



**CITY OF HUGHSON  
CITY COUNCIL MEETING  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA**

**AGENDA  
MONDAY, November 9, 2015 – 7:00 P.M.**

**CALL TO ORDER:** Mayor Matt Beekman

**ROLL CALL:** Mayor Matt Beekman  
Mayor Pro Tem Jeramy Young  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Harold Hill

**FLAG SALUTE:** Mayor Matt Beekman

**INVOCATION:** Hughson Ministerial Association

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

**2. PRESENTATIONS:** None.

**3. CONSENT CALENDAR:**

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1:** Approve the Minutes of the Regular Meeting of October 26, 2015.
- 3.2:** Approve the Warrants Register.
- 3.3:** Review and approve the City of Hughson Treasurer's Report: Investment Portfolio Report for August 2015.
- 3.4:** Authorize the Mayor to sign the amendment to the lease agreement and associated documents with Stanislaus County for property located at 2413 3<sup>rd</sup> Street in Hughson.
- 3.5:**
1. Approval to utilize Condor Earth Technologies to conduct a Phase I Environmental Site Assessment on City property located near the Waste Water Treatment Facility.
  2. Authorize the City Manager to execute any necessary agreements with Condor Earth Technologies for completion of the said Phase I Environmental Site Assessment for a cost not to exceed \$3,600.
- 3.6:** Authorize the closure of City Hall from December 24, 2015 through January 1, 2016.

**4. UNFINISHED BUSINESS: None.**

**5. PUBLIC HEARING TO CONSIDER THE FOLLOWING:**

**6. NEW BUSINESS: None.**

**7. CORRESPONDENCE: None.**

**8. COMMENTS:**

**8.1:** Staff Reports and Comments: (Information Only – No Action)

**City Manager:**

Any documents produced by the City and distributed to a majority of the City Council regarding any item on this Agenda will be made available at the City Clerk's counter at City Hall located at 7018 Pine Street, Hughson, CA.

**City Clerk:**

**Community Development Director:**

**Director of Finance:**

**Police Services:**

**City Attorney:**

**8.2:** Council Comments: (Information Only – No Action)

**8.3:** Mayor’s Comments: (Information Only – No Action)

**9. CLOSED SESSION TO DISCUSS THE FOLLOWING:                      None.**

**ADJOURNMENT:**

**WAIVER WARNING**

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

**UPCOMING EVENTS:**

<b>November 9</b>	▪ City Council Meeting @ City Hall Chambers, 7:00 p.m.
<b>November 10</b>	▪ Parks and Recreation Commission Meeting @ City Hall Chambers, 6:00 p.m.
<b>November 17</b>	▪ Planning Commission Meeting @ City Hall Chambers, 6:00 p.m.
<b>November 21</b>	▪ Hughson Community Thanksgiving @ Hughson Senior Community Center, TBD
<b>November 21</b>	▪ 20 <sup>th</sup> Century Arts & Crafts Fair @ Hughson High School ,9 a.m – 4 p.m
<b>November 22</b>	▪ 20 <sup>th</sup> Century Arts & Crafts Fair @ Hughson High School ,9 a.m – 4 p.m
<b>November 23</b>	▪ City Council Meeting @ City Hall Chambers, 7:00 p.m.
<b>November 27</b>	▪ Thanksgiving Holiday
<b>November 28</b>	▪ Thanksgiving Holiday
<b>December 5</b>	▪ Hughson Christmas Festival @ Downtown Hughson, 5 p.m

**RULES FOR ADDRESSING CITY COUNCIL**

Members of the audience who wish to address the City Council are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the City Clerk. **Filling out the card is voluntary.**

**AFFIDAVIT OF POSTING**

**DATE:** November 5, 2015 **TIME:** 5:00 pm  
**NAME:** Marilyn Castaneda **TITLE:** Management Intern

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT**  
**NOTIFICATION FOR THE CITY OF HUGHSON**

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

**Disabled or Special needs Accommodation:** In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk's office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

**Notice Regarding Non-English Speakers:**

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

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**General Information:** The Hughson City Council meets in the Council Chambers on the second and fourth Mondays of each month at 7:00 p.m., unless otherwise noticed.

**Council Agendas:** The City Council agenda is now available for public review at the City's website at [www.hughson.org](http://www.hughson.org) and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

**Questions:** Contact the City Clerk at (209) 883-4054



## **CITY OF HUGHSON AGENDA ITEM NO. 3.1 SECTION 3: CONSENT CALENDAR**

**Meeting Date:** November 9, 2015  
**Subject:** Approval of the City Council Minutes  
**Presented By:** Marilyn Castaneda, Management Intern

**Approved By:** \_\_\_\_\_

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### **Staff Recommendation:**

Approve the Minutes of the Regular Meeting of October 26, 2015.

### **Background and Overview:**

The draft minutes of the October 26, 2015 meeting are prepared for the Council's review.



**CITY OF HUGHSON  
CITY COUNCIL MEETING  
CITY HALL COUNCIL CHAMBERS  
7018 Pine Street, Hughson, CA**

**MINUTES**

**MONDAY, OCTOBER 26, 2015 – 7:02 P.M.**

**CALL TO ORDER:** Mayor Matt Beekman

**ROLL CALL:** Mayor Matt Beekman  
Mayor Pro Tem Jeramy Young  
Councilmember Jill Silva  
Councilmember George Carr  
Councilmember Harold Hill

Staff Present: Raul L. Mendez, City Manager  
Monica Streeter, Deputy City Attorney  
Jaylen French, Community Development Director  
Shannon Esenwein, Finance Director  
Lisa Whiteside, Finance Manager  
Jaime Velazquez, Utilities Superintendent  
Sam Rush, Public Works Superintendent  
Marilyn Castaneda, Management Intern

**FLAG SALUTE:** Mayor Matt Beekman

**INVOCATION:** Mayor Matt Beekman

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**1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):**

Hughson Librarian, Heather Bailey, shared with City Council the Hughson Library recently got a new website. Also, Python Ron will be at the library on November 3<sup>rd</sup> at 4 p.m.

Dennis Wallace representing the Hughson United Soccer League addressed the City Council, thanking them for there support. He reported that they had a great Soccer season with 230 kids participating. Mr. Wallace announced that the second their soccer season will be coming to an end this Saturday October 31<sup>st</sup>.

**2. PRESENTATIONS:     None.**

**3. CONSENT CALENDAR:**

All items listed on the Consent Calendar are to be acted upon by a single action of the City Council unless otherwise requested by an individual Councilmember for special consideration. Otherwise, the recommendation of staff will be accepted and acted upon by roll call vote.

- 3.1: Approve the Minutes of the Regular Meeting of October 12, 2015.
- 3.2: Approve the Warrants Register.
- 3.3: Review and approve the City of Hughson Treasurer's Report: August 2015.
- 3.4: Adopt Resolution No. 2015-32, a resolution of the City Council of the City of Hughson accepting the Tully Road Railroad Crossing Project improvements and authorizing the City Clerk to file a Notice of Completion (NOC).

Councilmember Hill pulled Consent Calendar item 3.5 and asked for clarification on the details of the Tully Road completion.

BEEKMAN/CARR 5-0 motion passes to approve Consent Calendar items 3.1, 3.2, and 3.3.

HILL/BEEKMAN 5-0 motion passes to approve Consent Calendar item 3.4.

**4. UNFINISHED BUSINESS:     None.**

**5. PUBLIC HEARING TO CONSIDER THE FOLLOWING:     None.**

**6. NEW BUSINESS:**

- 6.1:** Consider the use of up to \$63,000 of Community Enhancement funds for a non-budgeted expenditure for additional sidewalk improvements associated with the street improvements as part of the development of the Dollar General retail store.

**Director French presented the staff report on this item as well as answered City Council's questions.**

**Mayor Pro Tem Young suggested doing improvements on both sides of the street to make the sidewalks look more uniformed instead of just one side improved.**

**Mayor Beekman amended item 6.1 and added having additional bids done to determine if the improvement price would be less expensive if both sides of the street were improved at the same time.**

**Beekman/Hill 5-0 motion passes to amended item 6.1 and added having additional bids done to determine if the improvement price would be less expensive if both sides of the street were improved at the same time.**

- 6.2:** Review and discuss the City's potential investment and debt reductions options.

**Finance Director, Shannon Esenwein presented the staff report on this item. The Finance Director presented a PowerPoint on the potential investment and debt reduction strategies for the City.**

**Mayor Pro Tem Young asked if the 1.75% interest rate on the Discover bank Greenwood CD is annually and asked for clarification on the percentage that needs to be kept in the reserve to stay safe. The Finance Director clarified that the City maintains the required reserve amount into the fund every year.**

**Councilmember Carr asked for clarification on the advantages of having so much money in the Money Market fund even though it has less of a percentage. The Finance Director indicated that it was consistent with the City's investment goals of liquidity, safety, and it has been that way in the past years.**

**Mayor Pro Tem Young thanked the Finance Director for her research and work on this item.**

**Beekman/Hill 5-0 motion to direct Finance Director to swap current CD and purchase a new CD as presented to the Council.**

**7. CORRESPONDENCE:    None.**

**8. COMMENTS:**

**8.1:    Staff Reports and Comments: (Information Only – No Action)**

**City Manager:**

**City Manager Mendez updated the City Council on his attendance at the Annual Harvest of Promise where he presented Pamela Little, the Lorraine Cunningham Community Spirit Award and the Waterford Community Baptist Church the Community Partnership Award. City Manager Mendez announced this Friday the 30<sup>th</sup> at 1:30 p.m Hughson Elementary School will have their Halloween Parade through Hughson Avenue. He also reminded City Council and City staff the Halloween Tent, Trunk or Treat is fast approaching on October 31, 2015 @ 5 P.M. (Lebright Fields).**

**City Clerk:**

**Community Development Director:    Director French announced to City Council and public there are vacancies on the Parks and Recreation Commission and Planning Commission. Director French updated the City Council on the County Hatch/ Santa Fe Project the construction is still on track.**

**Director of Finance:    Director Esenwein updated the City Council on the pink notices sent out 2 weeks ago and stated 16 bills have been paid with a total of \$1,133 paid back to the City. The Director Esenwein reminded the City Council and staff that the City Auditors will be back November 9<sup>th</sup>-13<sup>th</sup>.**

**Police Services:**

**City Attorney:**

**8.2:** Council Comments: (Information Only – No Action)

**Councilmember Silva updated the City Council on her attendance at the StanCOG Policy Board meeting where a presentation on the Federal Highway Administration.**

**Councilmember Hill updated City Council on his attendance at the City/Fire 2+2 meeting and the Central Valley Honor Flight.**

**8.3:** Mayor's Comments: (Information Only – No Action)

**Mayor Beekman updated City Council on his attendance at the Economic Development Committee (EDC) meeting.**

**9. CLOSED SESSION TO DISCUSS THE FOLLOWING: None.**

**ADJOURNMENT:**

**Mayor Beekman motion passes to adjourn the meeting at 8:22 P.M.**

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Mayor, Matt Beekman

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Dominique Spinalie Romo, City Clerk



## CITY OF HUGHSON AGENDA ITEM NO. 3.2

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** November 9, 2015  
**Subject:** Approval of Warrants Register  
**Enclosure:** Warrants Register  
**Presented By:** Shannon Esenwein, Director of Finance

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Approve the Warrants Register as presented.

