPTS OF ALL ENGAGED IN CANNABIS BUSINESSES IN THE CITY**

WHEREAS, in November 2017 the Modesto City Council placed before the voters a ballot measure, “Measure T,” to enact an ordinance allowing the City Council to implement an excise tax on cannabis businesses within the City; and

WHEREAS, Modesto voters approved Measure T, with 82.5% voting in favor of it; and

WHEREAS, City Council Ordinance 3672-C.S. established Article 11, “Cannabis Business Tax,” of Chapter 2, “Taxation,” of Title 8, “Finance, Revenue, and Taxation,” of the Modesto Municipal Code, which allows the City Council to impose, by Resolution, an excise tax of up to ten percent (10%) on the gross receipts of cannabis businesses within the City; and

WHEREAS, City Council Ordinance 3684-C.S. amended the Zoning Code to allow for certain cannabis businesses to operate in certain areas of the City under regulations; and

WHEREAS, revenues from a cannabis business tax would go into the City’s General Fund to be used for any legitimate government purpose, including those identified in the ballot measure such as neighborhood safety, maintaining parks and recreation, and job creation; and

WHEREAS, the City Council desires to implement the Cannabis Business Tax, pursuant to Section 8-2.1108 of the Modesto Municipal Code, at rates ranging from two-

and-a-half percent (2.5%) to eight percent (8%), depending on business type, of gross receipts of all cannabis business within the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto as follows:

1. The foregoing recitals are true and correct and are hereby incorporated by reference.
2. Pursuant to Section 8-2.1108 of the Modesto Municipal Code, the Cannabis Business Tax is hereby imposed at rates ranging from 2.5% to 8% of all gross receipts of those engaged in cannabis business within the City of Modesto, as follows:

<u>Cannabis Business Type</u>	<u>Tax Rate/Percentage of Gross Receipts</u>
Retail (Storefront and Delivery)	8%
Distribution	6%
Microbusiness	4%
Manufacturing	4%
Cultivation	2.5%
Testing Labs	2.5%

3. This Resolution shall become effective immediately upon passage.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-538**

**RESOLUTION ADOPTING THE ANNUAL COMMERCIAL CANNABIS PERMIT
FEE FOR THE CITY COMMERCIAL CANNABIS PERMIT RELATED TO
CANNABIS BUSINESSES**

WHEREAS, City Council Ordinance 3684-C.S. established the regulatory framework for commercial cannabis businesses to operate within the City of Modesto, and

WHEREAS, City Council Resolution 2017-526 approved a fee schedule for Commercial Cannabis Permit applications, and the City Council has yet to establish a fee for the annual permit cost, and

WHEREAS, the City engaged consultant HdL Companies to conduct a Commercial Cannabis Permit fee study to review, analyze and identify the roles and responsibilities of various City staff and consultants in overseeing the commercial cannabis program in the City, and

WHEREAS, HdL analyzed the total cost burden on the City for staff time and consultant fees related to legal, planning, finance, fire, police, and code enforcement services, among others, related to processing and monitoring commercial cannabis businesses in the City, and

WHEREAS, the City may collect fees to recover the costs related to these services for a permit to operate a cannabis business in the City, and

WHEREAS, a duly noticed City Council meeting was held by Council on November 27, 2018, at 5:30 p.m. in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California, at which all interested persons were given the opportunity to be heard relative to the proposed fees for specific activities and services related to commercial cannabis permits.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the fee schedule related to the operator permit necessary for the privilege of operating a commercial cannabis business in the City, as follows:

Annual City of Modesto Commercial Cannabis Permit Fee = \$21,740

Except as otherwise provided herein, no proration of any shall be made for any portion of the period for which the Annual Commercial Cannabis Permit Fee is payable, except in the case of a newly established and approved business, the Annual Commercial Cannabis Permit Fee may be prorated for the number of months remaining in the year at the time of application for license. For the purpose of proration a fractional part of a month shall be considered as a full month. The Annual Commercial Cannabis Permit Fee will be due annually on the 1st day of January and delinquent at the close of business hours, on the 15th of January. In lieu of paying said fee at the City Hall, said fee may be deposited in United States mail, postage prepaid, on the due date, provided the transmitting envelope contains a postage cancellation stamp showing cancellation not later than 12:00 p.m. on the due day. If the due day falls on Saturday, Sunday or a holiday, the due day shall be the next regular business day on which the City Hall is open to the public.

BE IT FURTHER RESOLVED that this resolution shall go into effect and be in full force and operation immediately.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

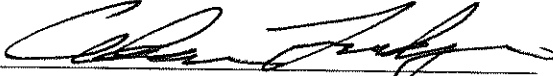
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-539**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH HDL COMPANIES TO INCREASE THE NUMBER OF CANNABIS-RELATED BUSINESS APPLICATIONS TO BE REVIEWED AND TO CONDUCT ANNUAL COMPLIANCE MONITORING IN THE AMOUNT OF \$1,114,500 FOR A TOTAL CONTRACT AMOUNT OF \$1,164,250 OVER FIVE YEARS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, City Council Ordinance No. 3684-C.S., effective on February 15, 2018, established that certain commercial cannabis users, as allowed under State law, are permitted in certain areas of the City pursuant to regulations, and

WHEREAS, on July 9, 2018, the City Manager executed a Professional Services Agreement (Agreement) with HdL Companies in the amount of \$49,750 to provide services related to review of cannabis business proposals / applications and to establish the annual fee for monitoring and inspections of cannabis businesses, and

WHEREAS, the City will require additional services by HdL Companies to review future cannabis business applications and to conduct financial audits and compliance reviews for cannabis businesses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the Council hereby approves the First Amendment to the Agreement with HdL Companies, a copy of which is **attached** hereto as **Exhibit "A,"** and incorporated herein by reference, to increase the number of cannabis-related business applications to be reviewed and to conduct annual compliance monitoring in the amount of \$1,114,500 for a total contract amount of \$1,164,250 over five years.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

AMENDMENT NO. 1 TO AGREEMENT

This Amendment No. 1 to Agreement (“Amendment”) is made and entered into in the City of Modesto, County of Stanislaus, State of California effective the 23rd day of November, 2018, (“Effective Date”) by and between the CITY OF MODESTO, a municipal corporation of the State of California, hereinafter referred to as "City," and HdL Companies, a California corporation, hereinafter referred to as "Consultant.”

This Amendment is made with reference to the following recitals:

- A. On or about July 9, 2018, the City Manager executed an Agreement with HdL Companies to assist the City in scoring cannabis business applications and to help establish the annual fee for compliance inspections; and
- B. City and Consultant now desire to amend the scope of services identified in the Agreement to include new work, which involves additional cannabis application reviews and conducting annual compliance reviews; and
- C. City and Consultant desire to amend the provisions of said Agreement to increase the compensation paid for the additional scope of services identified in the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements contained herein, the parties mutually agree and covenant as follows:

- 1. Except as provided herein, the terms used in this Amendment shall have the same meaning as the same terms have in the Agreement.
- 2. The Agreement is hereby amended as follows:
 - a. The first paragraph of Section 3 “COMPENSATION” is hereby amended to read as follows.

“Consultant agrees to accept a sum not to exceed \$1,164,250 as full remuneration for performing all services and furnishing all staffing and materials called for in Exhibit “A” and for performance by Consultant of all its duties and obligations under this Agreement.”

- b. The second sentence of Section 5 “PERFORMANCE BY KEY EMPLOYEE(S)” is hereby amended to read as follows:

“Consultant has represented that a team of seven (7) personnel will carry out the services under this Agreement as follows: Matt Eaton, David McPherson, Tim Cromartie, Mark Lovelace, Elizabeth Eumurian, Alfredo Marquez and Kristi Lervold.”

- c. The City’s contact information shown in Section 14 “NOTICES” is hereby amended to read as follows.

“Attention: Steve Mitchell”

“Phone: (209) 577-5267”

- d. Exhibit “A-1” attached hereto reflects new and additional tasks which increase the scope of work reflected in Exhibit “A” to the Agreement. All references to Exhibit “A” in the Agreement shall also mean Exhibit “A-1.”

Further, Section 1 “SCOPE OF SERVICES” of the Agreement, is hereby amended to read as follows:

“1. SCOPE OF SERVICES.

Consultant shall undertake and complete the preparation of the scope of work as set forth and described in the documents attached hereto as Exhibit “A” dated April 27, 2018, and Exhibit “A-1” dated October 29,

2018. The Consultant shall perform the services as described in Exhibit “A” and Exhibit “A-1” in a manner compatible with the standards of its profession, and shall complete the project that is acceptable to City.”

3. Except as provided herein in this Amendment, all other terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Modesto, a California municipal corporation, has authorized the execution of this Amendment No. 1 to Agreement in duplicate by its City Manager and attestation by its City Clerk under authority of Resolution No. 2018-XX, adopted by the Council of the City of Modesto on the 23rd day of November, 2018, and Consultant has caused this Amendment to be executed in duplicate.

CITY OF MODESTO,
a municipal corporation

HINDERLITER, de LLAMAS & ASSOCIATES
a California corporation*

By _____
JOSEPH P. LOPEZ, City Manager

By _____
Andrew Nickerson, President

By _____
Jeffrey Schmehr, CFO

ATTEST:

(Seal)

By _____
STEPHANIE LOPEZ, City Clerk

Consultant's Federal ID #33-0008507

APPROVED AS TO FORM:

By _____
ADAM LINDGREN, City Attorney

APPROVED AS TO FORM:

By _____
CATHY TALONGWA, Risk Manager

** Corporations - signature of two (2) officers
required or one (1) officer plus corporate seal.*

Partnership - signature of a partner required

*Sole Proprietorship - signature of proprietor
required*

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-540**

**RESOLUTION ACCEPTING THE STATE OF CALIFORNIA ACTIVE
TRANSPORTATION PROGRAM GRANT IN THE AMOUNT OF \$3,943,022
FOR THE PARADISE ROAD AREA PEDESTRIAN AND BICYCLE SAFETY
IMPROVEMENTS, AND AUTHORIZING THE CITY MANAGER, OR HIS
DESIGNEE, TO EXECUTE ALL NECESSARY GRANT DOCUMENTS**

WHEREAS, staff was notified that State of California Active Transportation Program (ATP) Cycle 3 Grant funds may be available, and

WHEREAS, City of Modesto staff utilized the City's 2006 and StanCOG's 2013 Non-Motorized Plans to identify the best location to implement active modes of transportation improvements within the City, and

WHEREAS, on June 15, 2016, the application for the Grant was submitted to the State of California (Caltrans), and

WHEREAS, on October 28, 2016, the City was notified that it was awarded the Grant for the Paradise Road Area Pedestrian and Bicycle Safety Improvements project, and

WHEREAS, the project will be 99 percent funded by the Active Transportation Program grant, with one percent funding required by the City, and

WHEREAS, with the completion of this project the reduction of traffic, pedestrian and bicycle collisions are anticipated, and

WHEREAS, with the completion of this project public safety resources can be redirected to other necessary public services for reduction in traffic collisions.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the State of California Active Transportation Program (ATP) Cycle

3 Grant in the amount of \$3,943,022, for the Paradise Road Area Pedestrian and Bicycle Safety Improvements located in Modesto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute all necessary grant documents.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

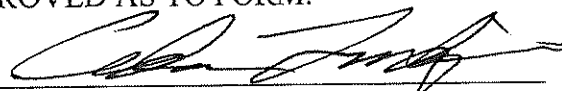
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-541**

RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 CAPITAL IMPROVEMENT PROJECT (CIP) BUDGET FOR PROJECT #101042 UPON RECEIPT OF THE AUTHORIZATION TO PROCEED (E-76) FROM CALTRANS FOR THE ACTIVE TRANSPORTATION PROGRAM (ATP) FUNDS FOR DESIGN AND CONSTRUCTION IN THE TOTAL AMOUNT UP TO \$3,943,022 FOR THE PARADISE ROAD AREA PEDESTRIAN AND BICYCLE SAFETY IMPROVEMENTS PROJECT AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO IMPLEMENT THE PROVISIONS OF THIS RESOLUTION

WHEREAS, the Paradise Road Area Pedestrian and Bicycle Safety Improvements project shall construct safety improvements as stated within the original grant application that was submitted to Caltrans on June 15, 2016, and

WHEREAS, the project will be 99 percent funded by the Active Transportation Program (ATP) grant, with one percent funding required by the City, and

WHEREAS, the Request for Authorization paperwork shall be submitted to Caltrans for the design and construction funds and approval of the request shall be expected in at a future date, and

WHEREAS, a budget adjustment is necessary to recognize the funds from the Department of Transportation (Caltrans) for design and construction for project #101042 in an amount up to \$3,943,022 and amend the project revenue and expense budget.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby amends the Fiscal Year 2018-2019 Capital Improvement project (CIP) revenue and expense budget for project #101042 upon receipt of the Authorization to Proceed (E-76) from Caltrans for the ATP funds for design and construction in the total amount up to \$3,943,022 for the Paradise Road Area Pedestrian and Bicycle Safety Improvements project.

BE IT FURTHER RESOLVED that the City Manager, or his designee, to implement the provisions to this resolution.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 4th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ridenour, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

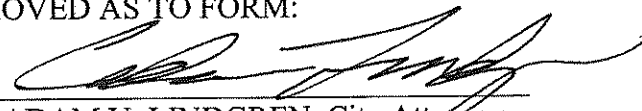
ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-542**

**RESOLUTION OF THE COUNCIL OF THE CITY OF MODESTO
CONFIRMING THE CANVASS OF THE GENERAL MUNICIPAL ELECTION
WHICH WAS HELD IN THE CITY OF MODESTO ON NOVEMBER 6, 2018,
AND DECLARING THE RESULTS OF SAID ELECTION**

WHEREAS, on Tuesday, November 6, 2018, a General Municipal Election was held in the City of Modesto (herein called "City") and in the Modesto City School District (herein called "District") of Stanislaus County;

WHEREAS, as set forth in Sections 3 and 4 hereof, the following ballot measures were submitted to the qualified electors in the November 6, 2018, City of Modesto and Modesto City Schools Board of Education elections: Measure Z (City of Modesto) and Measure F (Modesto City Schools Board of Education) are to change from odd-numbered year elections to even-numbered year elections beginning November 3, 2020; and

WHEREAS, said election was held on Tuesday, November 6, 2018, in accordance with law and the proceedings of this Council, and the votes thereat received and canvassed, and the returns thereof ascertained, determined, and declared in all respects as required by law, and

WHEREAS, the Stanislaus County Registrar of Voters, at the request of the City Council, canvassed the returns of said General Municipal Election in accordance with law, and reported the results of the election of the City Clerk, which the City Clerk certified to the Council by a Certificate of Canvass and Statement of Votes dated December 11 2018, a copy of which is **attached** hereto marked **Exhibit "A"** and made a part hereof,

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto as follows:

SECTION 1. Said election results as shown on the Certificate of Canvass and Statement of Votes and the results of the election are hereby ratified, confirmed, approved, and declared.

SECTION 2. That in accordance with Section 10264 of the Elections Code, a copy of said Certificate of Canvass and Statement of Votes, which is **attached** hereto marked as **Exhibit "A"** and made a part hereof, shows a complete tabulation of the following:

- (A) The number of votes given in the City of Modest and in the Modesto City Schools District for and against each Measure.

SECTION 3. The following votes were cast for Measure Z:

Measure	Total Votes For	Total Votes Against
Measure Z: To increase voter participation in City of Modesto elections and to conform with state law, shall the City of Modesto Charter be amended to: (1) change the date for the City's future, regular elections to November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one time, one-year extension of the terms of City Council members and the Mayor?	42,521	16,728

SECTION 4. The following votes were cast for Measure F:

Measure	Total Votes For	Total Votes Against
Measure F: To increase voter participation and to conform with State law, shall the City of Modesto Charter be amended to (1) hold future Modesto City Schools Board of Education elections in November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one-time, one-year extension of the terms of current Board of Education members?	54,803	19,555

Measure Z. More than a majority of all the votes cast at the election for Measure Z were in favor of said proposed Measure, and said Measure did carry and was approved by a majority of the qualified voters voting on said Measure.

