

**CITY OF UKIAH
CITY COUNCIL AGENDA
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
February 4, 2015
6:00 p.m.**

1. ROLL CALL

2. PLEDGE OF ALLEGIANCE

3. PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS

- a. Acknowledgment of Gift of Artwork to the City of Ukiah from Colleen Henderson.

4. PETITIONS AND COMMUNICATIONS

5. APPROVAL OF MINUTES

- a. Minutes of January 21, 2015, a Regular Meeting.

6. RIGHT TO APPEAL DECISION

Persons who are dissatisfied with a decision of the City Council may have the right to a review of that decision by a court. The City has adopted Section 1094.6 of the California Code of Civil Procedure, which generally limits to ninety days (90) the time within which the decision of the City Boards and Agencies may be judicially challenged.

7. CONSENT CALENDAR

The following items listed are considered routine and will be enacted by a single motion and roll call vote by the City Council. Items may be removed from the Consent Calendar upon request of a Councilmember or a citizen in which event the item will be considered at the completion of all other items on the agenda. The motion by the City Council on the Consent Calendar will approve and make findings in accordance with Administrative Staff and/or Planning Commission recommendations.

- a. Approve Final Resolution Ordering and Directing the Ukiah Department of Public Works to Abate the Public Nuisance Located at 272 North State Street (Palace Hotel).
- b. Adoption of Resolution Removing the Existing No Parking Zone on the North Side of West Church Between Hope Street and Barnes Street and Removing on-Street Parking on the South Side of West Church Street Between Spring Street and Barnes Street.
- c. Authorize the City Manager to Negotiate and Execute a 48 Month Lease and Maintenance Agreement with Advance Xerographics (Local Xerox Agent) for the Replacement of Existing Multi-Function Copy Machines.
- d. Approval of Purchase of John Deere 5075e Tractor for the Waste Water Treatment Plant in the Amount of \$48,143.87 to Deere & Company.

- e. Award Purchase of One New Vactor Truck with 10 Cubic Yard Capacity, and a Single Engine Dual Stage Fan Unit with 1000 Gallons Of Water, Mounted on a 2016 Freightliner 114SD 4x2 with a Cummins ISL 370 HP Engine to Owen Equipment for the Water Sewer Department in the Total Amount of \$404,626.46 and Approve Budget Transfer and Amendment.

8. AUDIENCE COMMENTS ON NON-AGENDA ITEMS

The City Council welcomes input from the audience. If there is a matter of business on the agenda that you are interested in, you may address the Council when this matter is considered. If you wish to speak on a matter that is not on this agenda, you may do so at this time. In order for everyone to be heard, please limit your comments to three (3) minutes per person and not more than ten (10) minutes per subject. The Brown Act regulations do not allow action to be taken on audience comments in which the subject is not listed on the agenda.

9. COUNCIL REPORTS

10. CITY MANAGER/CITY CLERK REPORTS

11. PUBLIC HEARINGS (6:15 PM)

12. UNFINISHED BUSINESS

13. NEW BUSINESS

- a. Award of Contract for Perkins Street Underground District #2, Specification No. 14-15 to Coastside Concrete in the Amount of \$619,220.00 (EUD).
- b. Consider Approval of Resolution(s) Authorizing the Successor Agency to the Former Redevelopment Agency of the City of Ukiah and the City of Ukiah to Re-enter into a Funding Agreement for Public Infrastructure Improvements for the Redwood Business Park, Dated March 8, 2011 as Authorized by the Oversight Board in Resolution Number 2012-08.
- c. Update on Fines at the Waste Water Treatment Plant in Connection with Administrative Civil Liability Complaint No. 2014-0058 as Issued by the California Regional Water Quality Control Board.
- d. Receive Technical Memo for the Basis of Design for Well #4 and Approve Budget Amendment for Final Design.

14. CLOSED SESSION – Closed Session may be held at any time during the meeting

- a. **Public Employee Performance Evaluation**
Government Code Section 5495
Title: City Manager
- b. **Conference with Legal Counsel – Existing Litigation**
(Government Code Section 54956.9(d)(1))
Name of case: *Ukiah Valley Sanitation District v. City of Ukiah*, Mendocino County Superior Court Case No. SCU-K-CVC-13-63024
- c. **Conference with Legal Counsel – Existing Litigation**
(Government Code Section 54956.9(d)(1))
Name of case: *County of Mendocino v. Solid Waste Systems, Inc.*, Mendocino County Superior Court Case No. SC-UK-CVG-1159459

d. **Conference with Real Property Negotiators (§54956.8)**

Property: APN 180-070-19

Negotiator: Jane Chambers, City Manager

Negotiating Parties: City of Ukiah and RCMC, LLC

Under Negotiation: Price & Terms

15. ADJOURNMENT

Please be advised that the City needs to be notified 72 hours in advance of a meeting if any specific accommodations or interpreter services are needed in order for you to attend. The City complies with ADA requirements and will attempt to reasonably accommodate individuals with disabilities upon request. Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available for public inspection at the front counter at the Ukiah Civic Center, 300 Seminary Avenue, Ukiah, CA 95482, during normal business hours, Monday through Friday, 8:00 am to 5:00 pm.

I hereby certify under penalty of perjury under the laws of the State of California that the foregoing agenda was posted on the bulletin board at the main entrance of the City of Ukiah City Hall, located at 300 Seminary Avenue, Ukiah, California, not less than 72 hours prior to the meeting set forth on this agenda.

Dated this 29th day of January, 2015.