#### **Background and Overview:**

The warrants register presented to the City Council is a listing of all expenditures paid from 10/23/15 - 11/5/15.

#### **Fiscal Impact:**

There are reductions in various funds for payment of expenses.

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REPORT.: Nov 05 15 Thursday  
 RUN....: Nov 05 15 Time: 11:39  
 Run By.: Lisa Whiteside

City of Hughson  
 Cash Disbursement Detail Report  
 Check Listing for 11-15 Bank Account.: 0100

PAGE: 001  
 ID #: PY-DP  
 CTL.: HUG

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Payment Information
					Invoice # Description
47053	10/23/2015	COS01	COSTCO WHOLESALE	\$ 260.63	B51023 TRUCK OR TENT AND TREAT
47054	10/30/2015	COS01	COSTCO WHOLESALE	\$ 197.07	B51030 TRUCK OR TENT AND TREAT
47055	11/2/2015	EMP01	STATE OF CALIFORNIA	\$ 1,264.64	B51102 PAYROLL TAXES
47056	11/2/2015	HAR02	THE HARTFORD	\$ 379.66	B51102 DEFERRED COMPENSATION
47057	11/2/2015	PER01	P.E.R.S.	\$ 6,679.63	B51102 RETIREMENT
47058	11/2/2015	STA23	CalPERS SUPPLEMENTAL INCO	\$ 685.00	B51102 DEFERRED COMPENSATION
47059	11/2/2015	UNI07	UNITED WAY OF STANISLAUS	\$ 29.00	B51102 UNITED WAY
47060	11/5/2015	ABE01	ABE'S PLUMBING	\$ 51.55	E12903 REPLACE VALVE & SEAL IN BATHROOM AT CITY HALL
				\$ 86.05	E13856 REPLACE FAUCET AT COMMUNITY CENTER
			Check Total:	\$ 137.60	
47061	11/5/2015	AFL01	AFLAC	\$ 880.70	B51102 AFLAC
47062	11/5/2015	ATT02	AT&T MOBILITY	\$ 204.34	X10272015 PHONE
47063	11/5/2015	ATT03	AT&T	\$ 12.11	7213846 PHONE
47064	11/5/2015	AVA00	AVAYA, INC	\$ 80.02	733551096 PHONE
47065	11/5/2015	BAY02	BAY ALARM CO	\$ 113.02	B51102 MONITORING OF FIRE & BURGLAR SYSTEMS
47066	11/5/2015	CAR15	CARPET MAN	\$ 1,986.33	CG8001975 INSTALL CARPET IN SHERRIFF'S OFFICE
47067	11/5/2015	CHA01	CHARTER COMMUNICATION	\$ 167.37	B51102 IP ADDRESS- PINE ST
47068	11/5/2015	COO01	COOPER CONTROLS, INC.	\$ 413.25	10406-01 EMERGENCY REPAIR SERVICE
47069	11/5/2015	COR02	CORTES, SANDY	\$ 62.12	B51102 REIMBURSEMENT SUPPLIES FOR TRUNK OR TREAT EVENT
47070	11/5/2015	DAW00	D.A. WOOD CONSTRUCTION, I	\$ 14,674.19	15-32-001 REPAIRS FOR WATE LEAK AT TULLY RD & SANTA FE AVE
47071	11/5/2015	EXP00	EXPRESS PERSONNEL SERVICE	\$ 1,330.08	164588287 EXTRA HELP 10/18/15
				\$ 1,337.68	164862708 EXTRA HELP WEEK OF 10/25
			Check Total:	\$ 2,667.76	
47072	11/5/2015	EZN00	EZ NETWORK SOLUTIONS	\$ 2,554.20	TS30332 IT SERVICES FOR NOVEMBER
47073	11/5/2015	GEO00	GEORGE REED, INC	\$ 171,121.60	1948 TULLY ROAD RECONSTRUCTION PROJECT
47074	11/5/2015	GIB00	GIBBS MAINTENANCE CO	\$ 972.00	18701 JANITOR SERVICES FOR OCTOBER
47075	11/5/2015	GON08	GONZALEZ DE NEGRETE, IMEL	\$ 210.00	B51102 SR CENTER DAMAGE DEPOSIT REFUND 10/24/15

SE

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
47076	11/5/2015	HUG11	HUGHSON FARM SUPPLY	\$ 59.18	H154972	MISC. TOOLS & SUPPLIES
47076	11/5/2015	HUG11	HUGHSON FARM SUPPLY	\$ 17.74	H155440	MISC TOOLS & SUPPLIES
				\$ 34.86	H155880	MISC TOOLS & SUPPLIES
			Check Total:	\$ 111.78		
47077	11/5/2015	MEL00	MELLO TRUCK REPAIR CO	\$ 236.39	56889	REPAIR TO LIFT TRUCK
47078	11/5/2015	NEU01	NEUMILLER & BEARDSLEE	\$ 1,200.00	270660	LEGAL SERVICES JULY 2015
				\$ 1,200.00	272396	LEGAL SERVICES OCTOBER 2015
				\$ 3,703.50	272911	LEGAL SERVICES OCTOBER 2015
			Check Total:	\$ 6,103.50		
47079	11/5/2015	NOR06	NORTHSTAR CHEMICAL	\$ 1,337.36	3268	SODIUM HYPOCHLORITE FOR WELL #8
47080	11/5/2015	PGE01	PG & E	\$ 74.55	B51102	UTILITIES- SENIOR CENTER
				\$ 15.11	B51103	UTILITIES- 3RD ST CENTER
				\$ 19.05	B51104	UTILITIES- CITY HALL
				\$ 27.70	B51105	UTILITIES- CNG
			Check Total:	\$ 136.41		
47081	11/5/2015	PLA03	PLATT	\$ 194.47	H823127	REPLACING LIGHTS FOR LEBRIGHT
47082	11/5/2015	POS02	POSTER COMPLIANCE CENTER	\$ 8.39	2641095CA	EMPLOYER POSTER
47083	11/5/2015	SAF01	SAFETLITE	\$ 55.31	319808	REPLACE A. FONTANA RAIN SUIT 2015
				\$ 342.62	319903	SAFETY KITS REQUIRED FOR OSHA
			Check Total:	\$ 397.93		
47084	11/5/2015	STA13	STATE WATER RESOURCES	\$ 55.00	B51102	WATER DISTRIBUTION GRADE 1 LICENSE FEES
47085	11/5/2015	STA47	STANISLAUS COUNTY SHERIFF	\$ 102,069.76	1516-037	LAW ENFORCEMENT SVC & VEHICLE REPLACMENT AUG 2015
47086	11/5/2015	STE07	STEELEY, JARED WATER & WASTEWATER	\$ 2,375.00	6104	CONSULTING SERVICE
				\$ 2,800.00	6188	CONSULTING SERVICES
			Check Total:	\$ 5,175.00		
47087	11/5/2015	UNI11	UNIVAR USA, INC	\$ 2,508.69	SJ702004	SODIUM HYPOCHLORITE
47088	11/5/2015	USH00	US HEALTHWORKS MEDICAL	\$ 93.00	2757885CA	PROFESSIONAL SERVICES
47089	11/5/2015	WIL05	WILLE ELECTRIC	\$ 784.33	679181001	SEASONAL MAINT. NEEDED FOR EUCLID RD LIFT STATION

SF

Check Number	Check Date	Vendor Number	Name	Net Amount	-----Payment Information-----	
					Invoice #	Description
47090	11/5/2015	WIL12	WILBUR-ELLIS COMPANY	\$ 1,890.32	9280348	WEED KILLER FOR ROADSIDES
47091	11/5/2015	\B007	BOSTELMAN, RON	\$ 27.14	000B51101	MQ CUSTOMER REFUND FOR BOS0002
47092	11/5/2015	\C002	CARDOZA, MICHAEL	\$ 148.76	000B51101	MQ CUSTOMER REFUND FOR CAR0012
47093	11/5/2015	\E002	EATON, MIKE	\$ 18.28	000B51101	MQ CUSTOMER REFUND FOR EAT0002
47094	11/5/2015	\G005	GIPSON, ANNETTA	\$ 1.15	000B51101	MQ CUSTOMER REFUND FOR GIP0001
47095	11/5/2015	\K007	KELLEY, MIKE & BRENDA	\$ 0.03	000B51101	MQ CUSTOMER REFUND FOR KEL0005
47096	11/5/2015	\K008	KEYSER, TOM	\$ 91.86	000B51101	MQ CUSTOMER REFUND FOR KEY0003
47097	11/5/2015	\M001	MATTOS, JOE	\$ 4.29	000B51101	MQ CUSTOMER REFUND FOR MAT0010
47098	11/5/2015	\P003	PANTOJA , RAFAEL	\$ 2.31	000B51101	MQ CUSTOMER REFUND FOR PAN0011
47099	11/5/2015	\S008	SILVA, LAURA	\$ 153.47	000B51101	MQ CUSTOMER REFUND FOR SIL0014
47100	11/5/2015	RAY05	RAYA, NEIL	\$ 193.71	B51105	REIMB FOR SAFETY SHOES
Cash Account Total:				\$ 327,037.87		
Total Disbursements:				\$ 327,037.87		



## **CITY OF HUGHSON AGENDA ITEM NO. 3.3 SECTION 3: CONSENT CALENDAR**

**Meeting Date:** November 9, 2015  
**Subject:** Approval of the Treasurer's Report: Investment Portfolio Report – August 2015  
**Presented By:** John Padilla, City Treasurer  
**Approved By:** \_\_\_\_\_

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### **Staff Recommendation:**

Review and approve the City of Hughson Treasurer's Report: Investment Portfolio Report for August 2015.

### **Summary:**

The City Treasurer is required to review the City's investment practices and approve the monthly Treasurer's report. Enclosed is a summary of the City of Hughson's Investment Portfolio for August 2015 and is provided as a supplementary document to the monthly Treasurer's report. As of August 2015, the City of Hughson's investment total is \$2,553,953.12 and has a total cash and investment balance of \$13,375,719.89. All investment actions executed since the last report have been made in full compliance of the City of Hughson's Investment Policy. The City of Hughson meets its expenditure obligations for the next six months as required by California Government Code Section 53646 (b) (2) and (3) respectively.