Measure F. More than a majority of all the votes cast at the election for Measure F were in favor of said proposed Measure, and said Measure did carry and was approved by a majority of the qualified voters voting on said Measure.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

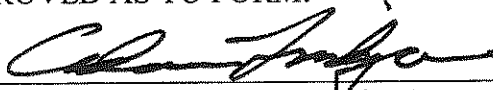
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

CERTIFICATE OF CANVASS
AND
STATEMENT OF VOTE

CITY OF MODESTO GENERAL MUNICIPAL ELECTION
November 6, 2018

I, Stephanie Lopez, City Clerk of the City of Modesto, do hereby certify that I caused the Stanislaus County Clerk-Recorder's Office, on November 6, 2018, to publicly canvass the returns of the City of Modesto General Municipal Election held on November 6, 2018, in accordance with Modesto City Council Resolution 67-36. The following are the results of said election:

MEASURES	NUMBER OF VOTES	PERCENTAGE OF VOTE
Measure Z	42,521 YES	71.77%
	16,728 No	28.23%

To increase voter participation in City of Modesto elections and to conform with state law, shall the City of Modesto Charter be amended to: (1) change the date for the City's future, regular elections to November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one time, one-year extension of the terms of City Council members and the Mayor?

Measure F	54,803 YES	73.70%
	19,555 No	26.30%

To increase voter participation and to conform with State law, shall the City of Modesto Charter be amended to (1) hold future Modesto City Schools Board of Education elections in November of even-numbered years to coincide with State/Federal elections, and; (2) allow for a one-time, one-year extension of the terms of current Board of Education members?

	TOTAL REGISTERED VOTERS	TOTAL TURNOUT	TURNOUT PERCENTAGE
Measure Z	102,498	65,384	63.79%
Measure F	130,155	82,217	63.17%

STEPHANIE LOPEZ
City Clerk
City of Modesto

December 11, 2018

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-543**

**RESOLUTION DESIGNATING COUNCILMEMBER JENNY KENOYER
TO SERVE AS VICE MAYOR FOR THE ENSUING YEAR PURSUANT TO
SECTION 603 OF THE CHARTER OF THE CITY OF MODESTO**

BE IT RESOLVED by the Council of the City of Modesto that Councilmember Jenny Kenoyer is hereby designated to serve as Vice Mayor for the ensuing year pursuant to Section 603 of the Charter of the City of Modesto.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour,
Zoslocki, Mayor Brandvold
NOES: Councilmembers: None
ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-544**

RESOLUTION APPROVING AN AGREEMENT WITH EAH TO SUBMIT A JOINT APPLICATION FOR AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES (AHSC) PROGRAM FUNDS IN THE AMOUNT OF \$14.8 MILLION DOLLARS FOR ARCHWAY COMMONS PHASE II AND AUTHORIZE THE CITY MANAGER OR HIS DESIGNEE TO EXECUTE ANY DOCUMENTS AND/OR AGREEMENTS RELATED TO THE AHSC GRANT

WHEREAS, Archway Commons is collaboration between the City of Modesto and EAH for 150-unit housing development for low-income families and seniors, and

WHEREAS, Phase I was completed in 2014 and the 76 units were fully leased and occupied immediately after completion, and

WHEREAS, Archway Commons Phase II proposes to acquire the site and develop 74 family affordable housing units; this is the final phase in a 150-unit combined, two phase project, and

WHEREAS, Phase II consists of nine, two-story wood framed buildings consistent with the Phase I design. As proposed, the anticipated Phase II unit mix includes (1) 1-BR/1-BA at 710 square feet, (52) 2-BR/1-BA each at 825 square feet, and (20) 3-BR/2-BA apartments each 1150 square feet, and

WHEREAS, the total project cost for Archway Commons Phase II is approximately \$29 million, and

WHEREAS, the project will require subsidy layering from multiple funding sources including but not limited to future HOME Investment Partnerships Program funds, Low Income Housing Tax Credits, Affordable Housing Program, City and County Impact Fee Deferral and State of California Affordable Housing and Sustainable Communities (AHSC) Program, and

WHEREAS, the State of California, the Strategic Growth Council (SGC) and the Department of Housing and Community Development (Department) has issued a Notice of Funding Availability dated November 1, 2018 (NOFA), under the Affordable Housing and Sustainable Communities (AHSC) Program established under Division 44, Part 1 of the Public Resources Code commencing with Section 75200, and

WHEREAS, there is currently \$395 million in funding for the AHSC Program. The AHSC Program furthers the purposes of AB 32 (Chapter 488, Statutes of 2006) and SB 375 (Chapter 728, Statutes of 2008), and

WHEREAS, the purpose of the AHSC Program is to reduce greenhouse gas (GHG) emissions through projects implementing land-use, housing, transportation, and agricultural land preservation practices to support infill and compact development, and supporting related and coordinated public policy objectives, and

WHEREAS, the AHSC Program is part of California Climate Investments (CCI), a statewide program funded through the GGRF that puts billions of Cap-and-Trade dollars to work reducing GHG emissions, strengthening the economy, and improving public health and the environment – particularly in disadvantaged communities, and

WHEREAS, AHSC program guidelines require the application be submitted jointly by EAH, the project developer, and the City of Modesto because the City has a financial and real property interest in the proposed project, and

WHEREAS, EAH is requesting the City partner to submit a project application totaling approximately \$14.8 million dollars, and

WHEREAS, of the total, an estimated 10.8 million dollars of the funding would assist Archway Commons Phase II, and approximately 4 million dollars would be used

for transportation related improvements tied to the project (e.g. bike lanes, transit bus turnouts, protected sidewalks, and improved connectivity), and

WHEREAS, The City is eligible to receive project funding of approximately \$4 million for proposals that fall within the designated project area, and

WHEREAS, the City identified several potential transportation infrastructure and transit related improvement areas, and

WHEREAS, this includes up to 3 miles of new bike lanes which will extend and connect portions of the MJC bike path with Stoddard Avenue and 9th Street, and

WHEREAS, proposals also include a realignment of the Modesto Area Express (MAX) Route 41, which will connect Archway Commons with the transit center to the south as well as MJC West and retail centers, in order increase ridership to area residents by improving accessibility, and

WHEREAS, one annual bus pass for a term of three years provided to each unit in the new development. Purchase of annual bus pass is considered an eligible program cost and is reimbursed directly to the city or transit agency. Revenue from the purchase of annual bus passes provided to residents of the new development will offset costs associated with expanded transit service, and

WHEREAS, additional improvements around the development include: transit stops along 9th, lighted crosswalks that provide, southbound access from Archway Commons to MAX and the existing Class IV bike lane, greening along bike and pedestrian paths, protected medians and median strip landscaping, and levelling and lighting improvements to area sidewalks, and

WHEREAS, on November 8, 2018, the Citizens Housing and Community Development Committee (CH&CDC) reviewed, approved and forwarded the approval for staff to work in partnership with EAH to apply for Affordable Housing and Sustainable Communities (AHSC) Program Funds in the amount of \$14.8 million dollars for Archway Commons Phase II.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an agreement with EAH to submit a joint application for Affordable Housing and Sustainable Communities (AHSC) Program Funds in the amount of \$14.8 million dollars for Archway Commons Phase II.

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby authorized to execute any documents and/or agreements related to the AHSC Grant, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

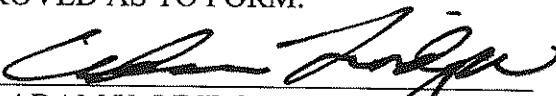
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-545**

**RESOLUTION AUTHORIZING STAFF TO APPLY FOR A HOMELESS
MANAGEMENT INFORMATION SYSTEM (HMIS) GRANT IN THE AMOUNT
OF \$150,000 TO BUILD CAPACITY OF HMIS AND AUTHORIZING THE CITY
MANAGER OR HIS DESIGNEE TO SIGN ANY DOCUMENTS RELATED TO
THE APPLICATION**

WHEREAS, in 1988, the Stanislaus County Housing and Support Services Collaborative/Continuum of Care was formed (Continuum of Care), and

WHEREAS, a Continuum of Care is an integrated system of care that guides and tracks homeless individuals & families through a comprehensive array of housing & services designed to prevent and end homelessness, and

WHEREAS, since inception, this volunteer body has secured millions in grants from the U.S. Department of Housing & Urban Development to combat the impact of homelessness in our community, and

WHEREAS, the City took over the Collaborative Applicant role on July 2017, Resolution 2017-289, and

WHEREAS, as the Collaborative Applicant, the City is responsible to collect and submit the required Continuum of Care application information for all projects the StanCSOC selects for funding, and

WHEREAS, the City is also responsible for monitoring activities and providing technical assistance to the non-profit organizations receiving Continuum of Care funds, and

WHEREAS, additionally the City is responsible for administration and oversight of the HMIS for StanCSOC, and

WHEREAS, HMIS enables homeless service providers to collect uniform client information over time, and

WHEREAS, through HMIS, homeless program clients benefit from improved coordination in and between agencies, informed advocacy efforts, and policies that result in targeted services, and

WHEREAS, analysis of information gathered through HMIS is critical to accurately calculate the size, characteristics, and needs of the homeless population, and

WHEREAS, HMIS is an integrated network of homeless and other service providers that use a central database to collect, track and report uniform information on client needs and services, and

WHEREAS, the system meets Federal requirements, collaborates and enhances homeless prevention services delivery, and

WHEREAS, HUD released a Notice of Funding Availability (NOFA) on November 21, 2018 which made five million dollars available to competitively apply to improve the COC's Homeless Management Information Systems, and

WHEREAS, our community was not one of the 87 listed CoCs with a high need of HMIS implementations based on the 2017 HUD HDX (reporting system) submissions and the 2018 AHAR submissions; however our community could benefit from upgrading, customizing, and configuring existing HMIS functionality, and

WHEREAS, our COC is in need of additional Coordinated Entry functionality, and changing existing HMIS privacy and security functionality, and

WHEREAS, these updates would ensure the community works more cohesively to better serve the needs of the homeless individuals, and

WHEREAS, the funding can be used to improving HMIS data quality, upgrading customizing and configuring existing HMIS's functionality, and training of HMIS lead staff and COC leadership through participation in HUD approved training events, and

WHEREAS, if awarded, there are no match requirements, and the funding would have to be spent within 24 months.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizing staff to apply for a Homeless Management Information System (HMIS) Grant in the amount of \$150,000 to build capacity of HMIS.

BE IT FURTHER RESOLVED that authorizing the City Manager or his designee to sign any documents related to the application.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

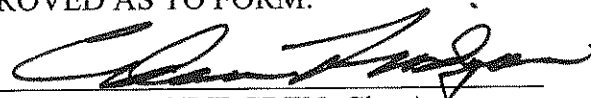
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-546**

**RESOLUTION APPROVING A TWO-YEAR RETAIL AND LEGAL
ADVERTISING CONTRACT WITH THE MODESTO BEE IN THE AMOUNT
OF \$200,000 (MCCLATCHY NEWSPAPER GROUP); AND AUTHORIZING
THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT**

WHEREAS, the City currently uses the Modesto Bee as its primary newspaper-advertising source; the Bee is used for the advertisement of retail classified and legal advertisements as required by law, and for retail advertisements for public information purposes, and

WHEREAS, the City is currently afforded a non-profit, no commitment daily rate of \$31.00 per column inch (pci) for retail and \$25.08 per column inch for legal for one run and \$20.26 per column inch for multiple consecutive run including additional color charges, if needed, and

WHEREAS, the \$31.00 and \$25.08 per column inch rate will continue through December 30, 2020, and

WHEREAS, Modesto Municipal Code (MMC) Section 8-3.204 (b) states, "All Purchases in excess of fifty thousand dollars (\$50,000), or when directed by the City Manager for any purchase of fifty thousand dollars or less, shall follow formal bid procedures, except for the following, which shall be exempt from the bid requirements: Where the Purchasing Agency's requirements can be met solely by a single article or process," and

WHEREAS, MMC Section 1311. Contracts for Official Advertising of the City Charter states, "The Council shall let annually contracts for the official advertising for the ensuing fiscal year which the City of Modesto only has one local newspaper."

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the two-year retail and legal advertising contract with the Modesto Bee in the amount of \$200,000.

BE IT FURTHER RESOLVED, the City Manager, or his designee, is authorized to execute the agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-547**

RESOLUTION APPROVING A THIRD AMENDMENT TO THE SERVICE AGREEMENT WITH LOOMIS ARMORED US, LLC HOUSTON, TEXAS FOR ARMORED CAR TRANSPORT, IN THE AMOUNT OF \$13,425 FROM \$88,588 TO A NEW TOTAL AMOUNT OF \$102,013; APPROVING A SECOND AMENDMENT INCREASING THE CASH SERVICE AGREEMENT WITH LOOMIS ARMORED US, LLC HOUSTON, TEXAS FOR CASH PROCESSING SERVICES, IN THE AMOUNT OF \$86,575 FROM \$571,299 TO A NEW TOTAL AMOUNT OF \$657,874, AND EXTENDING THE TERM OF BOTH AGREEMENTS FROM DECEMBER 31, 2018 TO MARCH 31, 2019; AND AUTHORIZING THE CITY MANAGER, OR HER DESIGNEE, TO EXECUTE THE AMENDMENTS

WHEREAS, the City uses armed car transport and cash processing services to increase safety and lower risk of theft; this service eliminates employee trips to the bank, lowers risk to both employees and customers of theft at various City facilities and to provide an economical way of getting cash deposits to the bank, and

WHEREAS, armored car services are required at several City locations which include City Hall (Cashiering Division), City Business Maintenance Facility, and the City Golf Courses (Dryden, Muni and Creekside), and

WHEREAS, on January 23, 2018 under Resolution 2018-53, Council approved amending this agreement to increase the agreement amount for future services until a new agreement was established through a competitive bid process, and

WHEREAS, on August 8, 2018 Council meeting under Resolution 2018-317, an additional extension was approved to extend the termination date from September 30, 2018 to December 31, 2018 with no funding increase, and

WHEREAS, on May 24, 2018, the Purchasing Division issued the Request for Proposal (RFP) 1718-55 through PlanetBids with a proposal response due June 26, 2018; unfortunately, no suppliers responded to the RFP, and

WHEREAS, on May 24, 2018, the Purchasing Division issued the Request for Proposal (RFP) 1718-55 through PlanetBids with a proposal response due June 26, 2018; unfortunately, no suppliers responded to the RFP, and

WHEREAS, the Purchasing Division is currently working with Loomis to negotiate a new agreement since they have confirmed they wish to continue with providing the services needed.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a Third Amendment to the service agreement with Loomis Armored US, LLC Houston, Texas for armored car transport, in the amount of \$13,425 from \$88,588 to a new total amount of \$102,013, approves a Second Amendment increasing the cash service agreement with Loomis Armored US, LLC Houston, Texas for cash processing services, in the amount of \$86,575 from \$571,299 to a new total amount of \$657,874.

BE IT FURTHER RESOLVED, the City Manager, or his designee, is authorized to execute the amendments, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-548**

RESOLUTION APPROVING PURCHASE AGREEMENTS WITH VARIOUS VENDORS AS DEFINED UNDER ATTACHMENT A; APPROVING TERMINATION DATES FOR THE SERVICES STATED HEREIN; AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE IDENTIFIED ANNUAL PURCHASE AGREEMENTS TERMINATION DATES APPROVED BY COUNCIL

WHEREAS, on January 23, 2018, City staff presented to City Council the modification and extension request of various purchasing agreements which exceeded City Council's authority, and

WHEREAS, City staff has continued to work diligently in monitoring all purchasing agreements and towards implementing recommendations to establish improvements with the City's purchasing controls, and

WHEREAS, the Finance Department has implemented bi-monthly purchasing training to educate City Staff about the standards which govern the City's purchases, including the City's Charter, Municipal Code, and the implementation of Administrative Directive 7.5 Purchasing Policy, and

WHEREAS, the Finance Department has worked with the departments to address the backlog of competitive bids that need to be completed and have been working to strategize the best solution to ensure new agreements can be approved by the time existing agreements expire, and

WHEREAS, the Finance Department, via the Purchasing Division, has identified a number of agreements that require further time extensions of their termination dates (as shown in **Attachment A – Purchasing Agreement Extension Dates**), and

WHEREAS, the extension of these term dates for existing agreements will not alter the dollar amount of said agreements nor the terms and conditions of the agreements.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the purchasing agreements with various vendors as **attached**; approving the term dates for the services stated herein.