Kristine Lawler, City Clerk

**CITY OF UKIAH
CITY COUNCIL MINUTES
Regular Meeting
CIVIC CENTER COUNCIL CHAMBERS
300 Seminary Avenue
Ukiah, CA 95482
January 21, 2015
6:00 p.m.**

1. ROLL CALL

Ukiah City Council met at a Regular Meeting on January 21, 2015, having been legally noticed on January 15, 2014. Mayor Crane called the meeting to order at 6:00 p.m. Roll was taken with the following **Councilmembers Present:** Maureen Mulheren, Kevin Doble, Jim O. Brown, Vice Mayor Scalmanini and Mayor Crane. **Staff Present:** Jane Chambers, City Manager; David Rappaport, City Attorney; and Kristine Lawler, City Clerk.

2. PLEDGE OF ALLEGIANCE

Tim Erikson, Public Works Director, paid tribute and Mayor Crane led a moment of silence in remembrance of Jerry Whitaker, Public Works Supervisor and employee of the City of Ukiah for 19 years.

COUNCIL ADJOURNED TO CLOSED SESSION AT 6:07 P.M.

14. CLOSED SESSION

a. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: *Ukiah Valley Sanitation District v. City of Ukiah*, Mendocino County Superior Court Case No. SCU-K-CVC-13-63024

COUNCIL RECONVENED IN OPEN SESSION AT 6:27 P.M.

3. PROCLAMATIONS/INTRODUCTIONS/PRESENTATIONS

4. PETITIONS AND COMMUNICATIONS

5. APPROVAL OF MINUTES

a. Minutes of January 7, 2015, Regular Meeting.

Motion/Second: Brown/Mulheren to approve the minutes of January 7, 2015, a Regular Meeting as submitted. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

6. RIGHT TO APPEAL DECISION

7. CONSENT CALENDAR

a. Report of Disbursements for the Month of December 2014 – *Finance*.

b. Adoption of Resolution (2015-02) Removing 23 Lineal Feet of On-Street Parking at 732 South State Street (Ellie's Mutt Hut) – *Public Works*.

- c. Update of Resolutions (2015-03 and 2015-04) for Aviation Fuel Prices at the Ukiah Regional Airport – *Airport*.
- d. Receive Notification of Expenditure in the Amount of \$24,192.97 to Consolidated Electrical Distributors for 20 New Street Light Standards to be Used in Conjunction with the Perkins Street Underground District No. 2 Project – *Electric Utility*.

Motion/Second: Mulheren/Doble to approve Consent Calendar Items 7a - d, as submitted. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

8. **AUDIENCE COMMENTS ON NON-AGENDA ITEMS**

Presenter: Stephanie Hoppe.

9. **COUNCIL REPORTS**

Presenters: Councilmembers Doble and Brown.

10. **CITY MANAGER/CITY CLERK REPORTS**

11. **PUBLIC HEARINGS**

- a. **Consideration and Possible Adoption of a Resolution Ordering Repair of Dilapidated Palace Hotel Structure, Retention of Cota Cole, LLP, and Setting Forth the Conditions for the Initiation of Proceedings Under Health and Safety Code Section 17980.7 to Establish a Receivership for the Palace Hotel Property – *Planning and Community Development*.**

Presenters: Jane Chambers, City Manager; David Rapport, City Attorney; and David Willoughby, Building Official.

PUBLIC HEARING OPENED AT 6:49 P.M.

Public Comment: Craig Strattman, Janet Ostoya, Lynn Zimmerman, John McCowen (speaking as a private citizen), Judy Pruden, John Curry, Tom Liden, Alan Nicholson, Wendy Jackson, Phil Baldwin, Ernie Olson, and Peter Good.

Property Representatives: Eladia Laines, Unique Properties, Inc. President and Norman Hudson, Contractor.

Continued Public Comment: Ernie Olson and John McCowen.

PUBLIC HEARING CLOSED AT 8:53 P.M.

Staff Comment: Sage Sangiacomo, Assistant City Manager.

Motion by Councilmember Brown, Seconded by Councilmember Mulheren to: (a) adopt the Resolution authorizing the filing of a petition of an appointment of a receiver; (b) Authorize the retention of Cota Cole to provide legal services in connection with the appointment of a receiver; and (c) Authorize the petition to seek the appointment of Mark Adams as the receiver; changing the date on page 8 of the resolution from October 4, 2014 to February 21, 2015.

Upon further consideration, the maker and the second withdrew the motion.

Motion by Councilmember Brown and Seconded by Mayor Crane to (a) Continue to monitor the Compliance Schedule, (b) adopt the Resolution authorizing the public works director to monitor compliance with the schedule and file the receivership petition, if ownership fails to comply without good cause and (c) retain Cota Cole to provide necessary legal services and authorize petition to seek appointment of Mark Adams as the receiver, with a determination taking place within 90 days of whether a petition is going to be filed.

RECESS FOR FURTHER CLARIFICATION TO THE MOTION: 9:18 – 9:39 P.M.

The maker and the second agreed to the following amended motion:

Motion by Councilmember Brown and Seconded by Mayor Crane to continue to monitor the compliance schedule with the following modifications:

Within a 30 day period:

- Fire sprinkler systems become operational
- Structural assessment to address any immediate hazard concerns is completed
- Roof is patched to prevent further water damage
- Structure is to be secured from any intrusions
- Windows are to be secured

Within an additional 30 days (60 days total)

- Asbestos abatement is completed

And directing staff to proceed with a petition for receivership if ownership is not in compliance by the end of the 60 days. Additionally, after the 60 days have passed, ownership is to come into compliance with the remainder of exhibit B (Compliance Schedule) of the resolution that has been previously outlined by the City Council; (b) authorize the public works director to monitor compliance with the schedule and file the receivership petition, if ownership fails to comply without good cause; and (c) retain Cota Cole to provide necessary legal services and authorize petition to seek appointment of Mark Adams as the receiver.