### **Background and Overview:**

The Investment Portfolio Report is intended to provide supplementary documentation of the City of Hughson's investment practices. According to the City of Hughson's Investment Policy, the City Treasurer shall submit to the City Council a quarterly investment report containing a complete description of the portfolio, the type of investments, the issuers, maturity dates, par and dollar values, and the current market values of each component of the portfolio. It is the goal of the City Treasurer however, to provide the investment report on a monthly basis as a supplement to the Treasurer's Report. Furthermore, when dealing with investment activities, the City of Hughson primary objectives, in order of priority, are safety, liquidity, and return on investments.

According to Michael DeGeeter, the City's MBS Account Executive, the City of Hughson utilizes a 5 year Certificate Deposit (CD) laddering approach for its investment practices. This approach layers various CDs depending on interest rates and timing, which allows for reduced portfolio rates and a continuous stream of maturity dates. Mr. DeGeeter states that this CD approach has always spread positively for the City of Hughson and has had the highest yield of any spread thus far.

At the October 26, 2015 City Council meeting, staff presented various investment strategies to the Council and the public. These strategies include: reinvesting matured Certificate of Deposits, investing additional money in Certificate of Deposits while maintaining the 30% limit as required by the Investment Policy and swapping Certificate of Deposits as long as the swap increases the interest rate, provides a gain and stays within the insured limits. City staff will gather additional investment information regarding Municipal and Corporate Bonds and present the information to Council at a future meeting.

Enclosed is the City of Hughson's Treasurer's Report: Investment Portfolio Report for August 2015 along with supplementary graphs depicting the percentage of the City's portfolio of investments. After review and evaluation of the report, City staff submits the following detailed explanation for investments displaying significant variances:

### ***L.A.I.F. Investments***

The reported Local Agency Investment Fund (L.A.I.F.) investments reflect the City's most current balance statement as of July 15, 2015. The two L.A.I.F. accounts share a combined balance of \$78,772.86, comprising of only 3.09% of the City's total portfolio of investments. L.A.I.F. investments are reported on a quarterly basis. City staff will continue to report the most recent L.A.I.F. investments and will proceed to update the funds on a quarterly basis.

### **Fiscal Impact:**

As of August 2015, the total investments balance for the City of Hughson is \$2,553,953.12 accounting for 19% of the City's total cash and investments. The total cash and investment amount is \$13,375,719.89. Of the amounts invested, 1.06% is invested in Cash, Money, Funds, and Bank Deposits, 3.08% is invested in L.A.I.F. investments, and 95.86% is invested in Certificate Deposits. As the year progresses and market values and interest rates increase, City staff will continue to monitor and report the City of Hughson's investment practices.

**City of Hughson  
Portfolio of Investments  
August 2015**

	MONEY MARKET	GENERAL	REDEVELOPMENT**	TOTAL
<b>Bank Statement Totals</b>	\$ 9,648,165.20	\$ 1,210,952.84		\$ 10,859,118.04
Adjustment-Direct Deposit Payroll		\$ -		\$ -
Outstanding Deposits +	\$ -		\$ -	\$ -
Outstanding Checks/transfers -	\$ 21,318.33	\$ (58,669.60)	\$ -	\$ (37,351.27)
<b>ADJUSTED TOTAL</b>	\$ 9,669,483.53	\$ 1,152,283.24	\$ -	\$ 10,821,766.77
Investments: Various				\$ 1,032,795.70
Multi-Bank WWTP				\$ 1,442,384.56
Investments: L.A.I.F.		\$ 39,449.16	\$ 39,323.70	\$ 78,772.86
<b>Total Investments</b>				\$ 2,553,953.12
<b>Total Cash &amp; Investments</b>				\$ 13,375,719.89

All investment actions executed since the last report have been made in full compliance with the Investment Policy. The City of Hughson will meet its expenditure obligations for the next six months as required by California Government Code Section 53646 (b)(2) and (3) respectively.

**Breakdown of Investments**

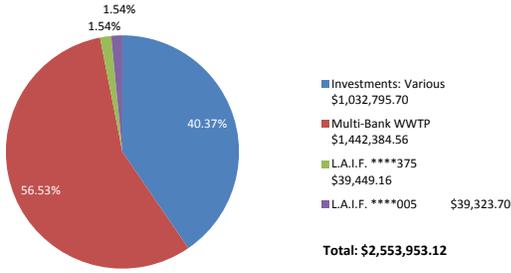
<b>Investments: Various - ***850</b>									
Description	Maturity Dates	Quantity	Opening Balance	Closing Balance	Interest Accrued	% of Portfolio			
<b>Cash, Money, Funds, and Bank Deposits:</b>			\$ 11,553.90	\$ 12,248.15	\$ -	1.19%			
<b>Total:</b>			\$ 11,553.90	\$ 12,248.15	\$ -				
Fixed Income (Certificate of Deposits)	Maturity Dates	Months til Maturity (as of August 1 2015)	Quantity	Market Price	Market Value	Interest Accrued	Rate of Return	% of Portfolio	
GE Money BK Draper Utah INSTL CTF DEP	10/08/10 - 10/08/15	= 2 mo.	\$ 75,000.00	\$ 100.1760	\$ 75,132.00	\$ 595.89	2.000%	7.27%	
BMW BK North Amer Salt Lake City Utah	11/12/10 - 11/12/15	= 3 mo.	\$ 100,000.00	\$ 100.3410	\$ 100,341.00	\$ 608.22	2.000%	9.72%	
Ally Bank Midvalue Utah CTF DEP ACT/365	02/04/11 - 02/04/16	= 6 mo.	\$ 70,000.00	\$ 100.7450	\$ 70,521.50	\$ 103.56	2.000%	6.83%	
GE Cap Finl Inc Retail CTF DEP	09/30/11 - 09/30/16	= 14 mo.	\$ 115,000.00	\$ 101.4420	\$ 116,658.30	\$ 970.41	2.000%	11.30%	
Goldman Sachs BK USA New York CTF DEP DTD	11/16/11 - 11/16/16	= 15 mo.	\$ 53,000.00	\$ 101.5800	\$ 53,837.40	\$ 318.51	2.050%	5.21%	
Discover BK Greenwood Del	05/02/12 - 05/02/17	= 21 mo.	\$ 110,000.00	\$ 101.0650	\$ 111,171.50	\$ 638.15	1.750%	10.76%	
GE Cap Inc Retail CTF DEP Program Book	05/04/12 - 05/04/17	= 21 mo.	\$ 100,000.00	\$ 101.2300	\$ 101,230.00	\$ 565.75	1.750%	9.80%	
American Express Centurion BK CTF DEP	05/09/13 - 05/09/18	= 33 mo.	\$ 100,000.00	\$ 99.4630	\$ 99,463.00	\$ 349.73	1.150%	9.63%	
Belmont SVGS BK Mass	11/13/14 - 11/13/18	= 39 mo.	\$ 27,000.00	\$ 99.9950	\$ 26,998.65	\$ 126.12	1.550%	2.61%	
State BK India York NY	09/11/14 - 09/11/19	= 49 mo.	\$ 55,000.00	\$ 99.7800	\$ 54,879.00	\$ 560.47	2.150%	5.31%	
American Express Fed SVGS BK CTF DEP	10/16/14 - 10/16/19	= 50 mo.	\$ 30,000.00	\$ 100.0320	\$ 30,009.60	\$ 242.10	2.150%	2.91%	
Discover BK Greenwood Del CTF	10/16/14 - 10/16/19	= 50 mo.	\$ 100,000.00	\$ 100.3200	\$ 100,032.00	\$ 806.99	2.150%	9.69%	
American Express Centurion BK CTF DEP	12/04/14 - 12/04/19	= 52 mo.	\$ 80,000.00	\$ 100.3420	\$ 80,273.60	\$ 424.33	2.200%	7.77%	
<b>Total CDs</b>					\$ 1,020,547.55	\$ 6,310.23	98.81%		
<b>Total Investments: Various Holdings</b>					\$ 1,032,795.70	\$ 6,310.23	100.00%		
<b>Total Portfolio Investment</b>							40.44%		

<b>Multi-Bank WWTP - ***934</b>									
Description	Maturity Dates	Quantity	Opening Balance	Closing Balance	Interest Accrued	% of Portfolio			
<b>Cash, Money, Funds, and Bank Deposits:</b>			\$ 14,279.0100	\$ 14,800.32	\$ -	1.03%			
<b>Total:</b>			\$ 14,279.0100	\$ 14,800.32	\$ -				
Fixed Income (Certificate of Deposits)	Maturity Dates	Months til Maturity (as of August 1 2015)	Quantity	Market Price	Market Value	Interest Accrued	Rate of Return	% of Portfolio	
State BK India Chicago ILL CTF DEP	09/29/10 - 09/29/15	= 1 mo.	\$ 116,000.00	\$ 100.1500	\$ 116,174.00	\$ 1,108.36	2.250%	8.05%	
BMW BK North Amer Salt Lake City Utah	11/26/10 - 11/25/15	= 3 mo.	\$ 75,000.00	\$ 100.3990	\$ 75,299.25	\$ 398.63	2.000%	5.22%	
GE CAP Finl Inc Retail CTF DEP	09/30/11 - 03/30/16	= 7 mo.	\$ 31,000.00	\$ 101.4420	\$ 31,447.02	\$ 261.59	2.000%	2.18%	
Goldman Sachs BK USA New York CTF DEP DTD	11/23/11 - 11/23/16	= 15 mo.	\$ 107,000.00	\$ 101.5910	\$ 108,702.37	\$ 600.96	2.050%	7.54%	
Discover BK Greenwood DEL	05/08/13 - 05/08/18	= 33 mo.	\$ 40,000.00	\$ 99.4670	\$ 39,786.80	\$ 144.93	1.150%	2.76%	
American Express Centurion Bk CTF DEP	05/09/13 - 05/09/18	= 33 mo.	\$ 57,000.00	\$ 99.4630	\$ 56,693.91	\$ 199.34	1.150%	3.93%	
Firstbank P R Santuce	05/10/13 - 05/10/18	= 33 mo.	\$ 250,000.00	\$ 99.4570	\$ 248,642.50	\$ 151.03	1.050%	17.24%	
State BK India Chicago ILL CTF DEP	12/18/13 - 12/18/18	= 40 mo.	\$ 25,000.00	\$ 100.5400	\$ 25,135.00	\$ 103.90	2.050%	1.74%	
GE CAP Retail BK Draper Utah Instl	01/10/14 - 01/10/19	= 41 mo.	\$ 95,000.00	\$ 100.4370	\$ 95,415.15	\$ 257.15	1.900%	6.62%	
First Sentry BK Inc Huntingting West VA	03/08/13 - 03/08/19	= 43 mo.	\$ 46,000.00	\$ 97.4350	\$ 44,820.10	\$ 33.33	1.150%	3.11%	
GE CAP Retail BK Draper Utah Instl	03/21/14 - 03/21/19	= 43 mo.	\$ 80,000.00	\$ 100.2860	\$ 80,228.80	\$ 692.38	1.950%	5.56%	
JP Morgan Chase BK NA Columbus Ohio CTF	04/30/15 - 04/30/19	= 44 mo.	\$ 100,000.00	\$ 99.1150	\$ 99,115.00	\$ 4.11	1.500%	6.87%	
Barclays BK Del Wilmington CTF DEP	05/28/14 - 05/28/19	= 45 mo.	\$ 40,000.00	\$ 100.0760	\$ 40,030.40	\$ -	0.000%	2.78%	
Goldman Sachs BK USA New York CTF UT CTF DEP	06/04/14 - 06/04/19	= 46 mo.	\$ 80,000.00	\$ 99.8990	\$ 79,919.20	\$ 385.75	2.000%	5.54%	
Sallie Mae BK Salt Lake City UT CTF DEP	10/08/14 - 10/08/19	= 50 mo.	\$ 50,000.00	\$ 100.0930	\$ 50,046.50	\$ 427.05	2.150%	3.47%	
State BK India Chicago ILL	10/14/14 - 10/15/19	= 50 mo.	\$ 54,000.00	\$ 100.0740	\$ 54,039.96	\$ 431.85	2.100%	3.75%	
Sallie Mae BK Salt Lake City UT CTF DEP	10/22/14 - 10/22/19	= 50 mo.	\$ 83,000.00	\$ 100.0160	\$ 83,013.28	\$ 640.46	2.100%	5.76%	
Wells Fargo BK N A San Francisco Calif	04/30/15 - 04/30/20	= 56 mo.	\$ 100,000.00	\$ 99.0750	\$ 99,075.00	\$ 109.59	1.250%	6.87%	
<b>Total CDs</b>					\$ 1,427,584.24	\$ 5,950.41	98.97%		
<b>Total Multi-Bank WWTP Holdings</b>					\$ 1,442,384.56	\$ 5,950.41	100.00%		
<b>Total Portfolio Investment</b>							56.48%		