BE IT FURTHER RESOLVED, the Purchasing Manager, or her designee, is authorized to issue the identified Annual Purchase Agreements terms.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A - Purchasing Agreement Extension Dates

No.	Description	Supplier	Agreement Amount	Vendor Invoices Paid or Pending Payment - 10/26/18	Amount Remaining on Agreement	Original Start Date	Original Term Date	Current Term Date	Revised Term Date
1	Annual Agreement - Armed Uniformed Guard Services Reso 2017-476	RANK INVESTIGATIONS AND	\$ 111,000	\$ 82,204	\$ 28,796	17-Jan-2016	30-Jun-18	31-Dec-18	30-Apr-19
2	Annual Agreement for Office Supplies Citywide	OFFICE DEPOT	\$ 8,395,861	\$ 8,183,674	\$ 212,287	1993	Evergreen	30-Sep-18	31-Mar-19
3	Annual Agreement For City Wide Document Storage/Records	PACIFIC STORAGE COMPANY	\$ 681,239	\$ 252,413	\$ 428,826	20-Dec-2002	31-Dec-18	31-Mar-19	30-Jun-19
4	Annual Agreement For Radio & Communication Equipment Service/Repair (A09510)	DELTA WIRELESS INC	\$ 236,598	\$ 217,769	\$ 18,837	1-Apr-2011	30-Sep-18	31-Dec-18	31-Mar-19
5	Annual Agreement for Online Auction Services of Surplus Items	PUBLIC SURPLUS	\$ 140,945	\$ 126,703	\$ 14,242	8-Jan-2007	Evergreen	30-Sep-18	30-Apr-19
6	Annual Agreement for the Purchase of Variable Frequency Drive Units; Reso 2013-197	WILLIE ELECTRIC	\$ 518,070	\$ 262,783	\$ 255,287	28-May-2013	27-May-18	31-Dec-18	31-Mar-19
7	Annual Agreement For Asphalt Materials Secondary Vendor. RFB No. 1314-01, Reso 2013-356	CALAVERAS MATERIALS INC	\$ 310,000	\$ 246,022	\$ 63,978	31-Oct-2013	30-Oct-18	31-Dec-18	31-Mar-19
8	Annual Agreement For Asphalt And Emulsion RFB No. 1314-01 Reso 2013-356	MUNN AND PERKINS	\$ 2,190,000	\$ 1,883,803	\$ 306,397	31-Oct-2013	30-Oct-18	31-Dec-18	31-Mar-19
9	Annual Agreement - CCTV Inspection Services Reso 2014-21	PROFESSIONAL PIPE SERVICE	\$ 2,100,000	\$ 1,298,647	\$ 801,353	5-Feb-2014	4-Feb-19	4-Feb-19	31-Mar-19
10	Annual Agreement for Asphalt and Concrete Saw Cutting Services	ACCURATE SAWCUTTING INC	\$ 145,735	\$ 69,442	\$ 76,293	12-Feb-2014	31-Jan-19	31-Jan-19	31-Mar-19
11	Annual Agreement for Landscape Maintenance Services for WQC Reso 2013-432	GROVER LANDSCAPING SERVICES	\$ 381,380	\$ 240,344	\$ 141,036	3-Dec-2013	2-Dec-18	2-Dec-18	31-Mar-19
12	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 RFP 2013-13	NELSON FAMILY OF COMPANIES	\$ 3,475,395	\$ 1,172,459	\$ 2,302,937	3-Dec-2013	2-Dec-18	31-Jan-19	31-Mar-19
13	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 - RFP 1213-13	PRIDESTAFF	\$ 1,015,000	\$ 389,831	\$ 625,169	3-Dec-2013	2-Dec-18	31-Jan-19	31-Mar-19
14	Annual Agreement - Temporary Employee Labor Services - Reso 2013-439 - RFP 1213-13	EXACT STAFF	\$ 143,465	\$ 26,575	\$ 116,890	3-Dec-2013	2-Dec-18	31-Jan-19	31-Mar-19
15	Annual Agreement - Plan Review and Inspection Services Reso 2012-486; Reso 2015-364; Reso 2017-438	4LEAF INC.	\$ 210,000	\$ 155,328	\$ 54,672	4-Dec-2012	31-Dec-18	31-Dec-18	30-Jun-19
16	Annual Agreement - Plan Review and Inspection Services Reso 2012-486; Reso 2015-364; Reso 2017-438	BUREAU VERITAS	\$ 210,000	\$ 122,466	\$ 87,534	4-Dec-2012	31-Dec-18	31-Dec-18	30-Jun-19
17	Annual Agreement - Plan Review and Inspection Services Reso 2012-486; Reso 2015-364; Reso 2017-438	CSG CONSULTANTS INC	\$ 210,000	\$ 162,482	\$ 47,518	4-Dec-2012	31-Dec-18	31-Dec-18	30-Jun-19
18	Annual Agreement - Plan Review and Inspection Services Reso 2012-486; Reso 2015-364; Reso 2017-438	INTERWEST CONSULTANT GROUP	\$ 990,000	\$ 839,340	\$ 150,660	4-Dec-2012	31-Dec-18	31-Dec-18	30-Jun-19
19	Annual Agreement - On-Call Engineering Services Reso 2015-488	DAN CORTINOVIS, P.E.	\$ 225,000	\$ 55,224	\$ 169,776	8-Dec-2015	8-Dec-18	8-Dec-18	8-Dec-19

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-549**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 ANNUAL
OPERATING AND CAPITAL IMPROVEMENT PROJECT FUND BUDGETS**

WHEREAS, a financial analysis has been completed and it has been determined that a budget adjustment is required to the Annual and Capital Improvement Budgets of the City of Modesto for Fiscal Year 2018-19.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2018-19 Annual Operating and Capital Improvement budget as shown in **Exhibit A**, which is **attached** hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to take the necessary steps to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

EXHIBIT A

FISCAL YEAR 2018-19

COMMUNITY & ECONOMIC DEVELOPMENT

A budget adjustment is necessary to establish the full repayment of the loan from the Streets Capital Facility Fee Fund (3410) to the Air Quality Capital Facility Fee Fund (3430) in the amount of \$64,640. The loan was approved by Council on May 9, 2017 per resolution 2017-180 in the amount of \$80,000 for repayment over 5 years and the first payment was made in FY 17-18. The Air Quality Capital Facility Fee Fund (3430) now has sufficient fund balance to repay the remaining balance of the loan.

Fund	Fund Name	Account - Revenue/Expense	Current Budget	Increase	Revised Budget
3430	Air Quality Capital Facility Fee	Transfer Out to Fund 3410 – Expense	\$0	\$64,640	\$64,640
3410	Streets Capital Facility Fee	Transfer In from Fund 3430 – Revenue	\$0	\$64,640	\$64,640

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-550**

RESOLUTION APPROVING A FIRST AMENDMENT TO THE AGREEMENT WITH SHIBUMI CONSULTING SERVICES, LLC, TEMPE, AZ, TO PERFORM SUPPORT SERVICES THAT INCLUDE TRAINING, RATE RESTRUCTURING, TROUBLESHOOTING, AND DATA EXTRACTION FROM THE UTILITY BILLING SYSTEM FOR THE CUSTOMER SERVICES DIVISION OF THE FINANCE DEPARTMENT, AND OTHER CITY DEPARTMENTS, TO EXTEND THE TERMINATION DATE TO DECEMBER 11, 2023, FOR AN AMOUNT NOT TO EXCEED \$500,000; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AMENDMENT

WHEREAS, the City of Modesto entered into an agreement with Shibumi Consulting Services, LLC, on June 3, 2008 as approved by Council Resolution No. 2008-320 for on-call software services for the Customer Services Division of the Finance Department and other City departments, and

WHEREAS, the original agreement did not include a defined termination date and this amendment will include a defined termination date, and

WHEREAS, Shibumi Consulting has been instrumental in the building and maintaining of the utility billing system controls and parameters since 1999, including integration with the Oracle accounting system upon implementation, and

WHEREAS, there is also an ongoing demand for detailed data requests from departments outside Customer Services for data housed in the utility billing system, and

WHEREAS, the demand reports available in the utility billing system, although successful in managing daily balancing and billing functions, are not designed to provide specifically formatted information as typically requested by citizens, media and other departments, and

WHEREAS, Shibumi Consulting is able to fill the gap as needed to provide raw data to UPPD and Engineering for water rate studies, water conservation analysis and

mandatory State reporting and meet the level of service required by City staff to continue to provide data from the system in an accurate and timely manner for a quick resolution for citizens while ensuring daily processes can continue with minimal interruption, and

WHEREAS, this first amendment to the original agreement with Shibumi Consulting will provide a defined termination date of five (5) years, extending the termination date to December 11, 2023 for a total dollar amount not to exceed \$500,000, and

WHEREAS, this is an hourly contract utilized on an “as-needed” basis not to exceed \$100,000 per fiscal year with funds budgeted in Water, Wastewater and Storm Drain funds.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves this First Amendment to the agreement with Shibumi Consulting Services, LLC, Tempe, AZ, to perform support services that includes training, rate restructuring, troubleshooting and data extraction from the utility billing system for the Customer Services Division of the Finance Department, and other City Departments, to extend the termination date to December 11, 2023 for an amount not to exceed \$500,000.

BE IT FURTHER RESOLVED, the City Manager, or his designee, is authorized to execute the amendment, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-551**

RESOLUTION ACCEPTING THE BID AND AWARDING A CONSTRUCTION CONTRACT TO DAKTRONICS, INC OF BROOKINGS, SOUTH DAKOTA FOR THE JOHN THURMAN FIELD VIDEO BOARD REPLACEMENT PROJECT IN THE AMOUNT OF \$558,992, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE CONTRACT

WHEREAS, on December 13, 2016, by Resolutions 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field, and

WHEREAS, the agreement establishing a fund for capital improvements to the stadium, and

WHEREAS, the Agreement authorizes the City Manager to approve or disapprove the list of priority capital improvement projects each calendar year, and

WHEREAS, on August 8, 2018, the Nuts provided a list of 2019 List of Capital Improvements Priorities at John Thurman Field which identified the projects of greatest necessity the Nuts, and

WHEREAS, the City Manager has reviewed and approved the list which included the replacement of the video board at John Thurman Field, and

WHEREAS, on November 16, 2018 staff issued a Request for Bids for the replacement of the video board at John Thurman, and

WHEREAS, on November 28, 2018 staff received bids from 3 companies that were responsible and responsive, including a bid from Daktronics Inc, and

WHEREAS, MMC 8-3.102(m) provides exceptions to general purchasing requirements for "Contracts for public works projects consisting of additions and/or

expansion of facilities and structures at John Thurman Field not to exceed two million four hundred thousand dollars (\$2,400,000.00) per project,” and

WHEREAS, the approval of the replacement video board at John Thurman Field conforms to MMC 8-3.102(m) and qualifies for the exemption from the formal bidding process, and

WHEREAS, the City has received a project bid in the amount of \$558,992 for the John Thurman Field Video Board Replacement from Daktronics Inc, of Brookings, South Dakota.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby accepts the bid and awards a construction contract to Daktronics, Inc of Brookings, South Dakota for the John Thurman Field Video Board Replacement in the amount of \$558,992.

BE IT FURTHER RESOLVED, that the City Manager, or his designee, is hereby authorized to execute the contract, in the form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None


ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:


ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-552**

**RESOLUTION AMENDING THE FISCAL YEAR 2018-2019 MULTI-YEAR
OPERATING BUDGET TO ADJUST THE NON-CAPITAL PROJECT #101019
FOR JOHN THURMAN FIELD CAPITAL IMPROVEMENTS TO
APPROPRIATE AN INTERFUND LOAN FROM THE WASTEWATER FUND IN
AN AMOUNT NOT TO EXCEED \$539,891**

WHEREAS, on December 13, 2016, by Resolution 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field and established a fund for capital improvements to the stadium, and

WHEREAS, on October 9, 2018, by Resolution 2018-451, Council approved an amendment to the 10 year operating agreement for John Thurman Field, which included the prefunding of the City's 2026 General Fund contribution of \$120,000 immediately, to fund the replacement of the video board at the Stadium, and

WHEREAS, On November 16, 2016, staff issued an informal Request for Bids from 3 agencies with experience in video board replacement in professional sports stadiums, and

WHEREAS, Daktronics Inc, of Brookings, South Dakota, came in with a considerably lower bid than the other agencies in the amount of \$558,992, and

WHEREAS, on October 9, 2018, by Resolution 2018-450, Council appropriated \$120,000 from the FY 2017-2018 General Fund carryover as an early contribution of the funding that was previous committed for the project in FY 2026, and

WHEREAS, any unspent portion of the contingency would be repaid to the Wastewater Fund when the project is complete as a reduction to the final year payment, and

WHEREAS, staff is recommending to borrow the remaining project cost from the Wastewater Fund in the amount of \$539,891 as an interfund loan and repay those funds over the next six fiscal years, and

WHEREAS, the Fiscal Year 2018-2019 Operating and Multi-Year budget must be amended to appropriate and transfer \$539,891 from Wastewater Fund and adjust revenue and expense budget for the non-capital project #101019 for John Thurman Field capital improvements.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves and amends the Fiscal Year 2018-2019 Operating and Multi-Year budget to transfer an amount not to exceed \$539,891 from the Wastewater Fund and adjust revenue and expense budget for the non-capital project #101019 for John Thurman Field capital improvements.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-553**

RESOLUTION APPROVING AN INTERFUND LOAN OF \$539,891 FROM THE WASTEWATER FUND TO THE JOHN THURMAN FIELD CAPITAL IMPROVEMENT FUND FOR THE PROJECT TITLED “JOHN THURMAN FIELD VIDEO BOARD REPLACEMENT” AND ESTABLISHING A REPAYMENT SCHEDULE, AMORTIZED OVER 6 YEARS

WHEREAS, on December 13, 2016, by Resolution 2016-503 and 504, Council approved an agreement with HWS Baseball, IV, LLC (the Nuts), for the use, operation and management of John Thurman Field and established a fund for capital improvements to the stadium, and

WHEREAS, on October 9, 2018, by Resolution 2018-451, Council approved an amendment to the 10 year operating agreement for John Thurman Field, which included the prefunding of the City’s 2026 General Fund contribution of \$120,000 immediately, to fund the replacement of the video board at the Stadium, and

WHEREAS, on November 16, 2016, staff issued an informal Request for Bids from 3 agencies with experience in the video board replacement in professional sports stadiums, and

WHEREAS, Daktronics Inc, of Brookings, South Dakota, came in with a considerably lower bid than the other companies in the amount of \$558,992, and

WHEREAS, on October 9, 2018, by Resolution 2018-450, Council appropriated \$120,000 from the FY 2017-2018 General Fund carryover as an early contribution of the funding that was previous committed for the project in FY 2026, and

WHEREAS, staff recommends borrowing a portion of the project cost from the Wastewater Fund in the amount of \$539,891 and repaying the loan per the repayment

schedule from the John Thurman Field capital improvement fund's annual General Fund commitment of \$120,000 per year, and

WHEREAS, the \$539,891 loan will be amortized over the next 6 years, and

WHEREAS, the \$539,891 loan will accrue interest at the City's average rate of return on its investment pool, and

WHEREAS, principal payments will be paid back each fiscal year through fiscal year 2024-2025 plus interest, as outlined in **Exhibit A**, and

WHEREAS, the remaining \$100,000 of the purchase price will be paid from the John Thurman Field capital improvement fund, and

WHEREAS, any unspent portion of the contingency would be repaid to the Wastewater Fund when construction is complete and not allocated toward another capital project, reducing the final payment(s), and

WHEREAS, the amount of interest will be calculated based on the principal outstanding during the prior fiscal year.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the interfund loan of \$539,891 from the Wastewater Fund to the John Thurman Field Capital Improvement Fund for the project titled "John Thurman Field Video Board Replacement."