Upon further discussion and consideration by Council, the maker and second agreed to the following and final amended motion:

Motion/Second: Brown/Crane to:

(a) Continue to monitor the Compliance Schedule (*Exhibit B to Resolution shown as Attachment 2 in Agenda Summary Report(ASR)*), with the modification that the following items take place within 90 days (*from January 21, 2015*):

- Fire sprinkler systems become operational
- Structural assessment to address any immediate hazard concerns is completed
- Roof is patched to prevent further water damage
- Structure is to be secured from any intrusions
- Windows are to be secured
- Asbestos abatement is completed

The remainder of the compliance schedule in Exhibit B, starting with the milestone “Prepare plan for predevelopment...,” as previously approved by the City Council, shall continue in effect;

- (b) Adopt the Resolution (*Attachment 2 in ASR; 2015-05*) authorizing the public works director to monitor compliance with the schedule and file the receivership petition, if ownership fails to comply without good cause; and
- (c) Retain Cota Cole (*Agreement shown as Attachment 7 to ASR; COU 1415-156*) to provide necessary legal services and authorize (*receivership*) petition to seek appointment of Mark Adams as the receiver.

Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

(Clerk's Note: The City Attorney will be submitting the modified resolution to Council for final confirmation under the Consent Calendar for the February 4, 2015, meeting)

RECESS: 9:57 – 10:00 P.M.

12. **UNFINISHED BUSINESS**

- a. **Authorize the City Manager to Negotiate and Execute a Disposition Agreement with Petaluma Ecumenical Properties, a California Nonprofit Public Benefit Corporation, for a Low and Moderate Income Senior Housing Development on the Former Ukiah Redevelopment Agency's Cleveland Lane Property and an Amended Memorandum of Understanding Between the City of Ukiah and the Grace Hudson Museum Endowment Fund – Community Services.**

Presenters: Shannon Riley, Project and Grant Administrator and Sage Sangiacomo, Assistance City Manager.

Petaluma Ecumenical Properties (PEP) Representative: Mary Stompe, PEP Executive Director;

Motion/Second: Scalmanini/Brown to authorize the City Manager to negotiate and execute the draft Disposition Agreement with Petaluma Ecumenical Properties, a California nonprofit public benefit corporations, for a low and moderate senior housing development on the former Ukiah redevelopment agency's Cleveland lane property and negotiate and execute an amended Memorandum of Understanding between the Grace Hudson Museum Endowment Fund and the City of Ukiah. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

- b. **Approve the Purchase of 2.8 Acres with a 15,800 Sq. Ft. Building Located at 1350 Hastings Rd., Ukiah, CA for the Electric Utility Department (\$1,200,000.00); and Authorize the City Manager to Execute All Necessary Purchase Documents Contingent on Satisfactory Environmental Clearance – Electric Utility.**

Presenter: Sage Sangiacomo, Assistant City Manager.

Motion/Second: Mulheren/Brown to authorize the City Manager to execute all necessary purchase documents contingent on satisfactory environmental clearance. Motion **carried** by the following roll call votes: AYES: Mulheren, Doble, Brown, Scalmanini, and Crane. NOES: None. ABSENT: None. ABSTAIN: None.

- c. **Continuation of Consideration of Proposal for Goal Setting for FY 2015/2016 Budget Preparation – Finance Department.**

Presenters: Karen Scalabrini, Finance Director and Jane Chambers, City Manager.

Report was received.

5. PETITIONS AND COMMUNICATIONS

Presenter: Mayor Crane.

CITY COUNCIL ADJOURNED TO SUCCESSOR AGENCY TO THE UKIAH REDEVELOPMENT AGENCY, FOLLOWED BY CLOSED SESSION AT 10:43 P.M.

14. CLOSED SESSION - Continued

a. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: *Ukiah Valley Sanitation District v. City of Ukiah*, Mendocino County Superior Court Case No. SCU-K-CVC-13-63024

b. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of Case: *Ukiah v. Cohen et al*, Sacramento County Superior Court No. 34-2014-80001744

c. Conference with Legal Counsel – Existing Litigation

(Government Code Section 54956.9(d)(1))

Name of case: *County of Mendocino v. Solid Waste Systems, Inc.*, Mendocino County Superior Court Case No. SC-UK-CVG-1159459

d. Conference with Real Property Negotiators (§54956.8)

Property: APN 180-070-19

Negotiator: Jane Chambers, City Manager

Negotiating Parties: City of Ukiah and RCMC, LLC

Under Negotiation: Price & Terms

e. Conference with Real Property Negotiators (§54956.8)

Property: APN 003-572-17-00 and 003-572-18-00

Negotiator: Jane Chambers, City Manager

Negotiating Parties: City of Ukiah and Donna Mae Cooper

Under Negotiation: Price & Terms

f. Conference with Real Property Negotiators (§54956.8)

Property: APN Nos. 002-101-19, 20 & 21

Negotiator: Jane Chambers, City Manager

Negotiating Parties: Rural Communities Housing

Development Corporation (RCHDC) and City of Ukiah

Under Negotiation: Price & Terms

No action was taken on Closed Session Items.

15. ADJOURNMENT

There being no further business, the meeting adjourned at 11:30 p.m.