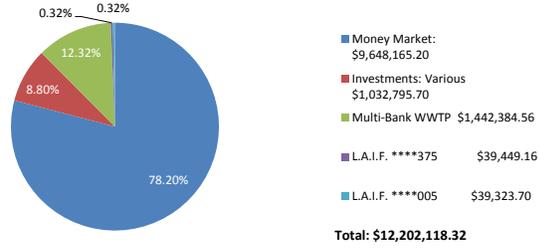
<b>L.A.I.F. Investments</b>						
Account #	Quarter End Principal Balance as of 07/15/2015	Quarterly Interest Earned as of 07/15/2015	Interest Rate	Total	% of Investment	
****375	\$ 39,421.29	\$ 27.87	0.26%	\$ 39,449.16	50.08%	
****005	\$ 39,295.92	\$ 27.78	0.26%	\$ 39,323.70	49.92%	
<b>Total L.A.I.F. Investments Holdings</b>				\$ 78,772.86	100.00%	
<b>Total Portfolio Investment</b>					3.08%	

Charts and Graphs

**Total Portfolio of Investments by Account August 2015**



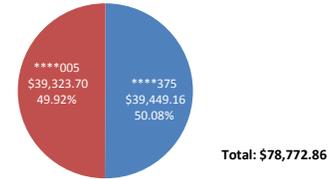
**Total Portfolio of Investment (Including Money Market Cash) August 2015**



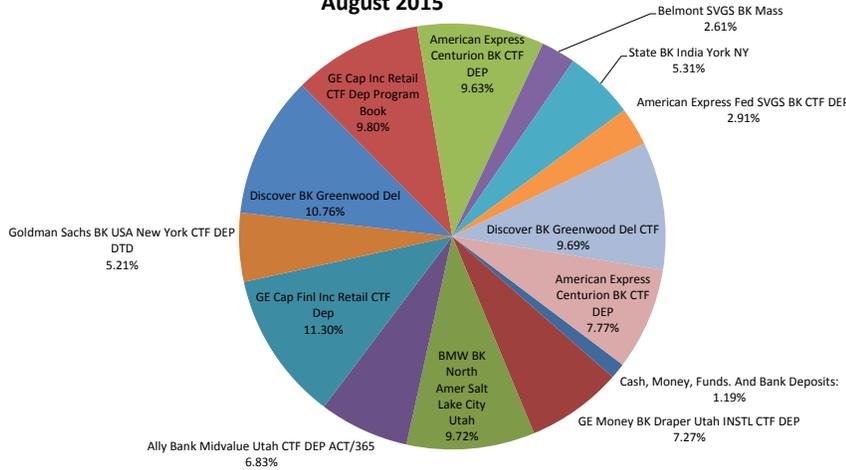
**Total Portfolio of Investments by Type August 2015**



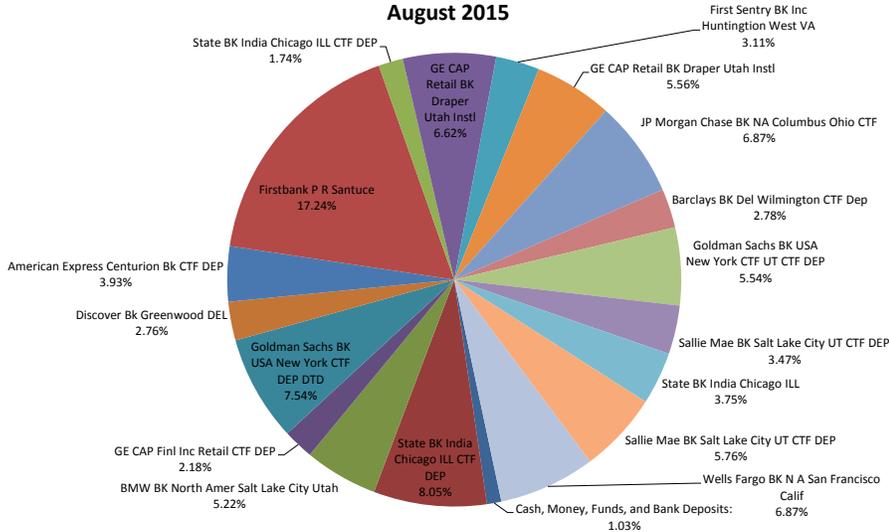
**Breakdown of L.A.I.F. Investments August 2015**



**Breakdown of Investments: Various - \*\*\*\*850 August 2015**



**Breakdown of Multi-Bank WWTP - \*\*\*\*934 August 2015**





## CITY OF HUGHSON AGENDA ITEM NO. 3.4

### SECTION 3: CONSENT CALENDAR

**Meeting Date:** November 9, 2015  
**Subject:** Consideration of an Amendment to the Lease Agreement  
Stanislaus County for Property Located at 2413 3<sup>rd</sup> Street in  
Hughson - APN 018-042-025  
**Presented By:** Raul Mendez, City Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

Authorize the Mayor to sign, inclusive of any final edits by the City Attorney, the amendment to the lease agreement and associated documents with Stanislaus County for property located at 2413 3<sup>rd</sup> Street in Hughson.

#### **Background and Overview:**

The City of Hughson signed a Development Agreement with the United Samaritan Foundation (USF) dated February 13, 1998 and recorded with Stanislaus County Recorder's Office as Document #98-032011-00 relating to the development, maintenance, and oversight of the buildings and grounds on Third Street between Elm Street and the alley to the north.

The City of Hughson acting on behalf of USF, leases out portions of the buildings to various tenants, pursuant to the Development Agreement. Stanislaus County is a tenant and leases space at 2413 3<sup>rd</sup> Street for various social service programs including Temporary Assistance for Needy Families (TANF), Medi-Cal, and Food Stamp Programs.

The current lease agreement with Stanislaus County was approved by the City Council on October 28, 2013 and set to expire on October 31, 2016. The monthly rent \$1.00 per square foot. The premise square footage is 1,036. Per the current lease agreement, Stanislaus County has the option to renew the agreement for two (2) one-year renewal periods on the same terms.

Earlier this summer, the Hughson Family Resource Center (HFRC) notified the City of Hughson that they would be vacating the offices at the subject site to consolidate staff to their location at 6940 Hughson Avenue. The HFRC previously occupied two small offices measuring in total 162.50 square feet.

Upon hearing that the HFRC would be vacating the location, Stanislaus County contacted City Hall to express their interest in occupying the available space. County Counsel prepared a draft amendment to the current lease agreement that has been reviewed as to form by the City Attorney. The additional space will provide better accommodations for

Stanislaus County and its staff from the Community Services Agency (the Social Services Department of the County).

**Fiscal Impact:**

The current monthly lease rate for this building is \$1,036.00. If approved, the revised monthly lease rate would be \$1,198.50.

**AMENDMENT No. 1 TO LEASE AGREEMENT No. 30550**

This Amendment is made and entered into as of this \_\_\_\_ day of November 2015, by and between the City of Hughson, acting on behalf of United Samaritans Foundation pursuant to the Development Agreement dated February 13, 1988 and recorded with Stanislaus County Recorder's Office as Document #98-0032011-00 ("Landlord"), and County of Stanislaus, a political subdivision of the State of California ("Tenant").

WHEREAS, Landlord and Tenant previously entered into a Lease on November 1, 2013, (the "Lease") that leased to Tenant a portion of the premises located at 2413 3<sup>rd</sup> Street, Hughson, CA (the "Premises") for a term commencing November 1, 2013 and ending on October 31, 2016; and

WHEREAS, Landlord and Tenant desire to amend the Lease to allow Tenant to occupy at the Premises an additional two (2) offices or 162.50 square which shall increase the current lease space from 1,036 square feet to 1,198.50 square feet; and

NOW THEREFORE, in consideration of the mutual promises, covenants, terms and conditions hereinafter contained, the parties hereby agree that the Lease Agreement be amended and reformed as follows:

1. Paragraph 2, "Payment", is deleted and replaced with the following:

"[§2]. Payment: Tenant agrees to pay to Landlord for the Premises above-described, during the term designated below, \$1,198.50 (1,198.50 sq. ft. @ \$1.00/sq. ft) per month for rent payable on the first day of the month following the month for which the obligation accrues."

Payment: During the first and second year of the Term (as defined below), Tenant agrees to pay to Landlord for the Premises **\$1,036.00 (1,036 sq. ft. @ \$1.00/sq. ft.)** per month payable on the first day of the month following the month for which the obligation accrues. During the third year of the Term (as defined below), Tenant agrees to pay to Landlord **\$1,198.50 (1,198.50 sq. ft. @ \$1.00/sq. ft.)** per month payable on the first day of the month following the month for which the obligation accrues."