BE IT FURTHER RESOLVED that the \$539,891 loan will be amortized over 6 years using an interest rate equal to the City's average rate of return on its investment pool.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

Attachment A
Amortization Schedule

for

Loan from Wastewater Fund to John Thurman Field CIP Fund

Annual Interest Rate	0.46%	Estimated Income Return Rate for the City
Years	6	
Payments Per Year	1	
Amount	\$539,891	

Payment Number	Payment	Principal	Interest	Balance
1	(\$91,436.08)	(\$88,952.58)	(\$2,483.50)	\$ 450,938.42
2	(\$91,436.08)	(\$89,361.76)	(\$2,074.32)	\$ 361,576.65
3	(\$91,436.08)	(\$89,772.83)	(\$1,663.25)	\$ 271,803.82
4	(\$91,436.08)	(\$90,185.78)	(\$1,250.30)	\$ 181,618.04
5	(\$91,436.08)	(\$90,600.64)	(\$835.44)	\$ 91,017.40
6	(\$91,436.08)	(\$91,017.40)	(\$418.68)	\$ -
Totals	(\$548,616.49)	(\$539,891.00)	(\$8,725.49)	

Note: The Amortization Schedule will be updated annually as the Income Return Rate of the City changes.

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-554**

RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH THE STANISLAUS COUNCIL OF GOVERNMENTS (STANCOG) THAT SETS FORTH THE BASIC STRUCTURE FOR COOPERATIVE PLANNING AND DECISION MAKING BETWEEN THE CITY OF MODESTO AND STANCOG AS IT RELATES TO FEDERAL TRANSIT ADMINISTRATION (FTA) FUNDING, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE MOU

WHEREAS, the Stanislaus Council of Governments (StanCOG) has been designated by the Federal Transit Administration (FTA) to administer federal transit funds that are made available to the Modesto Urbanized Area, and

WHEREAS, in November 1999, the City of Modesto and StanCOG adopted a Memorandum of Understanding, (MOU) to enable the City of Modesto to apply for FTA funds, and

WHEREAS, this MOU sets forth the basic structure for cooperative planning and decision making between the City of Modesto and StanCOG as required by the FTA, and

WHEREAS, a new MOU reaffirming the cooperative planning and decision making commitments is required by the FTA and FAST Act regulations.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it approves a MOU with StanCOG that sets forth the basic structure for cooperative planning and decision making between the City of Modesto and StanCOG as it relates to FTA funding.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the MOU.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

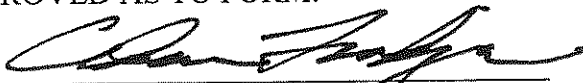
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-555**

**RESOLUTION APPROVING THE FIRST AMENDMENT TO THE
AGREEMENT WITH AVAIL TECHNOLOGIES, INC., STATE COLLEGE, PA,
FOR CELLULAR MODEMS UTILIZED BY MODESTO AREA EXPRESS
(MAX) FOR A TOTAL COST NOT TO EXCEED \$342,794, FOR THREE
YEARS, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO
EXECUTE THE AGREEMENT**

WHEREAS, on March 6, 2007, by Resolution No. 2007-161, Council awarded a development and installation contract in the approximate amount of \$948,000 to Avail Technologies, Inc., to install a Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) system on the Modesto Area Express (MAX) bus fleet, and

WHEREAS, on December 11, 2007, the City entered into an agreement with Avail Technologies, Inc., for the development of a CAD/AVL system for the MAX bus fleet, and

WHEREAS, on June 7, 2016, by Resolution No. 2016-234, Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 18, 2018 at a cost of \$112,652, and

WHEREAS, in April 2017, Avail Technologies upgraded and began hosting the software to enable the real-time bus information to be made available to the public via website and myStop smart phone application. In addition, most of the buses started transmitting data via a stable cellular connection vs. the less reliable data radio connection. Avail included the server hosting services as part of the annual agreement approved in June 2016, with no additional cost to the City, and

WHEREAS, on July 11, 2017, by Resolution No. 2017-277, Council authorized the purchase of additional hardware to enable all buses to transmit the signal with a

cellular connection, along with other upgraded hardware, so that the real-time data was accurate and all buses had the same equipment installed. That equipment upgrade is currently scheduled for December 2018, and

WHEREAS, this additional software will enhance the MAX system by providing better tools to the operations staff to ensure that the Avail system is producing correct data for the traveling public and the management staff will have the reports needed to effectively convey the story of MAX service in Modesto, and

WHEREAS, Avail Technologies, Inc. is the sole provider of Avail applications and is the only vendor that can provide Avail maintenance for their products. The City conducted a competitive bid process and found no other reseller that can provide maintenance for the Avail system. As a result, the Purchasing Manager has determined that purchase of software and maintenance and modem equipment meet the City's sole source criteria as required under the Modesto Municipal Code 8-3.204, and

WHEREAS, on January 23, 2018, by Resolution 2018-36, Council awarded a sole source agreement to Avail Technologies, Inc. to continue maintaining and supporting the software through April 2021, and

WHEREAS, on May 22, 2018, by Resolution 2018-184, Council awarded a sole source agreement to Avail Technologies, Inc. to upgrade the modems on the MAX bus fleet.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an amendment to the agreement with Avail Technologies, Inc., State College, PA, for replacement cellular modems utilized by MAX for a total not to exceed \$342,794.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018 by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-556**

**RESOLUTION APPROVING A BUDGET ADJUSTMENT TO FISCAL YEAR
2018-19 MULTI-YEAR BUDGET FOR PROJECT 101132 IN THE AMOUNT OF
\$26,650 TO FUND THE FIRST AMENDMENT TO THE AGREEMENT WITH
AVAIL TECHNOLOGIES. INC., STATE COLLEGE, PA FOR CELLULAR
MODEMS UTILIZED BY MODESTO AREA EXPRESS (MAX)**

WHEREAS, certain budgetary transactions are necessary in the amount of \$26,650 in order to fund the purchase of cellular modems, equipment, installation, support, cellular data and web content management for the Modesto Area Express (MAX) bus system, and

WHEREAS, the City was awarded Proposition 1B funds under the Public Transportation Modernization, Improvement and Service Enhancement Account program (PTMISEA) for the purchase of the Computer Aided Dispatch and Automatic Vehicle Location System components, and

WHEREAS, the Fiscal Year 2018-2019 multi-year budget for project 101132-Electric Bus Purchase must be amended as shown in **Exhibit A**, which is incorporated by reference herein.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2018-2019 Multi-Year Budget as shown in **Exhibit A**, attached hereto.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to implement the provisions of this resolution.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-557**

**RESOLUTION APPROVING A DISCOUNT FOR NATIONAL EXPRESS
TRANSIT CORPORATION (NEXT) EMPLOYEES WHO PURCHASE A
TRANSPORTATION CENTER PARKING LOT MONTHLY PASS**

WHEREAS, the Transportation Center is the central location for Modesto Area Express (MAX) operations. MAX is operated by National Express Transit Corporation (NEXT). NEXT employs the bus drivers, dispatchers, customer service representatives, management and several others that keep the MAX system operational each day, and

WHEREAS, NEXT employees have frequently requested discounted or complimentary access to the parking lot at the Transportation Center, and

WHEREAS, the majority of the time, the parking lot at the Transportation Center is seldom used, and

WHEREAS, this discount will improve the morale of the employees that operate the MAX system, and provide a discount to aid their work experience. It will also further enhance the partnership between the City and National Express Transit Corporation.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves a \$50 rate for National Express Transit Corporation employees who purchase a Transportation Center parking lot monthly pass.

BE IT FURTHER RESOLVED that the discount will be a one year pilot program, will be specific to the Transportation Center parking lot not extending to other lots or parking garages, that to obtain the discounted monthly pass, the NEXT employee must show their NEXT ID badge, that only 20 monthly passes will be issued, which will leave 15 available to the public, and that parking spaces will not be reserved or guaranteed.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

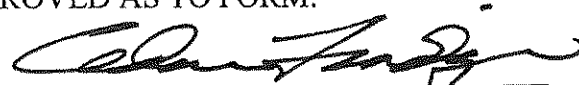
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-558**

RESOLUTION APPROVING THE AWARD OF BID AND AGREEMENT FOR STREET SWEEPING SERVICES ON AN AS NEEDED BASIS TO ENVIRONMENTAL SYSTEMS, MODESTO CA, FOR A TWO (2) YEAR AGREEMENT WITH THREE (3) ONE YEAR EXTENSION OPTIONS, FOR AN ANNUAL COST OF \$75,000, AND A TOTAL AMOUNT NOT TO EXCEED \$375,000 OVER FIVE YEARS, AND AUTHORIZING THE PURCHASING MANAGER, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, the Public Works Streets Division is in their third full year of an ongoing Pavement Preservation Program. This program applies a type II surface treatment to the roadway surface, and

WHEREAS, part of this program, which is performed by a private contractor is to ensure the street is clean of all debris; it also requires the street to be swept after the treatment has been applied, and

WHEREAS, in January 2016, the City went through an informal bid process for the furnishing of street sweeping services, which at that time staff realized that the current agreement was not going to be sufficient, and

WHEREAS, the City Manager authorized the Purchasing Manager to issue formal Request for Bids RFB 1718-47 for Street Sweeping Services on an as needed, for the Public Works Department, Streets Division, and

WHEREAS, on September 4, 2018, the Purchasing Division issued RFB 1718-47 for "As needed street sweeping services, and

WHEREAS, on October 2, 2018, bids were formally opened in the City Clerk's Office. One company chose to respond. This company provided a responsive and responsible bid, and

WHEREAS, Modesto Municipal Code Section 8-3.203 generally requires all purchases which meet or exceed \$50,000 for material, equipment or contractual services to be formally bid. The award of bid for the purchase of as needed sweeping services from Environmental Systems conforms to the Modesto Municipal Code, 8-3.203, and

WHEREAS, sufficient funds to award this agreement are budgeted in Surface Transportation Fund, account: 1700-53130-53300.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it approves the award of bid and agreement for Street Sweeping Services on an as needed basis to Environmental Systems, Modesto CA, for a two (2) year agreement with three (3) one year extension options for an annual cost of \$75,000, and a total amount not to exceed \$375,000 over five years.

BE IT FURTHER RESOLVED that the Purchasing Manager, or her designee, is authorized to issue the Purchase Agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

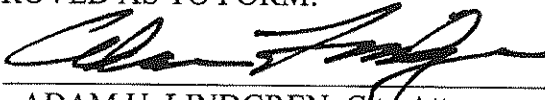
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-559**

RESOLUTION REJECTING ALL BIDS RECEIVED FOR RFB NO. 1718-50 FOR SPOILS SCREENING AND ROCK CRUSHING SERVICES; AND AUTHORIZING STAFF TO REISSUE THE RFB AT A FUTURE DATE, WITH AN AMENDED SCOPE OF SERVICES

WHEREAS, the Utilities, Water and Wastewater Services Divisions, and Public Works Department, Streets Division, require a contractor to provide spoils screening and rock crushing services on an “as needed” basis, and

WHEREAS, the City Manager authorized the Purchasing Manager to issue a formal Request for Bids (RFB) for Spoils Screening and Rock Crushing Services, and

WHEREAS, on August 15, 2018, the Purchasing Division issued RFB No. 1718-50 for Spoils Screening and Rock Crushing Services, and posted the RFB on the City’s website and formally advertised as required by law, and

WHEREAS, on September 4, 2018, bids closed and were opened in the City Clerk’s office, and

WHEREAS, two companies chose to respond, and

WHEREAS, after reviewing the bids received and bid package, it was determined that staff needed to amend the original Scope of Services to ensure a more competitive process and eliminate ambiguity in the original scope. This determination was based on the significant price variances between vendors (\$680,845 - \$1,808,870), and

WHEREAS, further amendments may be needed to the Pricing Schedule and Bidding Process, and

WHEREAS, staff will work with the Finance Department to amend the Scope of Services to better define the project and Purchasing will work on updating the bid process.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby rejects all bids received for RFB No. 1718-50 for Spoils Screening and Rock Crushing Services.

BE IT FURTHER RESOLVED, that Staff is hereby authorized to reissue the RFB at a future date, with an amended Scope of Services.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-560**

**RESOLUTION ACCEPTING THE CAPITAL FACILITIES FEES ANNUAL
REPORT FOR FISCAL YEAR 2017-18 AND MAKING FINDINGS RELATED
TO EACH OF THE FEE CATEGORIES**

WHEREAS, the City of Modesto imposes fees to mitigate the impacts of development, pursuant to Government Code section 66000 *et seq.*, and

WHEREAS, California Government Code sections 66001 and 66006 require cities to annually make certain fee-related information available to the public and findings relating to the necessity of collecting fees for new development, and

WHEREAS, the City, in accordance with Government Code section 66006(a) and Section 8-1.904 of the Modesto Municipal Code, established Capital Facilities Fees (“CFF”) for the purpose collecting fees to fund the construction of public improvements that will be needed as a result of new development, and

WHEREAS, on March 22, 2011, by Resolution No. 2011-105, Council established the nexus for fees imposed by each land use, said nexus and fees were later amended by Resolution No. 2013-177 on May 7, 2013, and

WHEREAS, the following fees were established by Resolution No. 2013-177:

- The Streets CFF fund was established to accrue funds for arterial roadways, intersections, expressways, freeway interchanges and associated landscaping, and
- The Public Transportation CFF fund was established to accrue funds for the expansion of the City’s transit system including additional buses and their associated facilities, and

- The Air Quality Mitigation CFF Fund was established to accrue funds to assist in the reduction of automobile travel, specifically for the development of park and ride lots, Class I Bike Trails, and
- The Police CFF Fund was established to accrue funds for additional policing needs including an additional station, police cars and associated equipment, a northeast area precinct, a training facility, a computer aided dispatch system, and an expanded radio system, and
- The Fire CFF Fund was established to accrue funds for the construction of additional fire stations, fire vehicles, and a new training station, and
- The Parks CFF Fund was established to accrue funds for the development of additional regional parks, community centers, and neighborhood parks, and the expansion of the McClure Country Place, and
- The General Government CFF Fund was established to accrue funds for the debt service payments on City Hall, related parking facilities, the corporation yard and related facilities, City vehicles and the City's information technology expansion, and

WHEREAS, the Capital Facilities Fee Annual Report for Fiscal Year 2017-18 has been completed and is on file with the City Clerk and is **attached** as **Exhibit "A"**, and

WHEREAS, a public hearing at the City Council in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California was set for December 11, 2018, to enable the public to have the opportunity to comment on the CFF collected.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby makes the following findings relating to each of the fee categories:

- 1) The Capital Facilities Fee program, set forth in City Council Resolution No. 2013-177, and incorporated herein by reference, continues to be a necessary program to fund future infrastructure needed for new development.
- 2) The Capital Facilities Fee Annual Report for Fiscal Year 2017-18 (**Exhibit A**) reports on the below information for each of the fee categories:
 - a. The amount of the fee. (Table 1)
 - b. The beginning and ending balance of the account or fund. (Table 3)
 - c. The amount of the fees collected and the interest earned. (Table 2)
 - d. An identification of each public improvement on which fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with fees. (Table 10)
- 3) The CFF revenue anticipated for the full development of infrastructure improvements for new development has not been fully collected to complete the financing of incomplete improvements. It is presently anticipated that there will be no regular sources of funding to develop CFF infrastructure improvements apart from CFF collections.
- 4) The anticipated dates for the full collection of fees is unknown at this time as fees are based on development activity which is not controlled by the City.
- 5) The necessary funds for constructing and/or purchasing the following have not yet been accumulated and the approximate date is not yet known, but there is still a need

as outlined in Resolution No. 2013-177, and therefore fees should still be collected for the following purposes:

- Additional fire stations, fire vehicles, and a new training station, and
- An additional police station, police cars and associated equipment, a northeast area precinct, a training facility, a computer-aided dispatch system, and an expanded radio system, and
- Development of additional regional parks, community centers, neighborhood parks, and the expansion of McClure Country Place, and
- Debt service payments on City Hall, related parking facilities, the corporation yard and related facilities, City vehicles and the City's information technology expansion, and
- Reduction of automobile travel, specifically for the development of park and ride lots and Class I Bike Trails, and
- Arterial roadways, intersections, expressway, freeway interchanges and all of their associated landscaping, and
- Expansion of the transit system.