Kristine Lawler, City Clerk



ITEM NO: 7a
MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: APPROVE FINAL RESOLUTION ORDERING AND DIRECTING THE UKIAH DEPARTMENT OF PUBLIC WORKS TO ABATE THE PUBLIC NUISANCE LOCATED AT 272 NORTH STATE STREET (PALACE HOTEL)

SUMMARY: On January 21, 2015, the City Council approved a Resolution which requires the Public Works Director to initiate receivership proceedings for the Palace Hotel, if the Owner fails to comply with a Compliance Schedule attached to the Resolution as Exhibit B. The Agenda Summary Report for the Palace Hotel public hearing on January 21, 2015, attached as Attachments 1 and 2, alternative resolutions to abate the code violations and public nuisance conditions on the Palace Hotel Property. Both resolutions included an attached Exhibit B, which had previously been approved by the City Council.

Staff has finalized the Resolution and revised Exhibit B to implement the motion adopted by the City Council at its meeting on January 21, 2015. Because the Resolution and the attached Exhibit B have been revised after the City Council meeting, the revisions are being submitted to the City Council for final approval to make sure that they accurately reflect the intentions of the City Council.

Under the revised Exhibit B, the milestones which the owner is required to complete by April 21, 2015, have been revised to read as follows:

(See Page 2)

Recommended Action(s): Approve the final wording in Resolution and Exhibit B attached hereto as Attachment 1.

Alternative Council Option(s): Provide direction to staff, if Attachment 1 does implement the City Council's action on January 21, 2015, as intended by the City Council.

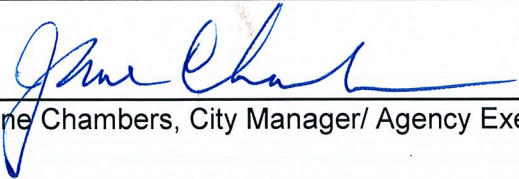
Citizens advised: Eladia Laines

Requested by: David J. Rapport, City Attorney

Prepared by: David J. Rapport, City Attorney

Coordinated with: Jane Chambers, City Manager, and David Willoughby, Building Official

Attachments: 1. Resolution to Abate Dangerous and Dilapidated Building, including Exhibits A & B

Approved: 
Jane Chambers, City Manager/ Agency Executive Director

COMPLIANCE SCHEDULE

Milestone	Deadline	Evidence of Compliance
1. Obtain required building and encroachment permits and any other required permits to perform Asbestos Abatement Work Plan prepared by Bluewater Environmental Services, Inc. and approved by Cal OSHA and Mendocino County Air Quality Management District (MCAQMD) 2. Restore fire sprinkler system to full function to the satisfaction of the Fire Marshall. 3. Obtain approval by City Engineer of a written structural assessment of hotel by California licensed structural or civil engineer for conditions creating significant threat to structural integrity of building. 4. Complete any repairs recommended in approved structural assessment. 5. Secure the entire building from unauthorized entry to the satisfaction of the City Building Official. 6. Patch roof and cover all window, door and other openings to effectively prevent water intrusion. Continuously maintain these measures to prevent water intrusion until completion of rehabilitation. 7. Fully perform and complete the approved Asbestos Abatement Work Plan to the satisfaction of Cal OSHA and MCAQMD.	April 21, 2015	The following correspond to the numbered items in column, headed "Milestone." For example, #1 below is the evidence to establish compliance with Milestone # 1. The evidence of compliance must be provided by the April 21, 2015, deadline. 1. Copy of issued permits on file in City Planning and Building Department. 2. Inspection and approval of City Building Official and Fire Marshall. 3. Copy of approved structural assessment on file with Planning and Building Department. 4. Written approval from structural or civil engineer bearing engineer's stamp and signature on file with Planning and Building Department and inspection by City Building Official and/or City Engineer. 5. Inspection by City Building Official. 6. Inspection and on-going inspections by City Building Official. 7. Written approval by Cal OSHA and MCAQMD on file with Planning and Building Department and inspection by City Building Official.

The remainder of Exhibit B remains unchanged.

Recorded at request of:

Attachment 1

City of Ukiah

When recorded, return to:

City of Ukiah
Ukiah Civic Center
300 Seminary Avenue
Ukiah, CA 95482

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH
ORDERING AND DIRECTING THE UKIAH DEPARTMENT OF
PUBLIC WORKS TO ABATE THE PUBLIC NUISANCE
LOCATED AT 272 NORTH STATE STREET (PALACE HOTEL)
BY REPAIR OR REMOVAL AFTER THIRTY (30) DAYS**

WHEREAS:

1. On December 21, 2011, the City Council adopted Resolution No. 2011-55, declaring the property located at 272 North State Street in the City of Ukiah and also known as Mendocino County Assessor's Parcel Number 002-224-13 and the dilapidated hotel building located thereon ("the Property") a public nuisance and its intent to abate the public nuisance by repair or demolition ("Resolution of Intent").
2. The Notice of Hearing required by Ukiah City Code Section 3303, and a certified copy of the Resolution of Intent was posted on the Property and served on the Property owner at the address as shown on the last equalized Mendocino County assessment role in accordance with Ukiah City Code Section 3305.
3. On February 15, 2012, the City Council opened a public hearing in accordance with Ukiah City Code Section 3306, and considered all objections or protests, and the testimony from owners, witnesses and interested parties addressing the proposed removal or repair of the Property.
4. After hearing from Eladia Laines and her contractor Norm Hudson, the City Council continued the public hearing to March 21, 2012, to give Ms. Laines an opportunity to propose a plan for the abatement of the nuisance conditions on the Property. At the hearing on March 21 the staff reported that Ms. Laines had submitted three emails discussing how she intended to rehabilitate the hotel. Staff stated that the proposals fell short, in staff's opinion, of presenting a viable plan for the rehabilitation of the hotel and explained the process for appointing a receiver to undertake