2. Under the Lease Summary Section, "Premises Square Footage" is deleted and replaced with the following:

"Premises Square Footage: 1,036 (approximately) during the 1<sup>st</sup> and 2<sup>nd</sup> year of the Term,  
1,198.50 (approximately) during the 3<sup>rd</sup> year of the Term"

3. Under the Lease Summary Section, "Monthly Basic Rent" is deleted and replaced with the following:

"Monthly Basic Rent: \$1,036.00 (\$1.00 per sq. ft.) during the 1<sup>st</sup> and 2<sup>nd</sup> year of the Term,  
\$1,198.50 (\$1.00 per sq. ft.) during the 3<sup>rd</sup> year of the Term"

4. All other terms and conditions of the Lease shall remain in full force and effect.

*(Signatures on the next page)*

IN WITNESS WHEREOF, the parties or their duly authorized representatives have executed this Second Amendment as of the day and year first written above.

**TENANT**  
**COUNTY OF STANISLAUS**  
GSA Purchasing Division

**LANDLORD**  
**CITY OF HUGHSON**

By: \_\_\_\_\_  
Keith D. Boggs, Assistant Executive Officer,  
GSA Director/Purchasing Agent

By: \_\_\_\_\_  
Matt Beekman, Mayor

**APPROVED AS TO CONTENT:**  
**Stanislaus County**  
**Community Services Agency**

**APPROVED AS TO FORM**  
**John P. Doering, County Counsel**

By: \_\_\_\_\_  
Kathryn M. Harwell, Director

By: \_\_\_\_\_  
Carrie M. Stephens, Deputy County Counsel

DRAFT

**LEASE AGREEMENT**

LEASE SUMMARY:

**Lease date:** November 1, 2013

**Landlord:** City of Hughson, acting on behalf of United Samaritans Foundation pursuant to the Development Agreement dated February 13, 1998 and recorded with Stanislaus County Recorder's Office as Document #98-0032011-00

**Tenant:** Stanislaus County

**Address of Landlord:**  
City of Hughson  
7018 Pine Street, PO Box 9  
Hughson, CA 95326

**Address of Tenant:**  
Attn: Stanislaus County Purchasing Agent  
1010 Tenth Street, Suite 5400  
Modesto, CA 95353

**Premises Address:** 2413 3<sup>rd</sup> Street, Hughson, CA

**APN:** 018-042-025

CITY OF HUGHSON  
FEB 11 2014  
RECEIVED

**Premises Square Footage:** 1,036 (approximately)

**Term:** Three (3) years commencing at 12:01 a.m. on 11/1/2013 to 11:59 p.m. on 10/31/2016

**Monthly Basic Rent:** \$1,036.00 (\$1.00 per sq. ft.)

**Termination date:** October 31, 2016

**Permitted Use:** StanWorks programs including but not limited to TANF, Medi-Cal and Food Stamp Programs

AGREEMENT:

This Lease Agreement (the "Lease Agreement") is entered into in the City of Modesto, State of California, on November 1, 2013 between the **COUNTY OF STANISLAUS**, a political subdivision of the State of California, ("Tenant"), and **City of Hughson acting on behalf of United Samaritans Foundation pursuant to the Development Agreement dated February 13, 1998 and recorded with the Stanislaus County Recorder's Office as Document #98-0032011-00** ("Landlord"), in consideration of the premises, and the agreements, terms and conditions set forth, below.

1. **Premises:** Landlord leases to Tenant, and Tenant hires from Landlord, those certain premises in the County of Stanislaus, more particularly described as a portion of 2413 3<sup>rd</sup> Street, Hughson, California 95326 ("Premises").
2. **Payment:** Tenant agrees to pay to Landlord for the Premises above-described, during the term designated below, \$1,036.00 (1,036 sq ft @ \$1.00/sq. ft.) month for rent payable on the first day of the month following the month for which the obligation accrues.
3. **Term:** The term of this Lease Agreement shall be for a period of three (3) years beginning at 12:01 A.M. on November 1, 2013 and terminating at 11:59 P.M. on October 31, 2016.
4. **Option to Renew:** Tenant has the option to renew this Lease Agreement for two (2) one-year renewal periods on the same terms. Tenant shall exercise these options in writing at least one (1) month prior to the termination of the existing lease period. Renewal rental rates will be at the monthly basic rate.

5. Utilities:

5.1 Landlord shall pay for the furnishing of all water, garbage, electric and gas which may be used in or upon the premises during the term of this Lease or any extension or holdover period.

5.2 Tenant shall pay for the furnishing of telephone service which may be used in or upon the Premises during the term of this Lease Agreement, or any extension or holdover period, provided that Tenant has contracted directly with the utility companies.

6. Use of the Premises: Tenant may use the Premises for the purpose of StanWorks programs including but not limited to TANF, Medi-Cal and Food Stamp Programs. Tenant shall not use or permit the Premises to be used for any other purpose or purposes without first obtaining the written consent of Landlord, which consent shall not be withheld unreasonably.

7. Maintenance:

7.1. Landlord Representations: Landlord represents to Tenant that (i) the Premises, the Building and all Common Areas (including electrical, heating, ventilating and air conditioning ("HVAC"), mechanical, plumbing, gas and fire/life safety systems in the Building and similar building service systems) comply with all current laws, codes, and ordinances, including the Americans With Disabilities Act; and are in reasonable good working order and condition; (ii) the Building and Premises comply with all covenants, conditions, restrictions and underwriter's requirements; and (iii) the Premises, Building and Common Areas are free of the presence of any Hazardous Materials (as hereinafter defined) and (iv) Landlord has not received any notice from any governmental agency that the Building or the Premises are in violation of any law or regulation. Landlord represents, based upon a professional inspection of the Premises and the Building and the Asbestos Report that the Premises and the Building contain no asbestos containing materials (other than as may be reflected in the Asbestos Report). Landlord shall, prior to Tenant's occupancy, abate, at Landlord's sole cost and expense, all asbestos containing materials to the extent required by law and provide Tenant with an updated report from a licensed California Asbestos contractor to that effect.

7.2. Landlord Obligations: Landlord shall, at Landlord's own expense, keep and maintain in good repair and working order and promptly make repairs to and perform maintenance upon and replace as needed: (1) the structural elements of the Building, including without limitation, all permanent exterior and interior walls, floors and ceilings, roof, concealed plumbing, stairways, concealed electrical systems and telephone intrabuilding network cable and pest control service; (2) mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building; (3) the Common Areas; (4) exterior windows of the Building; and (5) elevators serving the Building. Landlord, at its sole cost and expense, shall also perform all maintenance and repairs to the Premises, and shall keep the Premises in good condition and repair, reasonable wear and tear excepted. Landlord's repair obligations include, without limitation, repairs to: (1) the floor covering (if such floor covering is carpeting it shall be replaced as needed but not less often than after five (5) years of use); (2) interior partitions; (3) doors; (4) the interior side of demising walls (which shall be repainted as needed but not less often than every five (5) years and (5) signage.

7.2.1 Landlord to provide HVAC: Landlord shall supply cooling, ventilating and heating with capacity to produce the following results effective during Normal

Working Hours established by the Lease Agreement and within tolerances normal in comparable office buildings; maintenance of inside space conditions of not greater than 78 degrees Fahrenheit when the outside air temperature is not more than 93 degrees Fahrenheit dry bulb and 70 degrees Fahrenheit wet bulb, and not less than 70 degrees Fahrenheit when the outside air temperature is not lower than 42 degrees Fahrenheit dry bulb. Interior space is designated at a rate of one zone for approximately each 1,000 square feet and one diffuser for each 200 square feet of usable square footage within the Premises. If energy requirements prohibit Landlord from complying with these requirements, Tenant shall not unreasonably withhold its consent to temporary waivers or modifications.

7.2.2. Excluding normal wear and tear, and, excluding heating and cooling equipment, Tenant shall, at Tenant's sole expense, be responsible for the cost of repairing any area damaged by Tenant or Tenant's agents, employees, invitees and visitors and the repair of low voltage electronic, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant. All repairs and replacements shall: (a) be made and performed by contractors or mechanics approved by Tenant, which consent shall not be unreasonably withheld or delayed, (b) be at least equal in quality, value and utility to the original work or installation, (c) be in accordance with all laws.

7.3. Entry: Tenant shall permit Landlord, or an authorized agent of landlord, free access to the Premises at all reasonable times for the purpose of inspection or for making necessary improvements or repairs.

7.4. Tenant's Right to Repair: If Tenant provides written notice (or oral notice in the event of an emergency such as damage or destruction to or of any portion of the Building structure and/or the Building systems and/or anything that could cause material disruption to Tenant's business) to Landlord of an event or circumstance which requires the action of Landlord with respect to repair and/or maintenance, and Landlord fails to provide such action within a reasonable period of time, given the circumstances, after the giving of such notice, but in any event not later than five (5) days after the giving of such notice, then Tenant, at its sole option, may either proceed to take the required action (provided, however, that no such notice shall be required in the event of an emergency which threatens life or where there is imminent danger to property or a possibility that a failure to take immediate action could cause a material disruption in Tenant's normal and customary business activities) or may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement. Tenant shall have access to the Building to the extent necessary to perform the work contemplated by this provision. If such action was required under the terms of this Lease Agreement to have been taken by Landlord and was not taken by Landlord within such period (unless such notice was not required as provided above), and Tenant took such required action, then Tenant shall be entitled to prompt reimbursement by Landlord of Tenant's reasonable costs and expenses in having taken such action. If not reimbursed by Landlord within ten (10) days, Tenant shall be entitled to deduct from Basic Rent payable by Tenant under this Lease Agreement the amount set forth in its invoice for such work.

8. Asbestos Notification: In September, 1989, the Governor of California signed AB-1564, an Asbestos Notification law, codified in Section 25915 et seq. of the Health and Safety Code. Health and Safety Code Section 25915(a) states.

Notwithstanding any other provisions of the law, the owner of any building constructed prior to 1979, who knows that the building contains asbestos-containing construction materials, shall provide notice to all employees of that owner working within the building.

Should the Landlord know of any asbestos-containing material, Landlord will notify Tenant within ten (10) days.

If Tenant suspects or has reason to believe that the Premises contains asbestos-containing material, Landlord shall within ten (10) days of Tenant's request supply Tenant with an Asbestos Survey Report done by a qualified hazardous material specialist. If Landlord fails to have requested testing done, Tenant shall have the required testing done and all related cost shall be deducted from the lease payment. If test is positive and abatement is necessary, Landlord shall provide the Tenant an Asbestos Abatement Plan within thirty (30) days.