6) All reportable fees, collections and expenditures have been received, deposited, invested and expended in compliance with the relevant sections of the California Government Code and all other applicable laws for the Fiscal Year 2017-18.

7) No refunds and allocations of reportable fees, as required by California Government Code section 66001, are deemed payable at this time.

BE IT FURTHER RESOLVED by the Council of the City of Modesto that it hereby accepts the Fiscal Year 2017-18 Capital Facilities Fees Report as described in **Exhibit "A"**, attached hereto and incorporated herein by reference.


The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None


ATTEST:


STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By:

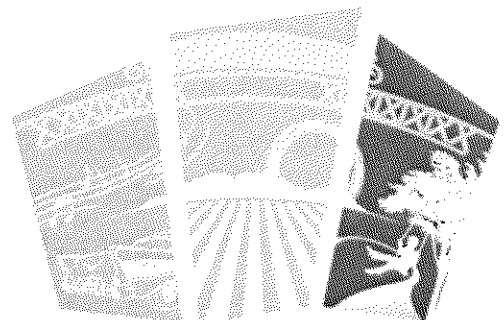

ADAM U. LINDGREN, City Attorney

City of Modesto Capital Facilities Fees Annual Report Fiscal Year 2017-18

Prepared By:

**Community & Economic Development
Infrastructure Financing Program**

December 2018



MODESTO
CALIFORNIA

**CITY OF MODESTO
CAPITAL FACILITIES FEES ANNUAL REPORT
FISCAL YEAR 2017-18**

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LEGAL REQUIREMENTS

A. What Are Impact Fees?

California Government Code §66000 allows a local jurisdiction to establish an impact fee to mitigate the impacts of new development. These fees may be used for the purchase, construction, expansion, rehabilitation, or acquisition of public facilities, and must be consistent with the adopted fee program, which is updated every five years.

New development increases the demand for health and safety service provided by a city, affects the quality of the community's infrastructure, and increases the need for public facilities. Typically, impact fees are paid to a city at the time a building permit is issued and assist in paying for the cumulative impact of new development through infrastructure improvements and additions. Facilities partly funded by impact fees include police, fire and administrative buildings, park sites, bike trails, public landscape areas, community centers, transportation and transit facilities and roadway improvements. Impact fees cannot be used for maintenance of existing or future city facilities.

B. Establishing An Impact Fee Program

The City of Modesto ("City") impact fee program, more commonly known as the Capital Facilities Fees Program ("CFF Program"), was established in 1987 and has been updated periodically to reflect the changes in land values, projects and costs. Impact fees imposed on new development must have the proper nexus to any project on which they are imposed. The CFF Program sets forth the relationship between contemplated future developments, facilities needed to serve future development and the estimated cost of those improvements based on the current General Plan for build-out. Estimated project costs and the summary of fee apportionment for each CFF Program fee category are identified in the 2003 and 2011 CFF Program updates.

C. Adoption of a Capital Improvement Program

California Government Code §66002 requires local agencies that have implemented an impact fee program to adopt a Capital Improvement Program (CIP) indicating the approximate location, size, and time of projects, plus an estimate for the costs of all facilities or improvements to be financed by the impact fees. At a minimum, a formal CIP is recommended as a five-year plan. The City annually produces a five-year CIP which assists in maintaining and updating the City's General Plan.

The City's CIP connects annual capital expenditures to a long-range plan for public improvements. The City's CIP also assists in maximizing the funds available, connecting the plan for public improvements to the City's capacity for funding, and projecting expenditures over a period of years. This type of fiscal management is particularly

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important during periods where budgetary demands exceed financial resources. The City's CIP is financed in part by the impact fees collected through the CFF Program.

D. Reporting

Annual reporting of a local agency's impact fee program is required by Government Code §66006. The impact fees collected must be segregated from general and other funds containing fees collected for other improvements. Interest on each impact fee fund or account must be credited to that fund or account and be used only for the purpose for which the impact fee was collected.

California Government Code §66006(b) requires that a local agency make the following information available to the public for each separate impact fee fund on an annual basis and that the local agency review that information at a public meeting. The law also requires the annual report include the following information for the prior fiscal year and be made available within 180 days after the last day of each fiscal year:

- Describe the type of impact fee in the account or fund.
- Identify the amount of the impact fee.
- Provide the beginning and ending balance of the account or fund.
- Provide the amount of impact fees collected and interest earned.
- Identify each public improvement on which impact fees were expended and the amount of the expenditures on each improvement, including the total percentage of the cost of the public improvement that was funded with the impact fee.
- Identify an approximate date by which the construction of the public improvement will commence, if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.
- Describe each interfund transfer or loan made from the account or fund, including the public improvement on which the transferred or loaned impact fees will be expended, and, in the case of an interfund loan, the date on which the loan will be repaid and the rate of interest that the account or fund will receive on the loan.
- Provide the amount of refunds made due to sufficient funds being collected to complete financing on incomplete public improvements, and the amount of reallocation of impact funds made to administrative costs of refunding unexpended revenues exceeding the amount to be refunded.

If an agency no longer needs the funds for the purposes collected or fails to make the required findings or perform certain administrative tasks prescribed, the agency may be required to refund, on a prorated basis to owners of the properties upon which the impact fees for the improvement were imposed, the monies collected for that project and any interest earned on those funds.

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California Government Code §66001(d) also requires that the local agency make all of the following findings every fifth year with respect to that portion of the account remaining unexpended, whether committed or uncommitted:

- Identify the purpose to which the impact fee is to be allocated.
- Demonstrate a reasonable relationship between the impact fee and the purpose for which is it charged.
- Identify all sources and amounts of funding anticipated to complete financing of incomplete improvements.
- Designate the approximate dates on which the funding is expected to be deposited into the appropriate account or fund.
- In any action imposing a fee as a condition of approval of a development project by a local agency, the local agency shall determine how there is a reasonable relationship between the amount of the impact fee and the cost of the public facility or portion of the public facility attributable to the development on which the impact fee is imposed.

DESCRIPTION OF CAPITAL FACILITIES FEES

The CFF Program mitigates the impacts associated with new development on certain public facilities. The CFF Program is used to finance the acquisition, construction, and improvement of public facilities as a result of new development. The City has the following eight (8) CFF Program fee categories:

Streets Capital Facilities Fee – Fund 3410

This fee is collected for roadway improvements such as expressways, interchanges, arterial and collector roads, turn lanes, intersections and traffic signals.

Public Transportation Capital Facilities Fee – Fund 3420

This fee is collected for new buses, bus shelters, bus stops, the bus maintenance facility, and the northeast transfer station.

Air Quality Mitigation Capital Facilities Fee – Fund 3430

This fee is collected for facilities that reduce automobile travel by facilitating alternative modes of travel such as the Amtrak station parking lot, park and ride lots, vanpooling, carpooling, Class I bike trails, bike storage, turn lanes, footpaths, and pedestrian accesses.

Police Capital Facilities Fee – Fund 3440

This fee is collected for the Police Tactical Training Center, police vehicles, parking facilities, communication systems, special equipment, and the future Northeast Area Precinct (to be shared with Fire).

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Fire Capital Facilities Fee – Fund 3450

This fee is collected for fire facility expansions, fire vehicles, special equipment, and the future Northeast Area Precinct (to be shared with Police).

Parks Capital Facilities Fee – Fund 3460

This fee is collected for land and construction costs for neighborhood, community, and regional parks, sports facilities, and community buildings.

City Hall and Other Government Facilities Capital Facilities Fee – Fund 3470

This fee is collected for debt service payments on City Hall, related parking facilities, the corporation yard and related facilities, City vehicles, and the City's information technology expansion.

Administration Capital Facilities Fee – Fund 3480

This fee is collected for the administration of the CFF Program. This includes preparation of an Annual CFF Program Report, preparation of a Five-Year CFF Report, day-to-day management of the CFF Program including preparation of annual CIP budgets, CFF Program annual inflationary updates, land value analyses and updates and CFF Program Proformas.

CURRENT FEE SCHEDULES

The current CFF Program allows for an annual inflationary adjustment equal to the increase in the annual change in the San Francisco Bay Area Engineering News Record Construction Cost Index through the month of December of the preceding year. No increase was applied in Fiscal Year 2017-18. Table 1 provides the adopted fee schedule for Fiscal Year 2017-18.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES¹

The Combining Statement of Revenues, Expenditures and Changes in Fund Balances provided in Table 2 outlines the beginning and ending balance of each fund for Fiscal Year 2017-18. Expenditures are identified by general categories. All revenue, unless collected under the deferral program, is collected at the time a building permit is issued. Since the CFF Program is a "pay-as-you-go" program, the City must accrue enough revenue prior to commencing construction of a project, resulting in an "aging" of fund balances. The aging or accumulation occurs until enough revenue has been collected to construct a project.

1 - Financial data is current as of September 30, 2018

FIVE YEAR REVENUE AND EXPENSE HISTORY²

As previously discussed, most revenue is collected when a building permit is issued for new development. Overall, CFF Program revenues increased 243.50% between Fiscal Years 2016-17 and 2017-18 while expenditures increased 418.28% over the same time period. Tables 3 and 4 provide a five-year snapshot of the CFF Program revenues and expenditures, respectively. Table 5 offers a combined picture of revenues, expenses and fund balance levels over the past five years.

DEFERRED CAPITAL FACILITIES FEES

Multi-Family, Commercial and Industrial

CFF Deferral Programs for Multi-Family, Commercial, and Industrial developments have been in place since 1991. Deferrals assist in off-setting the cost of new development by allowing applicants to pay a portion of the CFF due at the time of building permit issuance and the balance, plus interest, over a predetermined period of time. Table 6 details the four (4) active deferrals in Fiscal Year 2017-18.

EXEMPTIONS

The City of Modesto encourages the construction of Very Low and Low Income Housing development projects within the City. CFF exemptions can be provided to the Housing Authority of Stanislaus or to Community Housing Development Organizations (CHDO) for the development of low and very-low income households (under 60% of the area median income). There were no exemptions in Fiscal Year 2017-18.

REFUNDS

CFF may be refunded if a building permit expires, is revoked, voluntarily surrendered or voided, and no construction or improvement of land has commenced. In addition, CFF paid for placement of Trailers may be refunded if requested in writing within six years of payment, minus the administration component. Table 7 details the refund(s) made in Fiscal Year 2017-18.

CREDITS

CFF credits are granted when previously existing building(s) are removed and new building(s) are constructed. These credits may off-set up to but not more than 100% of the CFF due for the new development. Table 8 details the credits provided in Fiscal Year 2017-18.

² - Financial data is current as of September 30, 2018

TRANSFERS

A total of fourteen (14) inter-fund transfers occurred in Fiscal Year 2017-18. The transfers included the Tenth Street Place (City Hall) Debt Service payment, CIP Project closures and police loans. Table 9 offers details of each transfer.

CAPITAL IMPROVEMENT PROJECTS³

Information on projects funded by the CFF Program can be found in Table 10. The information in the table includes a listing of current projects, estimated construction start and end dates, estimated project costs, percentage of project funded by the CFF Program and general accounting information.

3- Financial data is current as of September 30, 2018

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Table 1: Fee Schedules Effective July 1, 2017 through June 30, 2018

2011 CFF PROGRAM - Development within City Limits										
Fee Category	Unit Measure Per	Streets	Public Transp.	Air Quality	Police	Fire	Parks	General Gov't.	Admin	Total
Single-Family Residential	Dwelling Unit	\$ 6,592	\$ 96	\$ 576	\$ 896	\$ 382	\$ 5,461	\$ 504	\$ 286	\$ 14,793
Multi-Family Residential	Dwelling Unit	\$ 4,566	\$ 67	\$ 759	\$ 540	\$ 176	\$ 3,395	\$ 309	\$ 154	\$ 9,966
Senior Housing	Dwelling Unit	\$ 3,978	\$ 36	\$ 741	\$ 526	\$ 172	\$ 3,311	\$ 303	\$ 109	\$ 9,176
Hotel/Motel	Room	\$ 3,427	\$ 60	\$ -	\$ 204	\$ 67	\$ -	\$ 117	\$ 86	\$ 3,961
Retail <50,000 SF	1,000 SF	\$ 9,910	\$ 197	\$ -	\$ 243	\$ 80	\$ -	\$ 140	\$ 268	\$ 10,838
Retail 50,000-100,000 SF	1,000 SF	\$ 8,227	\$ 162	\$ -	\$ 243	\$ 79	\$ -	\$ 139	\$ 223	\$ 9,073
Retail 100,000-300,000 SF	1,000 SF	\$ 6,944	\$ 137	\$ -	\$ 244	\$ 80	\$ -	\$ 140	\$ 189	\$ 7,734
Retail >300,000 SF	1,000 SF	\$ 6,478	\$ 126	\$ -	\$ 243	\$ 79	\$ -	\$ 140	\$ 177	\$ 7,243
Medical Office	1,000 SF	\$ 12,518	\$ 250	\$ -	\$ 406	\$ 133	\$ -	\$ 232	\$ 345	\$ 13,884
General Office	1,000 SF	\$ 6,058	\$ 107	\$ -	\$ 406	\$ 133	\$ -	\$ 233	\$ 156	\$ 7,093
Hospital	1,000 SF	\$ 8,779	\$ 155	\$ -	\$ 405	\$ 133	\$ -	\$ 233	\$ 218	\$ 9,923
Daycare	1,000 SF	\$ 4,847	\$ 85	\$ -	\$ 406	\$ 133	\$ -	\$ 233	\$ 126	\$ 5,830
Church	1,000 SF	\$ 1,033	\$ 18	\$ -	\$ 411	\$ 134	\$ -	\$ 237	\$ 36	\$ 1,869
Nursing Home	1,000 SF	\$ 1,512	\$ 26	\$ -	\$ 409	\$ 134	\$ -	\$ 236	\$ 47	\$ 2,364
Industrial (Manufacturing)	1,000 SF	\$ 2,348	\$ 41	\$ -	\$ 174	\$ 57	\$ -	\$ 100	\$ 60	\$ 2,780
Industrial (Warehousing)	1,000 SF	\$ 1,647	\$ 29	\$ -	\$ 175	\$ 57	\$ -	\$ 100	\$ 44	\$ 2,052

2011 CFF PROGRAM - Development within City's Sphere of Influence										
Fee Category	Unit Measure Per	Streets	Public Transp.	Air Quality	Police	Fire	Parks	General Gov't.	Admin	Total
Single-Family Residential	Dwelling Unit	\$ 7,167	\$ 76	\$ 1,453	\$ -	\$ -	\$ -	\$ -	\$ 185	\$ 8,881
Multi-Family Residential	Dwelling Unit	\$ 5,158	\$ 55	\$ 921	\$ -	\$ -	\$ -	\$ -	\$ 126	\$ 6,260
Senior Housing	Dwelling Unit	\$ 3,018	\$ 33	\$ 1,008	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 4,159
Hotel/Motel	Room	\$ 3,613	\$ 38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54	\$ 3,705
Retail <50,000 SF	1,000 SF	\$ 10,309	\$ 108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150	\$ 10,567
Retail 50,000-100,000 SF	1,000 SF	\$ 8,583	\$ 90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126	\$ 8,799
Retail 100,000-300,000 SF	1,000 SF	\$ 7,276	\$ 77	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107	\$ 7,460
Retail >300,000 SF	1,000 SF	\$ 6,797	\$ 73	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100	\$ 6,970
Medical Office	1,000 SF	\$ 13,107	\$ 139	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192	\$ 13,438
General Office	1,000 SF	\$ 6,415	\$ 67	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 98	\$ 6,580
Hospital	1,000 SF	\$ 9,180	\$ 97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 137	\$ 9,414
Daycare	1,000 SF	\$ 5,176	\$ 55	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80	\$ 5,311
Church	1,000 SF	\$ 1,239	\$ 13	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26	\$ 1,278
Nursing Home	1,000 SF	\$ 1,747	\$ 18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33	\$ 1,798
Industrial (Manufacturing)	1,000 SF	\$ 2,497	\$ 26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38	\$ 2,561
Industrial (Warehousing)	1,000 SF	\$ 1,782	\$ 19	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28	\$ 1,829