abatement of nuisance conditions on the property. The Council voted to continue the hearing to April 18, 2012, and appointed an ad hoc committee to meet with Ms. Laines where she was expected to clarify title to the Property and to provide information about stabilizing the roof and removing debris from inside the hotel. At the April 18, 2012, meeting Ms. Laines provided a letter from a title company confirming that it was reviewing documents to clear title and that she had contacted the Mendocino County Air Quality Management District ("Air Quality District") for a list of asbestos consultants who would need to assist in obtaining a demolition permit to remove debris from inside the building. The public hearing was continued to May 16, 2012 at which time the ad hoc committee reported on and Ms. Laines described her progress in abating nuisance conditions on the Property. After hearing from the ad hoc committee and Ms. Laines, the City Council continued the public hearing to June 20, 2012, to hear a report from the ad hoc committee and Ms. Laines on progress in abating the nuisance conditions at the hotel. For the next 22 months the City Council heard monthly reports from the ad hoc committee and Ms. Laines on her progress in abating nuisance conditions at the hotel. During that time Ms. Laines appeared to be making progress toward abating the nuisance conditions. She obtained an encroachment permit to place scaffolding within the public right of way to remove ivy from the Smith Street side of the building and the ivy was removed. However, by July 18, 2012, she had not obtained a demolition permit for removal of debris from inside the building, because she had not gotten an asbestos clearance from the Air Quality District. By December 19, 2012, Ms. Laines had not received a demolition permit. During this time Ms. Laines did report that plastic sheeting had been placed on the roof and window openings to reduce water infiltration during the winter. Subsequently, a demolition permit was issued and some debris was removed from the building, but at the City Council meeting on June 19, 2013, staff reported that the Air Quality District observed a possible violation of its Asbestos notification and Release approval, when one of its inspectors discovered workers sorting through piles of debris without a required Certified Site Surveillance Technician on site. The Air Quality District issued a Notice to Comply. At the July 17, 2013, City Council meeting, staff reported that debris removal has been slow and methodical and in apparent compliance with the Air Quality District asbestos demolition/renovation clearance. Debris removal was to take place in three phases. At the August 21, 2013, City Council meeting, staff reported that Phase I had been completed and Ms. Laines was discussing Phase II with the Air Quality District. At the October 16, 2013, City Council meeting staff reported that debris removal had far exceeded the work approved for Phase I and the scope of the approved demolition permit. The contractor was directed to receive the necessary clearance from the Air Quality District and an additional demolition permit from the City before performing additional work. The City's building official also reiterated his strong concern about immediately repairing the roof. At the December 18, 2013, City Council meeting, staff reported that the Air Quality District had approved a Phase II debris removal plan and on December 10, 2013, the Building Official issued a demolition permit for Phase II debris removal. At the January 14, 2014, City Council meeting, staff reported that they were

alerted on December 27, 2013, that Air Quality district inspector had observed uncertified workers performing asbestos removal in violation of the District-approved Revised Asbestos Removal Plan for Phase II. At its February 19, 2014, meeting the City Council was informed that Cal OSHA had red-tagged the Property to prevent any workers from entering the building based on Cal OSHA testing which detected asbestos at unsafe levels. A further report on obtaining Cal OSHA approval to continue asbestos removal and abatement was made to the City Council on March 14, 2014. On April 16, 2014, the City Council considered a resolution ordering the Public Works Director to abate the nuisance conditions on the property not sooner than thirty (30) days from the adoption of the resolution. The City Council also considered entering a retainer agreement with Cota Cole to represent the City in a proceeding under Health and Safety Code Section 17980.7 to appoint a receiver to abate the nuisance conditions on the property. After hearing from Ms. Laines and her contractor, Norm Hudson, the City Council agreed to continue the hearing until June 4, 2014, to give Ms. Laines time to obtain a termination of a Cal OSHA cease and desist order, barring workers from the building due the presence of asbestos. On June 4, the Council learned that Ms. Laines has not obtained a termination of the Cal OSHA cease and desist order. The Council directed staff to propose a Compliance Schedule for the abatement of the nuisance conditions at the Palace Hotel. Staff returned with a proposed compliance schedule at the June 18, 2014, City Council meeting. After hearing from the contractor, Norm Hudson, the Council directed staff to consult with Mr. Hudson on revisions to the Compliance Schedule and return to the City Council at its August 6, 2014, meeting with a revised schedule. Staff consulted with Mr. Hudson, but he did not recommend any changes to the proposed schedule. However, the dates for complying with the first two milestones on the schedule had already passed by August 6. At that meeting the City Council approved the Compliance Schedule, attached hereto as Exhibit B, and continued the hearing to September 3, 2014, to determine, if Ms. Laines had complied with the first three milestones on the schedule, which are:

Milestone	Deadline	Evidence of Compliance
Secure hotel structure from unauthorized entry	August 20, 2014	Inspection by Building Official
Enter a written contract ("Contract") with Bluewater Environmental Services to perform a work plan approved by Cal OSHA and MCAQMD to abate asbestos contamination in the hotel and open escrow account with a federally or state chartered bank with sufficient funds to pay the Contract price.	August 27, 2014	Planning Director's receipt of copy of fully executed Contract and documents from the bank showing that (1) the escrow account is opened, including the account number (2) the balance in the account and (3) the funds in the account may only be withdrawn to pay amounts due under the Contract

Submission of work plan to Cal OSHA and Mendocino County Air Quality Management District (MCAQMD)	September 2, 2014	Evidence of transmittal to OSHA and MCAQMD and copy of plan filed with Planning Director
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The Compliance Schedule was sent to Ms. Laines by registered mail, return receipt requested and returned to the City unopened. On August 8, 2014, the Compliance Schedule was emailed to Ms. Laines. In an August 28, 2014, email from Ms. Laines local representative Pinky Kushner, Ms. Laines was quoted as acknowledging receipt of the Compliance Schedule.