9. Building Ventilation: Premises shall comply with Title 8, Section 5142, California Code of Regulations, "Mechanically Driven Heating, Ventilating and Air Conditioning (HVAC) Systems" to provide minimum building ventilation. Provided, however, that Landlord may terminate this Lease Agreement should it decide that repair expenses, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
10. CAL/OSHA Inspections: If the Premises is cited by CAL/OSHA, Landlord shall be required to abate said citations. Provided, however, that Landlord may terminate this Lease Agreement should it decide that abatement cost, do not merit the continuance of this Lease Agreement. Tenant shall be given notice by Landlord of said decision and notice shall provide Tenant adequate time to make other arrangements.
11. CASP Inspection: Pursuant to California Civil Code §1938, Landlord certifies that the Premises has undergone inspection by a Certified Access Specialist (CASp), and, that the property has been determined to meet all applicable construction-related accessibility standards pursuant to California Civil Code section 55.53. A true and correct copy of the CASp report has been provided to the Tenant.
12. Confidentiality of Protected Health Information:     X     **CHECK IF APPLICABLE**  
For purposes of this section this Agreement, "protected health information" or "PHI" shall have the meaning defined by the Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Subparts A and E of Part 164 (the "Privacy Standards") as promulgated by the Department of Health and Human Services ("HHS") pursuant to the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), any applicable amendments pursuant to the Health Information Technology for Economic and Clinical Health (HITECH) Act, (Pub. L No. 111-5), and California law. Tenant agrees to reasonably safeguard PHI from any intentional or unintentional disclosure in violation of the Privacy Standards by implementing appropriate administrative, technical, and physical safeguards to protect the privacy of PHI. Tenant further agrees to implement appropriate administrative, technical and physical safeguards to limit incidental disclosures of PHI, including disclosures to Landlord, its contractors, subcontractors and agents.

The parties agree that neither the Landlord, its contractors, subcontractors or agents shall need access to, nor shall they use or disclose, any PHI of Tenant. In the event, however, PHI is disclosed by Tenant or its agents to Landlord, its contractors, subcontractors or agents, regardless as to whether the disclosure is inadvertent or otherwise, Landlord agrees to take

reasonable steps to maintain – and to require its contractors, subcontractors and agents to maintain – the privacy and confidentiality of such PHI. Landlord agrees to promptly notify Tenant upon learning of any disclosure of PHI to Landlord or Landlord’s contractors, subcontractors and agents.

The parties agree that the foregoing does not create, and is not intended to create, a “business associate” relationship between the parties as that term is defined by the Privacy Standards.

**Landlord has read and understands specifically those terms contained in paragraph number 12 listed directly above.**

  
\_\_\_\_\_  
**Landlord's Initials**

13. Holding Over: In case Tenant holds over beyond the end of the term of this Lease Agreement, with the consent expressed or implied of Landlord, such tenancy shall be from month to month only, subject to the terms and conditions of this Lease Agreement, but shall not be deemed to be a renewal. The rent to be paid in a hold over situation shall be at the rate provided in the terms of this Lease Agreement.
14. Janitorial Services: Tenant shall furnish janitorial service as is necessary for the Premises.
15. Alterations: The parties agree not to make any alterations in or on the Premises without first securing the written consent of the other party, and further agree to make such alterations only at such time that is agreeable to the other party.
16. Notices: Notices desired or required to be given by this Lease Agreement or by any law now in effect, or later enacted, may be given by enclosing the Notice in a sealed envelope addressed to the party for whom intended and by depositing such envelope, with postage prepaid, in United State mail. The envelope containing the Notice shall be addressed to Landlord as follows:

**City of Hughson  
7018 Pine Street, PO Box 9  
Hughson, CA 95326**

or other place as may be designated in writing by Landlord and the envelopes containing the Notices to the Tenant shall be addressed as follows:

**Stanislaus County Purchasing Agent  
1010 10th Street Place Suite #5400  
Modesto, CA 95354**

17. Loss: Landlord agrees that should the demised Premises be so badly damaged by fire, incidents of war, earthquake, or other violent action of the elements as to render them wholly unfit for Tenant’s occupancy, then this Lease Agreement shall be terminated immediately upon the happening of any such event whereupon Tenant shall surrender the Premises and shall not be liable for any further payments. In the event of any lesser damage by any such cause, Landlord shall restore the Premises to the condition it was in immediately prior to the event causing the damage, and the lease payment shall abate in proportion to the area not used by Tenant during the period of restoration. If Landlord should fail to pursue restoration work with reasonable diligence to completion, Tenant, at its sole option may surrender the Premises and shall not be liable for any further lease payments under this Lease Agreement.

18. Successors: Each and all of the terms and agreements contained in this Lease Agreement shall be binding upon and shall inure to the benefit of the successors in interest of Landlord, and wherever the context permits or requires, the successors in interest to Tenant.
19. Trade Fixtures: Tenant shall install such fixtures, equipment, and personal property as may be necessary and convenient for its operation. Such furniture, equipment, and personal property may be removed at any time during Tenant's tenancy or within a reasonable time thereafter, and shall not be considered part of the Premises. Removal of the same shall not damage or deface the Premises, and if the Premises shall be so damaged, Tenant shall repair such damage at its own expense.
20. Fire and Other Perils Insurance: The parties agree to be responsible for damage by the perils of fire, extended coverage, and vandalism to those items of real and personal property for which they hold title or for which they have assumed liability to others.
21. Waiver of Rights of Subrogation: Landlord and Tenant agree that in the event of loss due to any of the perils for which they have agreed to provide insurance, each party shall look solely to its insurance for recovery. Landlord and Tenant grant to each other on behalf of any insurer providing insurance to either of them with respect to the Premises, a waiver of any right of subrogation which any insurer of one party may acquire against the other by virtue of payment of any loss under such insurance.
22. Liability Insurance: Tenant agrees to hold Landlord harmless from loss occurring on the Premises and arising out of Tenant's occupancy of the Premises. Tenant assumes no liability for any loss caused by the sole negligence of Landlord.
23. Lack of Funding: If, during the term of this Lease Agreement, Tenant, Stanislaus County, in its sole discretion, determines that sufficient funds are not available to allow for continuation of this Lease Agreement or current County owned space becomes available, Tenant may terminate this Lease Agreement upon one hundred twenty (120) days written notice to Landlord without further obligation to Landlord.

**Landlord has read and understands specifically those terms contained in paragraph 23 listed directly above.**

  
\_\_\_\_\_  
**Landlord's Initials**

24. Surrender: Tenant shall surrender the Premises to Landlord at the expiration of this Lease Agreement in as good a condition as at the commencement of it, excepting reasonable wear and tear, damages and destruction by the elements, or other persons.
25. Subordination and Mortgages:
- 25.1. Subordination and Non-Disturbance. Tenant agrees, at Landlord's option, to subordinate this Lease Agreement to the lien of any mortgages or deeds of trust now or hereafter in force against the building; provided, however, Tenant's obligation to subordinate this Lease Agreement is expressly conditioned upon Tenant receiving a written agreement in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement and provided further that no such subordination shall affect any option to extend the Term of this Lease Agreement, right of first offer to lease additional Premises, option to purchase or right of first offer to purchase the property which may be included in this Lease Agreement.

- 25.2 Existing Deeds of Trust. The beneficiary under any existing deed of trust affecting the building shall provide a written agreement to tenant in the form of Document I in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement within thirty (30) days after the execution of this Lease Agreement.
- 25.3 Request for Notice. Landlord acknowledges that Tenant intends to record a Request for Notice with respect to any mortgages or deeds of trust affecting the property in the form of Document II in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement.
- 25.4 Notice of Default. If any mortgagee or beneficiary under a deed of trust affecting the property gives written notice of its name and address to Tenant by registered mail requesting any such notice with reference to this Section, Tenant agrees to use its best efforts (but without liability for failure to do so) to give such mortgagee a copy of any notice of default served upon Landlord which could permit Tenant to terminate this Lease Agreement and an additional ten (10) days within which to cure such default.
26. Estoppel Certificate: Tenant shall, within thirty (30) days after written request of Landlord, execute, acknowledge and deliver to Landlord or its designee a written statement in the form of Document III in the Supplemental Lease Documents delivered to Landlord concurrently with this Lease Agreement (properly completed) but shall have no other obligation to deliver any other form of estoppel certificate. It is intended that any such statement delivered pursuant to this Section may be relied upon by a prospective purchaser of Landlord's interest or holder of any mortgage upon Landlord's interest in the Premises.
27. Entire Agreement: This Lease Agreement supersedes any and all other agreements, either oral or in writing, between any of the parties herein with respect to the subject matter hereof and contains all the agreements between the parties with respect to such matter. Each party acknowledges that no representations, inducements, promises or agreements, oral or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other agreement, statement or promise not contained in this Lease Agreement shall be valid or binding.
28. Duplicate Counterparts: This Lease Agreement may be executed in duplicate counterparts, each of which shall be deemed a duplicate original.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF Landlord has executed this Lease Agreement and Tenant, County of Stanislaus, by order of the Board of Supervisors, has caused this Lease Agreement to be executed on its behalf by the County Purchasing Agent on the day, month and year above written.

**TENANT**  
**COUNTY OF STANISLAUS**  
GSA Purchasing Division

By:   
Keith D. Boggs, Assistant Executive Officer,  
GSA Director/Purchasing Agent

**LANDLORD**  
**CITY OF HUGHSON**

By:   
Matt Beekman, Mayor

**APPROVED AS TO CONTENT:**  
**Stanislaus County**  
**Community Services Agency**

By:   
Kathryn M. Harwell, Director

**APPROVED AS TO FORM**  
**John P. Doering, County Counsel**

By:   
Carrie M. Stephens, Deputy County Counsel

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## **CITY COUNCIL AGENDA ITEM NO. 3.5**

### **SECTION 3: CONSENT CALENDAR**

**Meeting Date:** November 9, 2015  
**Subject:** Approval to Utilize Condor Earth Technologies to Conduct a Phase I Environmental Site Assessment on City Property Located on Leedom Road Near the Waste Water Treatment Facility  
**Presented By:** Raul L. Mendez, City Manager

**Approved By:** \_\_\_\_\_

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#### **Staff Recommendation:**

1. Approval to utilize Condor Earth Technologies to conduct a Phase I Environmental Site Assessment on City property located near the Waste Water Treatment Facility.
2. Authorize the City Manager to execute any necessary agreements with Condor Earth Technologies for completion of the said Phase I Environmental Site Assessment for a cost not to exceed \$3,600.

#### **Background and Overview:**

On December 9, 2014, the Hughson City Council approved a lease extension between the City of Hughson and Michael Noeller for approximately twelve (12) acres of City-owned property adjacent to the Waste Water Treatment Facility along Leedom Road to October 31, 2015 or completion of the harvest of the fall 2015 almond crop, whichever occurs later.