Table 2: Combining Statement of Revenues, Expenditures and Changes in Fund Balances Year Ended June 30, 2018¹

	3410	3420	3430	3440	3450	3460	3470	3480	
	Streets	Public Transp.	Air Quality	Police	Fire	Parks	General Gov't	Admin	Total
REVENUES:									
Grant Monies	\$ 6,485,930	\$ -	\$ 517,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,003,927
Fees Collected	\$ 4,452,343	\$ 72,618	\$ 170,138	\$ 389,376	\$ 145,364	\$ 1,343,507	\$ 221,271	\$ 138,953	\$ 6,933,570
Interest and Rent	\$ 253,231	\$ 2,943	\$ (1,336)	\$ 5,027	\$ 2,419	\$ 46,990	\$ 2,759	\$ 877	\$ 312,910
Net Change in Fair Value of Investments	\$ (167,096)	\$ (1,866)	\$ 844	\$ (3,077)	\$ (1,474)	\$ (29,660)	\$ (1,584)	\$ (548)	\$ (204,461)
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 11,024,408	\$ 73,695	\$ 687,643	\$ 391,326	\$ 146,309	\$ 1,360,837	\$ 222,446	\$ 139,282	\$ 14,045,946
EXPENDITURES:									
Current:									
General Gov't.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 107,582	\$ 107,582
Community Development	\$ 7,587,438	\$ -	\$ 618,128	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,205,566
Public Works	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81	\$ -	\$ -	\$ 81
Parks & Recreation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENDITURES	\$ 7,587,438	\$ -	\$ 618,128	\$ -	\$ -	\$ 81	\$ -	\$ 107,582	\$ 8,313,229
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ 3,436,970	\$ 73,695	\$ 69,515	\$ 391,326	\$ 146,309	\$ 1,360,756	\$ 222,446	\$ 31,700	\$ 5,732,717
OTHER FINANCING SOURCES (USES)									
Transfers In *	\$ 42,657	\$ -	\$ 133,451	\$ -	\$ -	\$ 211	\$ -	\$ -	\$ 176,319
Transfers Out*	\$ (18,441)	\$ -	\$ (23,243)	\$ (327,000)	\$ (105,000)	\$ -	\$ (86,000)	\$ (570)	\$ (560,254)
Sale of Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL OTHER FINANCING SOURCES	\$ 24,216	\$ -	\$ 110,208	\$ (327,000)	\$ (105,000)	\$ 211	\$ (86,000)	\$ (570)	\$ (383,935)
EXCESS (DEFICIENCY) OF REVENUES & OTHER USES	\$ 3,445,186	\$ 73,695	\$ 195,723	\$ 64,326	\$ 128,540	\$ 1,360,967	\$ 136,446	\$ 31,130	\$ 5,436,013
FUND BALANCES, July 1	\$ 25,756,572	\$ 226,577	\$ (22,078)	\$ 271,228	\$ (876,092)	\$ 3,786,712	\$ 148,094	\$ 73,366	\$ 29,364,379
PRIOR PERIOD ADJUSTMENT	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FUND BALANCES, June 30	\$ 29,201,758	\$ 300,272	\$ 173,645	\$ 335,554	\$ (747,552)	\$ 5,147,679	\$ 284,540	\$ 104,496	\$ 34,800,392

* See Table 9 for transfer details

1 - Financial data is current as of September 30, 2018

Table 3: Five Year Revenue History

Fund	2013-14	2014-15	2015-2016	2016-2017	2017-2018	Five Year Total
FUND 3410 - STREETS						
Fees Collected	\$ 559,440	\$ 1,776,952	\$ 1,154,289	\$ 2,777,286	\$ 4,452,343	\$ 10,720,310
Grant Monies	\$ 3,596,856	\$ 1,413,948	\$ 95,318	\$ 257,056	\$ 6,485,930	\$ 11,849,108
All Other Revenue Sources	\$ 100,917	\$ 173,198	\$ 209,320	\$ 223,723	\$ 253,321	\$ 960,479
Subtotal	\$ 4,257,213	\$ 3,364,098	\$ 1,458,927	\$ 3,258,065	\$ 11,191,594	\$ 23,529,897
FUND 3420 - PUBLIC TRANSP.						
Fees Collected	\$ 7,803	\$ 26,822	\$ 19,642	\$ 39,413	\$ 72,618	\$ 166,298
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 551	\$ 1,097	\$ 1,641	\$ 1,940	\$ 2,943	\$ 8,172
Subtotal	\$ 8,354	\$ 27,919	\$ 21,283	\$ 41,353	\$ 75,561	\$ 174,470
FUND 3430 - AIR QUALITY						
Fees Collected	\$ 1,291	\$ (17,013)	\$ 31,925	\$ 71,743	\$ 170,138	\$ 258,084
Grant Monies	\$ -	\$ 1,078	\$ 17,408	\$ 30,526	\$ 517,997	\$ 567,009
All Other Revenue Sources	\$ 218	\$ -	\$ 1,417	\$ 746	\$ (1,336)	\$ 1,045
Subtotal	\$ 1,509	\$ (15,935)	\$ 50,750	\$ 103,015	\$ 686,799	\$ 826,138
FUND 3440 - POLICE						
Fees Collected	\$ 12,107	\$ 92,348	\$ 125,740	\$ 178,304	\$ 389,376	\$ 797,875
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 6,581	\$ 5,156	\$ 3,607	\$ 2,568	\$ 5,027	\$ 22,939
Subtotal	\$ 18,688	\$ 97,504	\$ 129,347	\$ 180,872	\$ 394,403	\$ 820,814
FUND 3450 - FIRE						
Fees Collected	\$ 4,030	\$ 31,133	\$ 45,888	\$ 70,398	\$ 145,364	\$ 296,813
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 25	\$ 195	\$ 640	\$ 1,097	\$ 2,419	\$ 4,376
Subtotal	\$ 4,055	\$ 31,328	\$ 46,528	\$ 71,495	\$ 147,783	\$ 301,189
FUND 3461 - PARKS						
Fees Collected	\$ 10,612	\$ 59,138	\$ 300,445	\$ 764,012	\$ 1,343,507	\$ 2,477,714
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 22,403	\$ 16,912	\$ 23,574	\$ 30,471	\$ 46,990	\$ 140,350
Subtotal	\$ 33,015	\$ 76,050	\$ 324,019	\$ 794,483	\$ 1,390,497	\$ 2,618,064
FUND 3470 - GENERAL GOV'T						
Fees Collected	\$ 7,038	\$ 52,998	\$ 71,594	\$ 100,986	\$ 221,271	\$ 453,887
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 85	\$ 221	\$ 436	\$ 682	\$ 2,759	\$ 4,183
Subtotal	\$ 7,123	\$ 53,219	\$ 72,030	\$ 101,668	\$ 224,030	\$ 458,070
FUND 3480 - ADMINISTRATION						
Fees Collected	\$ 11,424	\$ 40,401	\$ 36,462	\$ 76,673	\$ 138,953	\$ 303,913
Grant Monies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
All Other Revenue Sources	\$ 152	\$ 322	\$ 534	\$ 508	\$ 877	\$ 2,393
Subtotal	\$ 11,576	\$ 40,723	\$ 36,996	\$ 77,181	\$ 139,830	\$ 306,306
TOTAL	\$ 4,341,593	\$ 3,674,006	\$ 2,199,880	\$ 4,628,132	\$ 14,250,497	\$ 29,034,948

1 - Financial data is current as of September 30, 2018

Table 4: Five Year Expenditure History

Fund	2013-14	2014-15	2015-16	2016-17	2017-18	Five Year Total
Fund 3410 – Streets	\$ (3,463,454)	\$ (2,734,430)	\$ (2,393,138)	\$ (1,200,904)	\$ (7,587,438)	\$ (17,379,364)
Fund 3420 – Public Transp.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 3430 – Air Quality	\$ -	\$ -	\$ (25,957)	\$ (318,813)	\$ (618,128)	\$ (962,898)
Fund 3440 – Police	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 3450 – Fire	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 3460 – Parks	\$ (83,586)	\$ (3,443)	\$ (4,795)	\$ (230)	\$ (81)	\$ (92,135)
Fund 3470 – General Gov't	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fund 3480 – Administration	\$ (29,336)	\$ (20,679)	\$ (29,399)	\$ (84,066)	\$ (107,582)	\$ (271,062)
TOTAL	\$ (3,576,376)	\$ (2,758,552)	\$ (2,453,289)	\$ (1,604,013)	\$ (8,313,229)	\$ (18,705,459)

1 – Financial data is current as of September 30, 2018

Table 5: Five Year Revenue and Expenditure History

1 – Financial data is current as of September 30, 2018

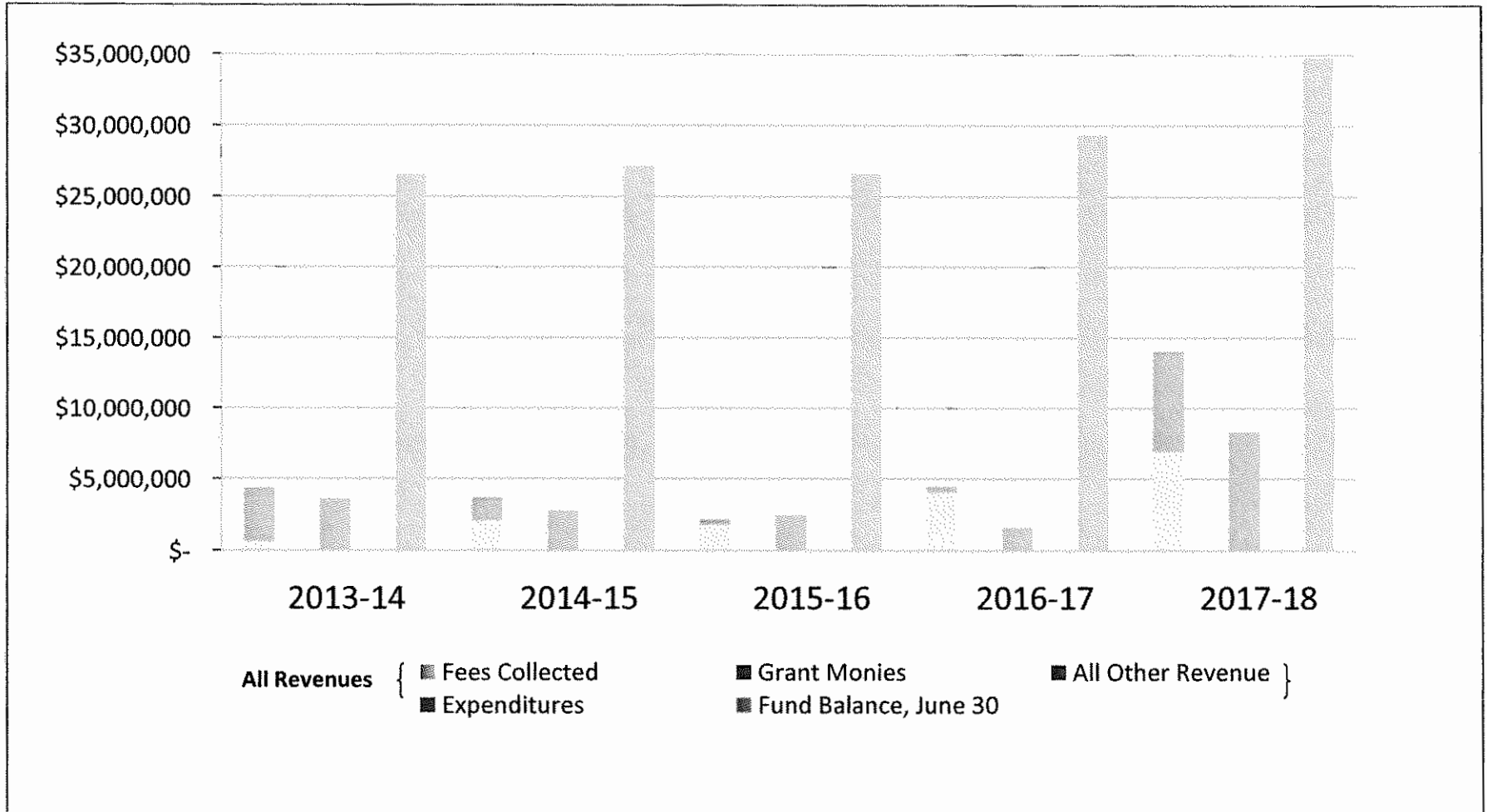


Table 6: Multifamily, Commercial and Industrial Deferrals

Receivable Fund	Applicant	Address	Agreement Start Date	Agreement End Date	Years Remaining	Balance		Outstanding Balance
						30 Jun-17	Payoffs	
Fund 3410 Streets	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 471.34	\$ 471.34	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 27,628.09	\$ 13,814.04	\$ 13,814.05
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 80,605.20	\$ 16,210.15	\$ 64,395.05
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 58,450.19	\$ 11,690.04	\$ 46,760.15
Subtotal						\$ 167,154.82	\$ 42,185.57	\$ 124,969.25
Fund 3420 Public Transportation	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 8.18	\$ 8.18	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 546.88	\$ 273.44	\$ 273.44
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 1,589.55	\$ 320.87	\$ 1,268.68
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 867.44	\$ 173.49	\$ 693.95
Subtotal						\$ 3,012.05	\$ 775.98	\$ 2,236.07
Fund 3430 Air Quality	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ -	\$ -	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ -	\$ -	\$ -
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ -	\$ -	\$ -
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 9,720.44	\$ 1,944.09	\$ 7,776.35
Subtotal						\$ 9,720.44	\$ 1,944.09	\$ 7,776.35
Fund 3440 Police	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 187.72	\$ 187.72	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 676.91	\$ 338.40	\$ 338.51
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 2,235.55	\$ 397.09	\$ 1,838.46
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 6,901.26	\$ 1,380.25	\$ 5,521.01
Subtotal						\$ 10,001.44	\$ 2,303.46	\$ 7,697.98
Fund 3450 Fire	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 60.95	\$ 60.95	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 223.57	\$ 111.80	\$ 111.77
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 736.85	\$ 131.18	\$ 605.67
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 2,245.14	\$ 449.03	\$ 1,796.11
Subtotal						\$ 3,266.51	\$ 752.96	\$ 2,513.55
Fund 3460 Parks	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ -	\$ -	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ -	\$ -	\$ -
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ -	\$ -	\$ -
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 43,461.33	\$ 8,692.27	\$ 34,769.06
Subtotal						\$ 43,461.33	\$ 8,692.27	\$ 34,769.06
Fund 3470 General Gov't.	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 108.00	\$ 108.00	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 389.75	\$ 194.89	\$ 194.86
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 1,286.20	\$ 228.68	\$ 1,057.52
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 3,954.51	\$ 790.90	\$ 3,163.61
Subtotal						\$ 5,738.46	\$ 1,322.47	\$ 4,415.99
Fund 3480 Administration	Brahman Maha Sabha of USA – 1 Permit	2325 Coffee Road	1/11/2013	1/1/2019	-	\$ 16.29	\$ 16.29	\$ -
	Fernando Arredondo – 1 Permit	921 8th Street	4/11/2014	5/1/2019	1	\$ 749.34	\$ 374.65	\$ 374.69
	Stephen & Richard Burton	1533 E. Briggsmore Ave.	10/20/2016	10/20/2021	4	\$ 2,184.85	\$ 439.67	\$ 1,745.18
	Wisdom Place LLC	1600 Wisdom Way	1/30/2017	12/1/2021	4	\$ 1,964.49	\$ 392.89	\$ 1,571.60
Subtotal						\$ 4,914.97	\$ 1,223.50	\$ 3,691.47
TOTAL						\$ 247,270.02	\$ 59,200.30	\$ 188,069.72