On or before August 20, 2014, the Building Official learned from Norm Hudson that he was not currently performing as Ms. Laines' contractor. The Building Official inspected the building on August 20 and found that the building was not secure. On Sunday, August 24, Ms. Laines emailed Councilmember Scalmanini that plywood had been attached to two openings in the Palace Hotel. On August 25, Council member Scalmanini forwarded the email to the Planning Director. The Building Official inspected the building on August 25 and determined that the two openings were adequately secured, but the ground floor door on the Smith Street side of the building had not been secured, nor had a number of windows/openings. On August 25, the Planning Director notified Ms. Laines of the Building Official's findings. The email notified Ms. Laines that the Building Official was available to meet with her to discuss how to properly secure the building and gave her the Building Official's contact information. She left him a voice mail message on August 27 that she would have the remaining points of access to the building secured on August 27. The Planning Director emailed Ms. Laines that the Building Official would inspect the building in the afternoon on August 27 and reminded her that under the Compliance Schedule she was required to submit to the Planning Director on August 27 a fully executed contract with Bluewater Environmental Services to abate asbestos contamination in the building and documents from a federally or state chartered bank showing that an escrow account has been opened, including the account number, and the balance of the account, and evidence that the funds in the account will only be used to pay amounts due under the contract with Bluewater. These conditions were based on letters from Ms. Laines presented to the City Council at its June 18, 2014, meeting that she was securing funds for the asbestos abatement and that Blue Water could complete the work in 3-6 weeks, once it and Ms. Laines entered a contract and payment for its services was secured.

The Building Official inspected the exterior of the building on August 27, 2014 and found that most of the doors and openings had been adequately secured against unauthorized entry. However, he remained concerned about the window on the Smith Street side of the building because it had 1/4" plywood instead of 3/4" and was not secured tightly. He

also could not tell if the upstairs windows on the south side of the building had been secured because they were not visible from the street. The Planning Director emailed the owner on August 27th and informed her of these concerns and requested that she contact the Building Official and allow him to tour the building so that a comprehensive assessment could be made as to whether or not the building has been adequately secured against unauthorized entry.

On September 5, 2014, staff was alerted by a citizen that a door on the ground floor was wide open and it look as though the building had been broken into. The Building Official inspected the building and the building and observed damage and concluded that the building had been broken into. On September 8, 2014, staff was alerted by the owner that the building had again been broken into. On September 12, 2015, staff emailed the owner requesting cooperation in performing a comprehensive tour of the building and developing a strategy for securing it against unauthorized entry. In a September 15, 2014 email, the owner expressed her opinion that the building was adequately secure.

On November 5, 2014, Cal OSHA approved the asbestos removal work plan and the owner's indicated that work would begin in early December. On December 18, 2014, the owner indicated that work was delayed and that they anticipate "a start of staging shortly." At the City Council meeting on January 7, 2015, staff reported to the City Council that the required permits for the asbestos removal had not been applied for and the work had not started. As of January 13, 2015, the required permits had not been applied for and staff had not heard from the owner or asbestos removal contractor.

As of January 13, 2015, the plastic on the windows remained torn and tattered, and photos taken on December 12, 2014, and submitted to the City Council on December 17, 2014, show that the plastic on the roof was similarly still torn and tattered. The windows and roof were in this condition during heavy rains in December 2014, resulting in substantial additional intrusion of water into the building.

On December 18, 2014, staff received a copy of a Preliminary Structural Evaluation, prepared by LACO Associates under contract with the potential receiver that the City may request the court to appoint. The engineer did not enter the building. His work consisted of a detailed review of all past structural reports and exterior observations of the structure. This evaluation identified a number of concerns, one of which was the cracking in the northeast corner of the building at the intersection of North State Street and Smith Street. The report stated that the cracks were apparently the result of a window being added sometime in the past without an adequate lintel being installed above it. The masonry above this area is acting as "a gravity support arch...and the resultant force is pushing the easterly wall of the building towards North State Street." The report recommends that, at a minimum, "this condition should be repaired by restoring the vertical support of the masonry above the added window opening" and that "additional steel strapping or other ties may be required to tie the separated portion together, based on conditions discovered during construction."

In a follow-up conversation with the engineer who prepared the Evaluation, staff inquired about the urgency of this condition of the building and the engineer responded that in his opinion, it "should be repaired or stabilized as soon as possible."

On December 16, 2014, Staff sent a letter to the owner urgently requesting that she: 1) Secure the entire building against unauthorized entry to the satisfaction of the City's Building Official; 2) Secure the windows with water tight material to prevent further rainwater intrusion; 3) Repair or replace the roof to prevent further rainwater intrusion; 4) Arrange for a licensed structural engineer to inspect the building, particularly the northeast corner to determine its structural integrity and whether or not there is an immediate need for repairs to prevent an imminent threat of structural failure and submit a written report from the engineer to the Planning Department. If immediate repairs are necessary, the letter requested the owner to secure the required permit and complete the necessary repairs; 5) Submit to the Planning Department a copy of the contract with Bluewater Environmental Services and evidence that an escrow account has been established with the funds needed to fund the asbestos removal project; and 6) Secure the required permits and remove the asbestos from the building. In a December 19, 2014 email, the owner indicated she would like to discuss the letter. As of January 13, 2015, the owner had not contacted staff to discuss the letter and none of the items requested in the letter had been accomplished.