At that time, the City Council directed staff to bring back a discussion to begin exploring future options for the 12 acres Leedom property. Subsequently, further direction was provided to take a look at all available City property adjacent to the Waste Water Treatment Facility (which includes the Lower Ponds) to begin developing a more comprehensive plan or approach. City staff began that process during the evaluation of the Noeller agricultural lease last fall.

This summer, a Request for Proposals was issued for farming of the smaller 12 acres Leedom property and subsequently on September 14, 2015, the City Council awarded the agricultural lease to Michael Noeller dba Noeller Farms. City staff met with Mr. Noeller on October 31, 2015 to discuss the final terms of the lease agreement and it is anticipated that it will be executed in the upcoming week. Mr.

Noeller is completing the harvest season and then will turn his attention to preparation of the orchard per the terms of the new 25 year agreement. He anticipates removing the older block of almonds later this year or in early 2016. Mr. Noeller would also like to coordinate rodent control with City staff's efforts at the Waste Water Treatment Facility this upcoming year to maximize effectiveness.

Based on prior City Council direction and discussion, City staff has begun developing a plan for the Lower Ponds. As previously discussed, and advised by the City Attorney, a good first step is to hire a professional firm to conduct some preliminary environmental work to best determine any restrictions with the property that may limit future use and to identify any associated mitigation that may be necessary.

### ***Phase I Environmental Site Assessment***

The City of Hughson contracts with Condor Earth Technologies for a variety of services including storm water management and environmental reporting of municipal facilities. Condor also has a division that focuses on environmental assessment. Condor's environmental staff are experienced professionals who perform a diverse range of investigative, remedial, and compliance-type services for both public and private sectors.

In light of the environmental work needed for the Lower Ponds, City staff contacted Condor's environmental division and received a proposal for a Phase I Environmental Site Assessment. The proposal is attached.

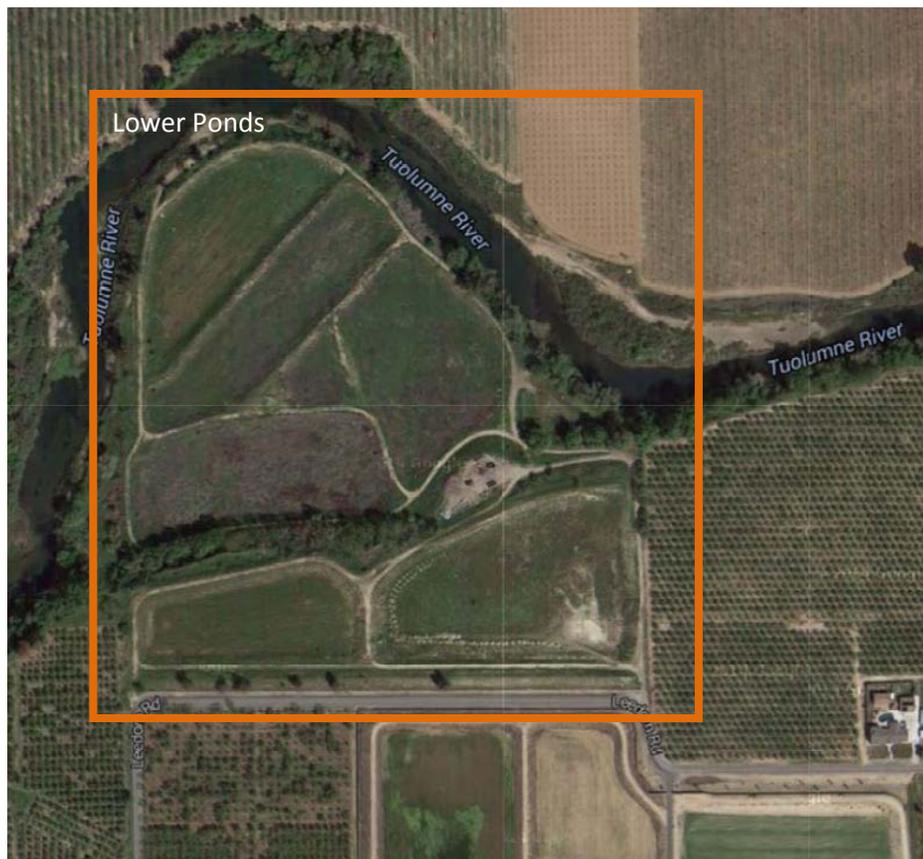
Most commercial real estate transactions require at least a Phase I Environmental Site Assessment (ESA) to identify factors that may materially affect the subject property's environmental risk. Condor's Phase I ESA adheres strictly to the American Society of Testing and Materials (ASTM) environmental assessment standards. Condor employs Registered Environmental Assessors (REAs) who are trained and certified in ASTM assessment techniques. Condor has over three decades of aggregate experience conducting hundreds of Phase I ESAs for private and public sector clients throughout California, including private developers, municipalities, school districts, real estate companies, and others.

### **Figure 1 – "Lower Ponds"**

As the Council is aware, City staff previously looked at various elements and options for the Lower Ponds property including:

- Past use.
  - Gun range.
  - City dump.
  - Wastewater treatment facility.
- Sale of the property.
  - Appraisal will be required (estimated at \$5,000).
  - Environmental mitigation.

- o Surplus property sale.
- Lease of the property.
  - o Request for Proposals (2-3 months).
  - o Terms and conditions.
    - Agricultural
    - Length of time.
    - Access.
    - Lease rate (Fixed v. Variable).
- Development of the property (residential, recreation, solar).
  - o Zoning (Public Facility)
  - o Solar project (OpTerra Energy, Schneider Electric, etc.).
  - o County partnership for recreation/river access.
  - o School partnership for education/natural habitat.

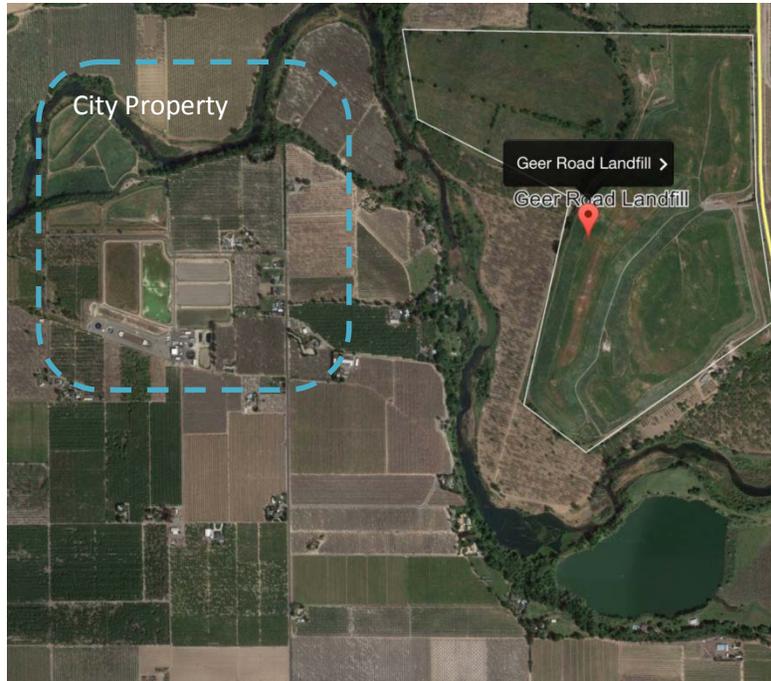


City staff anticipates returning to the City Council after the Phase I Environmental Site Assessment is complete to share any findings and bring forth next steps. At that time, City staff may ask the City Council to consider a Request for Proposals for use of the property. Unlike the 12 acre Leedom property, the RFP for the Lower Ponds will be more general to allow for respondents to share proposals that are creative and not specific to any one particular use. This approach should result in a wide spectrum of options for consideration.

The following figure shows the location of the Lower Ponds to the former Geer Road Landfill for reference purposes. As part of the ESA, City staff will work with

Condor Earth Technologies to provide any necessary documentation. Condor anticipates completing work within three weeks of executing the work order agreement.

**Figure 2 – “Geer Road Landfill”**



**Fiscal Impact:**

Condor will conduct work necessary to complete the Phase I Environmental Site Assessment of the Lower Ponds at a cost not to exceed \$3,600. This will be funded with existing budgeted resources. If necessary, City staff will return at the mid-year review to recommend any adjustments to budget in the appropriate enterprise fund.



## WORK ORDER AGREEMENT FOR MASTER SERVICES

We are pleased to acknowledge the following work assignment. CONDOR EARTH TECHNOLOGIES, INC., hereinafter referred to as CONDOR, agrees to perform, and CLIENT agrees to pay for services performed in accordance with the scope of work set forth in this WORK ORDER AGREEMENT (AGREEMENT) \* This AGREEMENT supersedes any and all negotiations, correspondence, or agreements either written or oral.

Order Received by: Alex Dewitt Date: November 3, 2015

Authorized by: Raul Mendez Project No: 7210

Invoice to: Raul Mendez

City of Hughson

7018 Pine Street / PO Box 9

Hughson, CA 95326

Name of Job: Leedom Road Phase I ESA

Location of Job: Leedom Road, Hughson, CA

Scope of Work: See attached Proposal and Scope of Work dated November 3, 2015

Fees to be Charged\*: Not to exceed \$3,600 on a lump sum basis.

The terms and conditions of "MASTER SERVICES AGREEMENT FOR CONSULTING SERVICES", dated April 26, 2012 is part of this AGREEMENT.

Client agrees to provide access to the job location identified above in accordance with paragraph 5 of the "MASTER SERVICES AGREEMENT FOR CONSULTING SERVICES".

\* Fee schedule, if attached, is considered part of this AGREEMENT.

The parties have read the foregoing, understand completely the terms, and willingly enter into this AGREEMENT effective on the date signed below by CLIENT.

CLIENT

CONDOR EARTH TECHNOLOGIES, INC.

By:

By: 

Printed Name:

Printed Name: Alexander Dewitt

Position:

Position: Vice President, Environmental Services

Date:

Date: November 3, 2015

**Proposal and Scope of Work  
PHASE I ENVIRONMENTAL SITE ASSESSMENT**

**LEEDOM ROAD  
HUGHSON, CALIFORNIA**

**November 3, 2015  
CET # 7210**

**INTRODUCTION**

Condor Earth Technologies, Inc. (Condor) will perform a Phase I Environmental Site Assessment (ESA) on property located at Leedom Road, Hughson, California. The Phase I ESA will be conducted for the City of Hughson (Client). The subject property is designated as Assessor's Parcel Numbers (APNs) 009-026-031 and -032 (Site). Condor will follow the guidelines set forth in Practice E 1527-13, *Standard of Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process*, published November 2013, by the American Society for Testing and Materials (ASTM), hereinafter referred to as "the Standard." After completion, Condor will deliver a comprehensive Phase I ESA report to the Client for the Site.