Table 7: Refunds

Receivable Fund	Applicant / Project	Amount Refunded
Fund 3410 Streets	Youssef Hadweh - 2716 Coffee Rd	\$ 27,986.59
Subtotal		\$ 27,986.59
Fund 3420 Public Transportation	Youssef Hadweh - 2716 Coffee Rd	\$ 553.98
Subtotal		\$ 553.98
Fund 3430 Air Mitigation	Youssef Hadweh - 2716 Coffee Rd	\$ -
Subtotal		\$ -
Fund 3440 Police	Youssef Hadweh - 2716 Coffee Rd	\$ 685.59
Subtotal		\$ 685.59
Fund 3450 Fire	Youssef Hadweh - 2716 Coffee Rd	\$ 226.49
Subtotal		\$ 226.49
Fund 3460 Parks	Youssef Hadweh - 2716 Coffee Rd	\$ -
Subtotal		\$ -
Fund 3470 General Gov't.	Youssef Hadweh - 2716 Coffee Rd	\$ 394.82
Subtotal		\$ 394.82
Fund 3480 Administration	Youssef Hadweh - 2716 Coffee Rd	\$ -
Subtotal		\$ -
TOTAL		\$ 29,847.47

TABLE 8: Credits for Previously Existing Buildings

Fund	Address	CFF Due	CFF Credit	CFF Paid
Fund 3410 Streets	1701 PRESCOTT RD	\$ 32,862.45	\$ (15,232.08)	\$ 17,630.37
	1205 E WHITMORE AVE	\$ 574,028.43	\$ (17,749.94)	\$ 556,278.49
	1210 SANTA FE AVE	\$ 6,591.76	\$ (10,306.68)	\$ (3,714.92)
	4201 MCHENRY AVE	\$ 241,117.86	\$ (10,262.18)	\$ 230,855.68
	568 S RIVERSIDE DR	\$ 125,604.84	\$ (9,483.61)	\$ 116,121.23
	1836 ROBERTSON RD	\$ 15,235.54	\$ (7,167.77)	\$ 8,067.77
	1240 N 9TH ST	\$ 28,001.39	\$ (30,578.88)	\$ (2,577.49)
	1328 COFFEE RD	\$ 140,722.89	\$ (6,591.76)	\$ 134,131.13
	742 KERR AVE	\$ 6,591.76	\$ (6,591.76)	\$ -
	3125 COFFEE RD	\$ 51,577.11	\$ (24,959.50)	\$ 26,617.61
	1328 MONTEREY AVE	\$ 6,591.76	\$ (6,591.76)	\$ -
Fund 3410 Subtotal		\$ 1,228,925.79	\$ (145,515.92)	\$ 1,083,409.87
Fund 3420 Public Transportation	1701 PRESCOTT RD	\$ 650.49	\$ (301.51)	\$ 348.98
	1205 E WHITMORE AVE	\$ 10,297.76	\$ (260.08)	\$ 10,037.68
	1210 SANTA FE AVE	\$ 96.15	\$ (204.01)	\$ (107.86)
	4201 MCHENRY AVE	\$ 2,539.84	\$ (109.56)	\$ 2,430.28
	568 S RIVERSIDE DR	\$ 1,341.02	\$ (101.25)	\$ 1,239.77
	1836 ROBERTSON RD	\$ 151.00	\$ (75.50)	\$ 75.50
	1240 N 9TH ST	\$ 502.33	\$ (551.14)	\$ (48.81)
	1328 COFFEE RD	\$ 2,809.46	\$ (96.15)	\$ 2,713.31
	742 KERR AVE	\$ 96.15	\$ (96.15)	\$ -
	3125 COFFEE RD	\$ 1,029.71	\$ (441.27)	\$ 588.44
	1328 MONTEREY AVE	\$ 96.15	\$ (96.15)	\$ -
Fund 3420 Subtotal		\$ 19,610.06	\$ (2,332.77)	\$ 17,277.29
Fund 3430 Air Mitigation	1205 E WHITMORE AVE	\$ -	\$ (1,913.26)	\$ (1,913.26)
	1210 SANTA FE AVE	\$ 576.93	\$ -	\$ 576.93
	1836 ROBERTSON RD	\$ 2,906.20	\$ (1,453.10)	\$ 1,453.10
	1328 COFFEE RD	\$ -	\$ (576.93)	\$ (576.93)
	742 KERR AVE	\$ 576.93	\$ (576.93)	\$ -
1328 MONTEREY AVE	\$ 576.93	\$ (576.93)	\$ -	
Fund 3430 Subtotal		\$ 4,636.99	\$ (5,097.15)	\$ (460.16)
Fund 3440 Police	1701 PRESCOTT RD	\$ 805.03	\$ (373.14)	\$ 431.89
	1205 E WHITMORE AVE	\$ 60,856.88	\$ (2,332.07)	\$ 58,524.81
	1210 SANTA FE AVE	\$ 896.46	\$ (252.48)	\$ 643.98
	1240 N 9TH ST	\$ 2,968.63	\$ (1,559.99)	\$ 1,408.64
	1328 COFFEE RD	\$ 4,557.57	\$ (896.46)	\$ 3,661.11
	742 KERR AVE	\$ 896.46	\$ (896.46)	\$ -
	3125 COFFEE RD	\$ 1,670.42	\$ (1,671.56)	\$ (1.14)
1328 MONTEREY AVE	\$ 896.46	\$ (896.46)	\$ -	
Fund 3440 Subtotal		\$ 73,547.91	\$ (8,878.62)	\$ 64,669.29
Fund 3450 Fire	1701 PRESCOTT RD	\$ 265.95	\$ (123.27)	\$ 142.68
	1205 E WHITMORE AVE	\$ 19,808.88	\$ (938.72)	\$ 18,870.16
	1210 SANTA FE AVE	\$ 381.66	\$ (83.41)	\$ 298.25
	1240 N 9TH ST	\$ 966.29	\$ (514.99)	\$ 451.30
	1328 COFFEE RD	\$ 1,482.77	\$ (381.66)	\$ 1,101.11
	742 KERR AVE	\$ 381.66	\$ (381.66)	\$ -
	3125 COFFEE RD	\$ 543.46	\$ (546.47)	\$ (3.01)
1328 MONTEREY AVE	\$ 381.66	\$ (381.66)	\$ -	
Fund 3450 Subtotal		\$ 24,212.33	\$ (3,351.84)	\$ 20,860.49
Fund 3460 Parks	1205 E WHITMORE AVE	\$ -	\$ (14,318.57)	\$ (14,318.57)
	1210 SANTA FE AVE	\$ 5,461.58	\$ -	\$ 5,461.58
	1328 COFFEE RD	\$ -	\$ (5,461.58)	\$ (5,461.58)
	742 KERR AVE	\$ 5,461.58	\$ (5,461.58)	\$ -
1328 MONTEREY AVE	\$ 5,461.58	\$ (5,461.58)	\$ -	
Fund 3460 Subtotal		\$ 16,384.74	\$ (30,703.31)	\$ (14,318.57)

TABLE 8: Credits for Previously Existing Buildings-Continued

Fund	Address	CFE Due	CFE Credit	CFE Paid
Fund 3470	1701 PRESCOTT RD	\$ 463.61	\$ (214.89)	\$ 248.72
General	1205 E WHITMORE AVE	\$ 34,826.44	\$ (1,317.83)	\$ 33,508.61
Govt.	1210 SANTA FE AVE	\$ 504.44	\$ (145.40)	\$ 359.04
	1240 N 9TH ST	\$ 1,698.85	\$ (894.15)	\$ 804.70
	1328 COFFEE RD	\$ 2,606.56	\$ (504.44)	\$ 2,102.12
	742 KERR AVE	\$ 504.44	\$ (504.44)	\$ -
	3125 COFFEE RD	\$ 955.34	\$ (961.44)	\$ (6.10)
	1328 MONTEREY AVE	\$ 504.44	\$ (504.44)	\$ -
Fund 3470 Subtotal		\$ 42,064.12	\$ (5,047.03)	\$ 37,017.09
Fund 3480	1701 PRESCOTT RD	\$ 891.28	\$ (413.12)	\$ 478.16
Administration	1205 E WHITMORE AVE	\$ 15,303.61	\$ (721.53)	\$ 14,582.08
	1210 SANTA FE AVE	\$ 284.02	\$ (279.54)	\$ 4.48
	4201 MCHENRY AVE	\$ 3,555.66	\$ (163.30)	\$ 3,392.36
	568 S RIVERSIDE DR	\$ 1,998.64	\$ (150.91)	\$ 1,847.73
	1836 ROBERTSON RD	\$ 371.26	\$ (185.63)	\$ 185.63
	1240 N 9TH ST	\$ 746.51	\$ (784.85)	\$ (38.34)
	1328 COFFEE RD	\$ 3,902.04	\$ (284.02)	\$ 3,618.02
	742 KERR AVE	\$ 284.02	\$ (284.02)	\$ -
	3125 COFFEE RD	\$ 1,430.16	\$ (642.92)	\$ 787.24
	1328 MONTEREY AVE	\$ 284.02	\$ (284.02)	\$ -
Fund 3480 Subtotal		\$ 29,051.22	\$ (4,193.86)	\$ 24,857.36
Total		\$ 1,438,433.16	\$ (205,120.50)	\$ 1,233,312.66

Table 10: Capital Improvement Project (CIP) Expenditures¹

Project Number	Project Number	Project Name	% Funded by Fee	% Funded by Other	Budget	Previous FYs Expenditures	Committed Funds	FY 2017-18 Expenditures	Balance Available	Estimated Construction Start FY	Estimated Construction End FY
Fund 3410 Streets	100046	Pelandale Interch at SR99	73.13%	26.87%	\$ 9,509,987	\$ (8,755,633.00)	\$ 381,528	\$ (48,152.00)	\$ 324,674.00	2004/15	2018/19
	100048	Claratina/McHenry Plan Line			\$ 341,500	\$ (38,815.00)	\$ -	\$ -	\$ 302,685.00	2019/20	2020/21
	100049	Oakdale Road Widening	100.00%		\$ 1,387,588	\$ (12,412.00)	\$ -	\$ -	\$ 1,375,176.00	2019/20	2020/21
	100051	Claratina: McHenry/Coffee 4 Ln			\$ 6,062,911	\$ (2,933,158.00)	\$ 1,569,977	\$ (235,270.00)	\$ 1,324,506.00	2018/19	2019/20
	100585	CED - Rt Trn Ln Oakdale/Scenic	11.47%	88.53%	\$ 395,346	\$ (148,842.00)	\$ -	\$ -	\$ 246,504.00	2017/18	2018/19
	100586	CED - 7th St Bridge Tuolumne		100.00%	\$ 683,500	\$ (189,566.00)	\$ -	\$ (77,787.00)	\$ 416,147.00	2020/21	2021/22
	100614	State Route 132 W. Express	42.39%	57.61%	\$ 35,570,081	\$ (14,773,345.00)	\$ 2,656,928	\$ (37,765.00)	\$ 18,102,043.00	2016/17	2018/19
	100631	Oakdale/Sylvan Intrscct Improv		100.00%	\$ 750,000	\$ (279,711.00)	\$ 20,587	\$ (5,824.00)	\$ 443,878.00	2013/14	2018/19
	100632	Rt Turn Ln McHenry to Briggs	18.45%	81.55%	\$ 2,131,892	\$ (420,216.00)	\$ 880	\$ (4,632.00)	\$ 1,706,164.00	2016/17	2018/19
	100787	Pelandale I/C Monument Sign			\$ 397,819	\$ (258,270.00)	\$ 744	\$ (892.00)	\$ 137,913.00	2014/15	2018/19
	100943	Claus Rd Bike Path			\$ 80,000	\$ (66,753.00)	\$ 7,303	\$ -	\$ 5,944.00	2017/18	2018/19
	100944	Tuolumne, 7th & B			\$ 200,000	\$ -	\$ -	\$ -	\$ 200,000.00	2020/21	2021/22
	100945	Hetch-Hetchy			\$ 6,270,000	\$ (340,101.00)	\$ 33,225	\$ (1,999.00)	\$ 5,894,675.00	2019/20	2020/21
	101067	CFF Reimbursment-VC			\$ 204,210	\$ -	\$ 204,210	\$ -	\$ -	2017/18	2018/19
Subtotal:								\$ (412,321.00)			
Fund 3430 Air Quality	100882	MJC Bike Path Phase 2		100.00%	\$ 1,130,000	\$ (939,138.00)	\$ 3,114	\$ (27,976.00)	\$ 159,772.00	2016/17	2018/19
Subtotal:								\$ (27,976.00)			
Fund 3460 Parks	100677	Lighting Playground&Shade			\$ 785,834	\$ (2,560.00)	\$ -	\$ -	\$ 783,274.00	2019/20	2020/21
	100779	MGCP Maintenance Facility		100.00%	\$ 500,000	\$ (42,141.00)	\$ 414,297	\$ -	\$ 43,562.00	2018/19	2019/20
	101017	Mary Grogan Park - Phase 2			\$ 1,950,000	\$ -	\$ -	\$ -	\$ 1,950,000.00	2019/20	2020/21
Subtotal:								\$ -			
TOTAL:								\$ (440,297.00)			

¹ Financial data is current as of September 30, 2018

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-561**

**RESOLUTION ACCEPTING THE FISCAL YEAR 2017-18 ANNUAL REPORT
OF FUNDS HELD FOR FUTURE IMPROVEMENTS, AND MAKING FINDINGS
RELATED TO EACH SECURITY ON FILE**

WHEREAS, California Government Code Sections 66000 and 66006 require that the City make certain information available to the public and findings relating to the necessity of collecting fees for new development, and

WHEREAS, the City is collecting impact fees as security for future improvements that will be needed as a condition of approval for new development, and

WHEREAS, \$2,500 in impact fees were paid by Fuentes Construction on March 8, 2001, as a condition of approval for the project located at 1024 Florence Avenue, Modesto, for future improvements including connection to the City sewer system and the installation of curb, gutter and sidewalk improvements, and

WHEREAS, \$29,393.72 in impact fees were collected from American Home Builders as a condition of approval for its project located at 3055 Floyd Avenue, Modesto, on September 2, 2005, for future improvements including the expansion of Beta Street to the north of the property, and

WHEREAS, \$27,165 in impact fees were collected from Best Modesto Partners on September 30, 2008, as a condition of approval for its project located at 3019 Floyd Avenue, Modesto, for future improvements including the construction of an on-site driveway and the reconstruction of the nearby bus turnout and off-site driveway, and

WHEREAS, it has been determined that full funding for the various improvements has not yet been received, and

WHEREAS, it has been determined by staff that the impact fees collected for all three projects should be retained until additional funding can be obtained, and

WHEREAS, a public hearing at the City Council in the Tenth Street Place Chambers located at 1010 Tenth Street, Modesto, California was set for December 11, 2018, to enable the public to have the opportunity to comment on the impact fees collected.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Modesto that it hereby finds and determines that the impact fees collected for future improvements are necessary to fund future infrastructure needed for new development.

1. That the revenue anticipated for the full development of infrastructure improvements required for these projects have not been fully collected to complete the financing of said improvements. It is presently anticipated that there will be no regular sources of funding to develop the required improvements apart from impact fees collected from neighboring properties.
2. That the anticipated dates for the full collection of fees is unknown at this time as impact fees are based on development activity which is not controlled by the City.
3. That the funding for the future improvements to include connection to the City sewer system and the installation of curb, gutter and sidewalk improvements located at 1024 Florence Avenue, Modesto, is not yet known, but there is still a need, and therefore fees should still be retained for these purposes.
4. That the timing for the future improvements including the expansion of Beta Street to the north of the property located at 3055 Floyd Avenue, Modesto, is not

yet known, but there is still a need, and therefore fees should still be retained for these purposes.