5. Based on the evidence presented and the records of the Ukiah Planning and Building Departments and the monthly reports to the Palace Hotel Nuisance Abatement Ad Hoc Committee and the full City Council, the City Council finds that:

A. The Property contains one dilapidated hotel structure of approximately 60,000 square feet, and consists of three stories. The original hotel, constructed in 1891 contains unreinforced masonry walls. A later addition, constructed in the 1920's, contains reinforced concrete walls. The hotel was last occupied more than 20 years ago and has since remained vacant, boarded up and unheated.

B. The 2002 Point 2 Structural Engineers Seismic Analysis of the building revealed that the perimeter unreinforced masonry walls of the older portions of the building were found to be deficient to adequately support the vertical and probable earthquake loads of the region. The mortar shear tests determined the unreinforced masonry walls could not sustain minimum loads without failure, and that although they are not necessary for the stability of the overall structure, the parapets presented a very real falling hazard during a seismic event.

C. An inspection of the Property by the City Building Official and Fire Marshal on May 26, 2011, determined that the building on the Property constitutes a public nuisance. As set forth in more detail in the letter to the Property owner from David Willoughby, Building Official, dated September 26, 2011, attached here to as Exhibit A: (1) The hotel building is an unoccupied, unsafe structure in a dilapidated condition that has deteriorated wood, visible dry rot, broken windows, mold, deteriorated flooring and floor supports, deteriorated ceilings and roof supports, significant water damage that is beginning to compromise the structural integrity of the building; (2) the structure is not adequately protected against water intrusion and will continue to deteriorate in its present condition; (3) the structure is not adequately protected against unauthorized entry and as a result, trespassers have deposited garbage and trash in the structure, which poses a threat to public health and safety; (4) there is evidence that the building has been occupied by homeless persons; and (4) The existing fire sprinkler system has not been properly maintained, has fallen into disrepair as described in the attached Exhibit A.

D. Over the 35 months since the City Council commenced its hearing under Ukiah City Code Section 3306, Ms. Laines placed plastic sheeting over the roof and windows and removed some debris from inside the building. In removing lathe and plaster on all three floors of the hotel, Ms. Laines caused asbestos to become intermingled with other debris which created an unsafe working environment, culminating in Cal OSHA barring all debris removal until it approved a plan that complies with its workplace safety rules. Despite promises to commence asbestos removal first in October, then in December, the owner has not applied for a building permit required to commence the removal process, all of the windows in the building on the second and third floors are uncovered and the plastic sheeting on the roof no longer provides any protection against water intrusion. Heavy rains in December have increased water intrusion. The owner has failed to comply with any of the requirements in the Compliance Schedule adopted by the City Council and has not made satisfactory progress toward abating the nuisance conditions or presenting and following a viable plan for the full abatement of the nuisance conditions on the Property. Moreover, this unacceptably slow and erratic progress follows over 20 years of inaction during which the Palace Hotel remained vacant, in deteriorating condition, creating blight in the City's historic downtown, and inhibiting its revitalization. These facts convince the City Council that giving Ms. Laines additional time to abate the conditions is unlikely to result in abatement within a reasonable or even foreseeable time frame.

E. The conditions on the Property continue to violate section 116 of the California Building Code for dangerous buildings because the dilapidated hotel is unsecured and, therefore, unsafe; and the

structure is unsanitary because of the presence of debris remains. The conditions have actually been made worse and more time consuming and expensive to abate by the removal of lathe and plastic performed during the time this matter has been pending before the City Council.

F. The dilapidated hotel on the Property constitutes a public nuisance as defined in Ukiah City Code section 3300 and Health and Safety Code Section 17920; the conditions of the property violate Sections 1.14, 3.24, and 904 of Division 1, Title 19 of the California Code of Regulations; California Building Code section 901.6.1; and California Fire Code section 506.1, because the fire sprinkler system has not been adequately maintained, and emergency access keys that operate the locks on the property have not been provided in the knox box.

6. Despite repeated efforts to gain voluntary compliance with the applicable codes and ordinances, the property owner has failed to make satisfactory progress in cleaning up and maintaining the Property, repairing and securing the hotel structure and otherwise in abating the nuisance conditions on the Property; and
7. The City Council overrules all objections and protests to the proposed abatement of the nuisance conditions on the Property;

NOW, THEREFORE, BE IT RESOLVED that:

1. The Ukiah Department of Public Works is hereby ordered and directed to abate the public nuisance located at 272 North State Street (APN 002-224-13) as described in this resolution. The Public Works Director is directed to seek the appointment of a receiver pursuant to Health and Safety Code Section 17980.7, if he determines that the property Owner or its authorized agent has failed to meet without good cause a compliance deadline in the Compliance Schedule attached hereto as Exhibit B. "Good cause" means an event beyond the reasonable control of the Owner, including governmental action, war, riot or civil commotion, fire, natural disaster, or any other cause which could not with reasonable diligence be foreseen, controlled or prevented by the Owner. If a receivership is terminated without successfully abating said conditions, the Public Works Director is directed to seek further authority from the City Council before taking any other actions to repair or remove the hotel structure
2. The City Clerk is hereby directed to forward a certified copy of this resolution to the County Recorder of Mendocino County for recordation.