**PHASE I ENVIRONMENTAL SITE ASSESSMENT**

The purpose of each ASTM Phase I ESA is to assist the Client with appropriate inquiry into the previous ownership and uses of the property to satisfy this element of the *innocent landowner, contiguous property owner, or bona fide prospective purchaser* limitations on Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) liability: "*landowner liability protections*" or "*LLPs*." It should be understood that a Phase I ESA is a preliminary investigation of the Site. In the event that hazardous substances are found during the course of a Phase I ESA, or if any conditions suggesting the possibility that such substances exist, Condor recommends that a Phase II ESA be performed to further investigate existing or potential contamination. Condor will perform the four tasks listed below, which include an historical research and records review, Site reconnaissance, limited interviews, and report preparation.

**Task 1. Historical Records Review**

The history of the Site will be reviewed to learn about permits granted, citations issued, uses of the Site, and properties immediately adjacent to the Site. Reasonably obtainable topographic maps, real estate maps, and aerial photos will also be reviewed to assess land uses at and near the Site. If the above records are not obtainable at a reasonable cost, Condor will inform the Client of their unavailability.

Records retained by federal, state, and local agencies for properties within an approximate minimum search distance (MSD) will be reviewed for potential environmental liability. Parallel with the Standard, only non-confidential, reasonably obtainable, and practically reviewable records will be reviewed.



## **Client's (User's) Responsibilities**

According to the Standard, it is the end user's responsibility to identify the reason why the user wants to have the Phase I ESA performed; to report to Condor any identified activity and use limitations (AULs) or environmental liens (reasonably ascertainable Title and Judicial records); and to communicate any actual knowledge and/or any commonly known or reasonably ascertainable information of environmental liens or AULs, and any specialized knowledge or experience, in regards to recognized environmental conditions, the user is aware of **before** the site reconnaissance.

## **Provision of Helpful Documents**

According to the Standard, the property owner, the key site manager, and/or the user shall make known to Condor if any helpful documents (listed below) are reasonably available (and any other documents applicable/relating to the current and historical environmental and use conditions of the site) for review **prior** to the site reconnaissance. The following list is not totally inclusive:

- Environmental site assessment and compliance audit reports;
- Environmental permits (wastewater, hazardous waste disposal, NPDES, etc.);
- Registrations for underground and aboveground storage tanks;
- Registrations for underground injection systems;
- Material safety data sheets;
- Community right-to-know plans;
- Safety and/or prevention plans;
- Hydrogeologic reports;
- Driller/well reports;
- Notices or correspondence from any governmental agencies in regards to violations of environmental laws or liens;
- Hazardous waste generator notices/reports;
- Geotechnical studies;
- Risk assessments; and
- Recorded activity and use limitations.

## **Task 2. Site Reconnaissance**

A visit to the Site will be made and a current description of the Site, including existing observable structures, roads, potable water supply systems, sewage disposal systems, and uses of the Site will be developed. Observations will be made on the Site, along the periphery of the Site, along the periphery of all structures on the Site, and in all areas common to the Site and adjacent properties, to assess if conditions suggest that hazardous substances are present on, or might migrate to the Site. Consistent with the Standard, the observations made during the Site visits will be limited to visual and/or physical observations in these areas where practical and/or unobstructed. Obvious terrain characteristics of concern, such as areas of distressed vegetation, ground stains, landfills, and depressions will also be identified. If accessible, the interior of any structures on the Site will also be inspected. Observations of the properties located immediately adjacent to the Site will be made from the Site and from public right-of-ways to assess whether there exists on such properties, potential sources of regulated materials that could lead to adverse environmental impacts to the Site.

Upon request by the Client, Condor will orally report specific areas of environmental concern where testing and/or subsurface investigations are required or recommended.



### **Task 3. Interviews**

Interviews will be conducted, if reasonably possible, with present and past owners of the Site, operators, and occupants (as applicable) familiar with the Site, to evaluate the nature and extent of current and past activities on the Site and on the properties in the vicinity of the Site. The Client will be responsible for securing permission for Condor to interview the aforementioned persons. If Condor is unable to contact the aforementioned persons for any reason, Condor will inform the Client. If reasonably obtainable, interviews will also be held with representatives of state and/or local agencies.

### **Task 4. Evaluation and Report Preparation**

Condor will provide a summary of the key issues and observations to the Client in the form of an oral report, upon request. A written report of the findings of the assessment will be prepared upon completion of Tasks 1 through 3 for the Site. The report will include information to support the conclusions reached by Condor that relate to the environmental condition of the Site, and to the potential environmental liability, if any, imposed by the Site or by neighboring properties within the search area. The deliverables will include up to one hard copy and one electronic copy of the report. Additional hard copies can be included for additional fees if requested.

## **EXCLUSIONS FROM SCOPE OF WORK**

### **Chain of Title**

This scope of work excludes research into the title history of the Site. Condor has learned that its clients are better served by engaging a professional title company to complete research into the title history of a property. Condor will review the title history of the Site, if provided by the Client, as part of the Site use histories. In order to fully comply with the Standard, the Client should review reasonably ascertainable recorded land title records and lien records for environmental liens or activity and use limitations.

### **Other Non-CERCLA Considerations**

There may be risks associated with some potential hazards at some properties that parties to a real estate transaction may elect to assess, even though the hazards are not included in CERCLA's definitions of hazardous substances and are not subject to incurrence of response costs under CERCLA. Those substances include, but are not necessarily limited to:

1. Asbestos,
2. Mold,
3. Radon, and
4. Lead-based paint

The scope of work for this assessment specifically recognizes that evaluation of these non-CERCLA substances is excluded from consideration. Condor is, however, willing to negotiate a modified scope of work and cost for this investigation if an evaluation for these substances is required.

## **SITE ACCESS AND SITE CONDITIONS**

The Client will grant or obtain free access to the Site for all equipment and personnel necessary for Condor to perform the work set forth in this Scope of Work. The Client will notify any and all possessors of the project Site that the Client has granted Condor free access to the Site.



## **DISCOVERY OF UNANTICIPATED HAZARDOUS MATERIALS**

Condor agrees to notify the Client when unanticipated hazardous materials or suspected hazardous materials are encountered. The Client agrees to make any disclosures required by law to the appropriate governing agencies. The Client also agrees to hold Condor harmless for any and all consequences of disclosures made by Condor or the Client, which are required by governing law. In the event the project Site are not owned by the Client, the Client recognizes that it is the Client's responsibility to inform the property owner of the discovery of unanticipated hazardous materials or suspected hazardous materials.

Notwithstanding any other provision of this Scope of Work, the Client waives any claim against Condor and, to the maximum extent permitted by law, agrees to defend, indemnify, and save Condor harmless from any claim, liability, and/or defense costs for injury or loss arising from Condor's discovery of unanticipated hazardous materials or suspected hazardous materials, including, but not limited to, any costs created by delay of the project and any costs associated with possible reduction of the property's value.

## **LIMITATIONS**

The purpose of a Phase I ESA is not to prove that no hazardous materials are present at the Site, but it is intended to assist the Client with appropriate inquiry into the previous ownership and uses of the property to satisfy this element of the *LLPs* to Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) liability. The use of an environmental professional will minimize and manage the risk of environmental difficulty, but it cannot completely eliminate the risk.

Condor will not warrant or certify that the Site is free of contaminants, because it is impossible to know if such a condition exists. Contaminants may be present in areas that are not accessible for inspection or sampling. Contaminants can migrate later into areas that are inspected or sampled during the ESA. A prudent and professional consultant can only supply an opinion and cannot certify that certain conditions exist when it is impossible to know that such conditions exist.

## **ESTIMATED SCHEDULE**

Condor will commence Site assessment activities upon receipt of a signed contract for this work. Condor will complete the Scope of Work within three weeks (see attached Work Order Agreement). Every effort will be made to complete the assessment report as soon as possible.

## **ESTIMATED COST AND CONDITIONS**

Condor will perform the work described herein for a cost of \$3,600 (15 business day turnaround) on a lump sum basis and in accordance with Condor's current Schedule of Fees. We appreciate the opportunity to present this proposal and trust it will meet your needs. If you have any questions, please feel free to call us at (209) 234-0518.

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## CITY OF HUGHSON AGENDA ITEM NO. 3.6 SECTION 3: CONSENT CALENDAR

**Meeting Date:** November 9, 2015  
**Subject:** Approval of City Hall Closure during the Holiday Period of December 24, 2015 through January 1, 2016.  
**Presented By:** Shannon Esenwein, Finance Director

**Approved By:** \_\_\_\_\_

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### **Staff Recommendation:**

Authorize the closure of City Hall from December 24, 2015 through January 1, 2016.

### **Background and Overview:**

For the last four holiday seasons, the City Council has approved the closing of City Hall during the period of December 24 through January 1. The City annually observes December 25 and January 1 as regular holidays. The month of December is the slowest time of the year for City services and government offices in general. From past experience, office traffic is typically very slow during this week and building permit activity is nearly non-existent. Additionally, the closure during the holiday season allows City employees the opportunity to spend time with their families with minimal effects or consequences to the community.

### **Closure in Summary**

City Hall is already scheduled to be closed on Friday, December 25 in observance of Christmas Day and January 1 for New Year's Day. With this proposal, City Hall would be closed five additional days including Thursday, December 24 (Christmas Eve), and Monday December 28 through Thursday December 31, 2015. City Hall would open for business on Monday, January 4, 2016.

As practiced with past closures during the holiday season, City employees would use vacation time or be on unpaid leave for the additional five days. Vacation time used by employees during this period helps to lower future vacation accrual liabilities.

Select Public Works staff would still be working and performing critical work tasks. Additionally, normal on call procedures would be followed in order to handle any emergencies that may occur during this time. The City Manager would also be available during this time by phone or as needed to address any issues that may arise that warrant an immediate response.

## Preparation for Closure

Following approval of the closure for the upcoming holiday season, the City would have six weeks to inform the community that City Hall will be closed. City staff would post an announcement of the closure in the December newsletter that is mailed to every utility bill customer at the beginning of the month, as well as post signs at City Hall and provide notifications on the City website and Facebook page. With adequate notice and outreach, community members will be made aware that the City will be closed and can make arrangements to take care of City business either before or after the closure.

City utility bills are currently due on the last business day of the month. With the office closure, the deadline for utility bills would be extended to Tuesday, January 5, 2016.

### **Fiscal Impact:**

The holiday closure as recommended is expected to result in nominal utility savings associated with the City buildings being closed and in fuel costs due to maintaining only minimal staffing in Public Works.