5. That the timing for the future improvements including the construction of an on-site driveway and the reconstruction of the nearby bus turnout and off-site driveway located at 3019 Floyd Avenue, Modesto, is not yet known, but there is still a need, and therefore fees should still be retained for these purposes.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Zoslocki, Mayor Brandvold

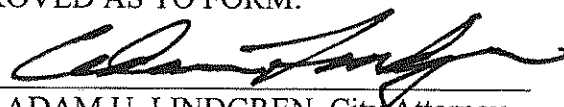
NOES: Councilmembers: None

ABSENT: Councilmembers: Ridenour

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-562**

**RESOLUTION AMENDING EXHIBIT “B” OF MODESTO CITY COUNCIL
RESOLUTION NO. 86-1184 TO REVISE RENTAL RATES AT THE MODESTO
CENTRE PLAZA, AUTHORIZING THE DIRECTOR OF PARKS,
RECREATION AND NEIGHBORHOODS TO APPROVE NEGOTIATED
RENTAL PRICING AND SET SERVICE FEES AS NEEDED, AND RECINDING
RESOLUTION NO. 2015-22**

WHEREAS, on October 14, 1986, by Resolution No. 86-1184, Council approved the Modesto Community Center Policies and Rental rates, and

WHEREAS, on May 22, 1990, by Resolution No. 90-546, Council amended **Exhibit “B”** of Council Resolution No. 86-1184, and

WHEREAS, on August 26, 1991, by Resolution No. 91-544, Council amended **Exhibit “B”** of Council Resolution No. 86-1184, and rescinded Resolution No. 90-546, and

WHEREAS, on January 29, 2003, by Resolution No. 2003-59, Council amended **Exhibit “B”** of Council Resolution No. 86-1184, and rescinded Resolution No. 91-544, and

WHEREAS, on January 27, 2015, by Resolution No. 2015-22, Council amended **Exhibit “B”** of Council Resolution No. 86-1184, rescinded Resolution No. 2013-59, and authorized the Business Center Manager to negotiate rental pricing as needed, and

WHEREAS, staff recommends increasing rental rates at the MCP in two phases for all persons to whom a license for MCP use is issued, and

WHEREAS, Phase I rental rates will become effective on January 1, 2019, and

WHEREAS, Phase II rental rates will become effective on July 1, 2020, and

WHEREAS, staff also recommends the Director of Parks, Recreation and Neighborhoods have the authority to negotiate MCP rental pricing and service fees as needed, and

WHEREAS, said matter was considered at a public hearing by the City Council at its meeting on December 4, 2018, in the Tenth Street Place Chambers located at 1010 10th Street, Modesto, California.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that **Exhibit "B"** of Modesto City Council Resolution 86-1184 is hereby amended and that the revised rental rates for use of the Modesto Centre Plaza are hereby approved as set forth on **Exhibit "A" attached** hereto and incorporated herein by reference.

BE IT FURTHER RESOLVED that the Director of Parks, Recreation and Neighborhoods shall have the authority to negotiate rental pricing and set service fees as needed.

BE IT FURTHER RESOLVED that all other provisions of Modesto City Council Resolution No. 86-1184 not in conflict with this resolution shall remain in full force and effect.

BE IT FURTHER RESOLVED that Resolution No. 2015-22 is hereby rescinded effective January 1, 2019.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

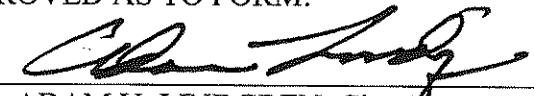
By: 
ADAM U. LINDGREN, City Attorney

Exhibit "A"

**Modesto Centre Plaza
Rental Rate Fee Schedule**

Room	Current Rates (Effective 7/1/16)			Phase I (Effective 1/1/2019)			Phase II (Effective 7/1/2020)		
	Private Rates	Nonprofit Rates	Rehearsal Day	Private Rates	Nonprofit Rates	Rehearsal Day	Private Rates	Nonprofit Rates	Rehearsal Day
Harvest Hall 16,000 SF	\$3,000	\$2,100	\$1,500	\$3,500	\$2,450	\$1,750	\$4,300	\$3,000	\$2,150
Tuolumne Room 9,600 SF	\$2,000	\$1,400	\$1,000	\$2,400	\$1,700	\$1,200	\$2,800	\$1,950	\$1,400
Stanislaus Room 3,400 SF	\$680	\$475	\$340	\$850	\$600	\$450	\$950	\$675	\$500
San Joaquin Room 2,000 SF	\$400	\$280	\$200	\$550	\$400	\$300	\$600	\$425	\$300
Arbor Theatre 4,000 SF	\$800	\$560	\$400	\$1,400	\$1,000	\$700	\$1,600	\$1,150	\$800
Grand Lobby Rental with Harvest Hall Rental w/o Harvest Hall 6,300 SF	\$600/ \$800	\$450/ \$580	\$300/ \$400	\$600/ \$800	\$450/ \$580	\$300/ \$400	\$600/ \$800	\$450/ \$580	\$300/ \$400
Park Plaza Rental with Harvest Hall Rental w/o Harvest Hall	\$600/ \$800	\$450/ \$580	\$300/ \$400	\$600/ \$800	\$450/ \$580	\$300/ \$400	\$600/ \$800	\$450/ \$580	\$300/ \$400
Mayor Lang Terrace	\$450	N / A	\$225	\$450	N / A	\$225	\$450	N / A	\$225
Pistache Room AND Ginkgo Room 2,400 SF	\$600	\$420	\$300	\$800	\$550	\$400	\$1,000	\$700	\$500
Pistache Room 1,200 SF	\$300	\$210	\$200	\$400	\$275	\$200	\$500	\$350	\$250
Ginkgo Room 1,200 SF	\$300	\$210	\$200	\$400	\$275	\$200	\$500	\$350	\$250
Large Kitchen Large Kitchen - Non-Appliance Use	\$400/ \$200	N / A	N / A	\$500/ \$500	N / A	N / A	\$500/ \$500	N / A	N / A
Parking Lot – Entire Lot Parking Lot – Small Lot	\$700/ \$300	N / A	N / A	\$1,000 \$500	N / A	N / A	\$1,000/ \$500	N / A	N / A

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-563**

RESOLUTION APPROVING AN INCREASE OF \$660,000 TO THE FISCAL YEAR 2018-19 BLANKET PURCHASE ORDERS DESCRIBED IN THE SUMMARY TABLE FOR A TOTAL AMOUNT NOT TO EXCEED \$1,200,000, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO INCREASE THE ANNUAL BLANKET PURCHASE ORDERS

WHEREAS, under the City of Modesto's Purchasing Manual, Section II, Procedure No. 2, one of the procurement methods used under this manual allows for the Purchasing Division to establish a Blanket Purchase Order; Blanket Purchase Order is issued to selected suppliers for use by City employees to procure repetitive, high volume, low dollar value (less than \$3,500) items on a continuing basis and annual spending must be under \$50,000, and

WHEREAS, on July 1, 2018, the City established a list of 201 Blanket Purchase Orders to be utilized for various goods which cannot exceed \$50,000 over the fiscal year citywide which has decreased from 347 Blanket Purchase Orders that were created in Fiscal Year 2017-18, and

WHEREAS, Blanket Purchase Orders are approved under the City Manager authority as long as the City does not spend more than \$50,000 each fiscal year; total citywide expenses under the Blanket Purchase Orders provided under **Attachment #2** are close to reaching the \$50,000 annual limit before the expiration date of June 30, 2019, and

WHEREAS, the Purchasing Division has been working closely with all of the suppliers under these Blanket Purchase Orders to review the sales history report and determine the best option to convert these into stand-alone agreements that go through a competitive bidding process, and

WHEREAS, Per MMC Section 8-3.204(c), the Purchasing Manager has the authority to recognize the department's current situation as an exigent circumstance; acting within the scope of this authority, the Purchasing Manager recommends staff be allowed to increase spending authority under these Blanket Purchase Orders to \$660,000 in accordance with MMC Section 8-3.204(c) ensuring citywide services are not interrupted and essential work is not significantly delayed.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves an increase of \$660,000 to the Fiscal Year 2018-19 Blanket Purchase Orders described in the Summary Table for a total amount not to exceed \$1,200,000.

BE IT FURTHER RESOLVED, the City Manager, or his designee, is authorized to increase the annual Blanket Purchase Orders approved by Council.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-564**

**RESOLUTION OF THE CITY OF MODESTO DECLARING A SHELTER
CRISIS IN MODESTO, PURSUANT TO SB 850 (CHAPTER 48, STATUTES OF
2018 AND GOVERNMENT CODE 8698.2)**

WHEREAS, California's Governor Edmund G. Brown, Jr. and the members of the California legislature have recognized the urgent and immediate need for funding at the local level to combat homelessness; and

WHEREAS, the Governor and Legislature have provided funding to local governments under the Homeless Emergency Aid Program as part of SB 850 and the 2018-2019 Budget Act (Chapter 48, Statutes of 2018); and

WHEREAS, the Governor and Legislature require jurisdictions seeking an allocation through the Homeless Emergency Aid Program to declare a Shelter Crisis pursuant to Government Code 8698.2; and

WHEREAS, Government Code section 8698 allows local governments to declare a shelter crisis if there is an existence of a situation in which a significant number of persons are without the ability to obtain shelter, resulting in a threat to their health and safety; and

WHEREAS, the City of Modesto has developed a homelessness plan and undertaken multiple efforts at the local level to combat homelessness; and

WHEREAS, the City of Modesto finds that there are approximately 1,221 homeless persons within the City of Modesto (according to the 2017 Point in Time Count), of which 425 are currently camping at Beard Brook Park; and

WHEREAS, the City of Modesto finds that the number of homeless is significant, and these persons are without the ability to obtain shelter; and

WHEREAS, the City of Modesto finds that the health and safety of unsheltered persons in Modesto are threatened by a lack of shelter; and

WHEREAS, the City of Modesto affirms the City of Modesto's commitment to combatting homelessness and creating or augmenting a continuum of shelter and service options for those living without shelter in the community.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Modesto that a shelter crisis pursuant to Government Code 8698.2 exists in Modesto, and authorizes the City's participation in the Homeless Emergency Aid Program.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-565**

**RESOLUTION AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE,
TO NEGOTIATE, ENTER INTO, AND EXECUTE AN AGREEMENT WITH
THE DOWNTOWN STREETS TEAM IN CONJUNCTION WITH THE COUNTY
OF STANISLAUS, THE STANISLAUS COMMUNITY FOUNDATION, AND
THE UNITED WAY OF STANISLAUS FOR A 3-YEAR TERM, WHERE THE
CITY OF MODESTO'S SHARE SHALL NOT EXCEED \$300,000
THROUGHOUT THE 3-YEAR AGREEMENT**

WHEREAS, the City of Modesto has approximately 1,221 homeless individuals across the City and 425 in Beard Brook Park; and

WHEREAS, it is necessary for the City to be proactive in tackling homelessness; and

WHEREAS, the Downtown Streets Team (DST) program aims to end homelessness through workforce training, employment, and employer pipelines; and

WHEREAS, the DST program provides homeless and low-income people with volunteer opportunities for beautification projects and litter abatement around the community; and

WHEREAS, in exchange for volunteer efforts, the DST participants receive weekly stipend cards that cover everything from bus passes, phone service, food, medication, enrollment fees for employment training courses; and

WHEREAS, the County of Stanislaus and the Stanislaus Community Foundation have agreed to serve as funding partners for the implementation of the DST program; and

WHEREAS, the City Manager requires authority to negotiate, enter into and execute an agreement in conjunction with the County of Stanislaus, the Stanislaus Community Foundation, and the United Way of Stanislaus with the Downtown Streets Team for a 3-year term; and

WHEREAS, the City's share in the cost of the agreement shall not exceed \$100,000 annually and \$300,000 throughout the 3-year agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City Manager, or his designee, to negotiate, enter into, and execute an agreement with the Downtown Streets Team in conjunction with the County of Stanislaus, the Stanislaus Community Foundation, and the United Way of Stanislaus for a 3-year term where the City of Modesto's share shall not exceed \$300,000 throughout the 3-year agreement.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 11th day of December, 2018, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Ah You, Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold

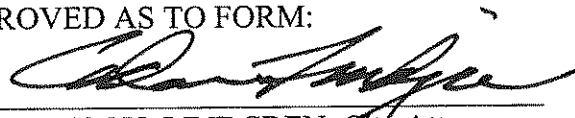
NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney

**MODESTO CITY COUNCIL
RESOLUTION NO. 2018-566**

**RESOLUTION APPROVING THE ISSUANCE OF UP TO TEN (10)
COMMERCIAL CANNABIS RETAIL DISPENSARY PERMITS AT VARIOUS
LOCATIONS IN THE CITY WITH APPROPRIATE CONDITIONS**

WHEREAS, the City Council has adopted a Commercial Cannabis Ordinance, Ordinance 3684-C.S., that established the City's regulatory framework for commercial cannabis uses, and

WHEREAS, under Section 10-3.704(b) of the Ordinance, the City Council via Resolution 2017-525 established the total number of commercial cannabis permits issued by the City for cannabis dispensaries at ten maximum (10) permits, and

WHEREAS, under Section 10-3.704(g) and City Council Resolution 2017-525, the City Manager designed the application forms and procedures for commercial cannabis dispensary permits, with input from the City Council Ad Hoc Cannabis Committee, and a competitive process was opened, and

WHEREAS, some 20 proposals were received by the City for commercial cannabis dispensary permits; City staff and the City Council Ad Hoc Cannabis Committee scored such proposals following technical reviews and interviews related to community benefits, and

WHEREAS, the City Council Ad Hoc Cannabis Committee has recommended to the City Council approval of eight dispensary applications, taking into account issues related to the collective impact of having up to ten dispensaries Citywide, diversity of background, variety of operation sizes and business locations, general neighborhood and safety impacts, as well as the desire to have the dispensaries dispersed in various

locations throughout the City to lessen collective impacts, increase chances of success, and allow for accessibility from various areas of the City, and

WHEREAS, under Section 10-3.704(f), commercial cannabis permits must be awarded by the City Council and such decisions are final and not subject to appeal, and

WHEREAS, the City Council held a properly noticed public hearing to consider all applications for commercial cannabis dispensary permits on December 19, 2018, and

WHEREAS, the City Council desires to award commercial cannabis dispensary permits to qualified operators at permitted locations who will achieve compliance with state and local laws and regulations, enhance the diversity of the City's economy, mitigate negative impacts, provide a variety of locations and types of cannabis dispensaries to the community, and best promote the public health, safety, and general welfare of Modesto residents and businesses.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby finds and determines as follows:

1. All of the proposed project applications for Commercial Cannabis Dispensary Permits are exempt from further analysis under the California Environmental Quality Act (CEQA) under the in-fill streamlining process found in CEQA Regulation 15183.3 and/or the existing facilities exemption in Regulation 15301 and/or the exemption for new construction or conversion of small structures under Regulation 15303. Furthermore, the proposed businesses are exempt from CEQA under the general rule in CEQA Guidelines section 15061(b)(3), that CEQA only applies to projects that have the potential for causing a significant effect on the environment. The businesses are retail uses and are permitted under the current zoning code.
2. A waiver to the proximity requirements of the City's commercial cannabis ordinance is hereby granted for the dispensary locations requiring proximity waivers due to impassible physical barriers such as a building, sound wall, major street or highway.
 - a. Any permit awarded that requires a proximity waiver, shall require a condition that an eight (8) foot masonry wall, or wall of a similar material, be constructed in a manner and location approved by the City.

BE IT FURTHER RESOLVED by the Council that pursuant to Modesto Municipal Code Section 10-3.704(f), City of Modesto Commercial Cannabis Permits are awarded for the following qualified dispensaries upon an adequate showing of full compliance with all City requirements:

- CR & D, Inc. 439 Maze Blvd.
- CV Wellness 426 McHenry Ave.
- Doctor's Choice 2039 Yosemite Ave.
- Medallion Wellness 1313 McHenry Ave.
- Medical Highway/Modesto Roots 1944 W. Orangeburg Ave.
- People's Remedy - Crows Landing 1982 Crows Landing Rd.
- People's Remedy - McHenry 2308 McHenry Ave.
- Phenos Cooperative 1234 McHenry Ave.

BE IT FURTHER RESOLVED, that the People's Remedy, located at 1982 Crows Landing Road, be approved as a Micro business.

BE IT FURTHER RESOLVED by the Council that the City Manager is authorized to apply necessary and appropriate general and site-specific conditions of approval to individual Commercial Cannabis Dispensary Permits.

BE IT FURTHER RESOLVED by the Council that this Resolution shall become effective immediately upon adoption.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 19th day of December, 2018, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

AYES: Councilmembers: Grewal, Kenoyer, Madrigal, Ridenour, Zoslocki, Mayor Brandvold


NOES: Councilmembers: None

ABSENT: Councilmembers: Ah You

ATTEST: 
STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 
ADAM U. LINDGREN, City Attorney