PASSED AND ADOPTED on January 21, 2015, by the following Roll Call Vote:

Ayes:

Noes:

Abstain:

Absent:

Douglas F. Crane, Mayor

ATTEST:

Kristine Lawler, City Clerk



Eladia Laines/Leddy and Michael Leddy
PO Box 1309
Sausalito, CA 94966
Via Certified Mail

September 26, 2011

Subject: NOTICE OF SUBSTANDARD BUILDING

Location of Violation: Throughout the building

Address: 272 N. State St. (The Palace Hotel)

APN: 002-224-13

Owner: Qestex LTD/ Ms. Laines-Leddy and Mr. Mike Leddy

Dear Eladia Laines-Leddy and Mr. Mike Leddy

According to the Mendocino County Assessor's Office you are the record owner of the property listed above.

On May 18, 2011, an Inspection Warrant was obtained for the Palace Hotel. An inspection of the building was performed on May 26, 2011. During the inspection the following violations of Ukiah Municipal Code, California Building Code, and California Health and Safety Code were observed:

1. Water intrusion is evident in the basements at the exterior walls and at intersection of the floor/ceiling and the exterior wall.
2. The roof is leaking in many locations. The water entering the building from the failing roof is making its way all the way down through the building and affecting a large part of the structure because of this. This condition was occurring when I performed an inspection two years ago and has been going on for many years prior to that. Work was done on the roof to correct it, however it appears that the condition was not fixed and/or the maintenance has not been kept up since the repairs were made. Due to the water intrusion problem over the years, the structure is continuing to degrade.
3. A bathroom window on the southwest portion of the building at the second floor above Patrona's Restaurant roof is open. The opening is boarded up; however, water is able to get into the building at this point.
4. Most of the windows are broken and boarded up which still allows water to get into the building.

5. The roof has large splits and patches that have come loose and there are vent holes, skylights and other penetrations through the roof that are missing covers allowing water into the building. Also, some of the roofing on the parapet wall is missing.
6. The Ivy vine growing on the exterior of the building is degrading the brick and mortar as well as adding additional loads to an unreinforced masonry building.
7. The inspectors test drain valve for the automatic fire suppression system is inoperable.
8. There are no fire sprinklers installed in the large walk-in freezer.
9. Two sprinklers are painted and inoperable in the small room that is located at the southeast corner of the building facing State St.
10. The automatic fire suppression system is required to be electrically monitored. Our inspection reveals that it is not being electronically monitored.
11. The emergency access key security box (Knox box) is not present.

According to Section 17920.3 of the California Health and Safety code, due to the general dilapidated condition, lack of maintenance as noted above, defective or deteriorated flooring or floor supports, ceilings, and roof supports, and faulty weather protections this structure is declared to be a substandard building.

According to Division 3, Chapter 10, Section 3300 of the Ukiah Municipal Code, "All buildings or structures which are structurally unsafe, or are partially destroyed by fire, or are dilapidated from old age, neglect, decay or other causes within the City, which constitute a fire menace or are dangerous to human life, or a likely resort for vagrant or dissolute persons, may be declared a nuisance by the City Council of the City and thereafter abated as herein provided."

According to Division 3 Chapter 11, Section 3402 of the Ukiah Municipal Code, "It shall be unlawful, and it is hereby declared to be a public nuisance, for any person owning, leasing, occupying, or having charge of any commercially zoned business or commercially zoned property within the city of Ukiah, to maintain such premises in such a manner that any one or more of the conditions or activities described in the following subsections are found to exist:" The applicable subsections include:

- A. Any violation of this code.
- C. Buildings or structures which are partially destroyed, abandoned or permitted to remain in a state of partial construction for more than six (6) months, or beyond any period of extension, after the issuance of a building permit.
- F. Broken or cracked windows, windows boarded up with unpainted materials attached to the exterior of the building, or unattractive products adhered to/covering the inside of the window, unless the structure is undergoing a remodeling project. The property owner can have thirty (30) to ninety (90) days to correct the problem with the submittal and approval of a reasonable improvement strategy/plan.

G. Overgrown or dead, decayed or hazardous vegetation which: 3.) constitutes a blighted appearance and 4.) constitutes a fire hazard as determined by the city Fire Marshal.

H. Building exterior, roofs, landscaping, grounds, walls, retaining and crib walls, fences, or driveways which are defective, broken, torn, cracked, dilapidated, or in other similar blighted conditions. If that condition is readily visible from any public street or adjacent parcel of property and is unsightly so as to constitute a blighted condition detrimental to the property values in the immediate surrounding area or otherwise be detrimental to the public welfare.

P. Vegetation overgrowth which encroaches into, over or upon any public right of way including, but not limited to, streets, alley, or sidewalks, so as to constitute either a danger to the public safety or property or any impediment to public travel.

U. Any other condition declared by any state, county, or city statute, code or regulation to be a public nuisance.

X. Any dangerous, unsightly, or blighted condition which is detrimental to the health, safety or welfare of the public.

Y. Any condition recognized in law or in equity as constituting a public nuisance.

YOU ARE HEREBY NOTIFIED that you must abate the violations by taking the following steps within the time noted below from the date this notice is served upon you:

1. Submit a building permit application, fees, plans and documents for the repairs to the roof and repairs to the automatic fire sprinkler system required as noted above within thirty (30) days from the date of this notice; and

Complete the repairs needed on the roof, windows and exterior walls so that the building is waterproof and complete the repairs and monitoring of the automatic fire suppression system including the installation of the Knox Box within sixty (60) days from the date of this notice; and

Remove the Ivy vines growing on the building within ninety (90) days from the date of this notice; and

Submit a building permit application, fees, plans and documents for the restoration of this building within four (4) months from the date of this notice; and

Provide that the permit is issued within eight (8) months from the date of this notice; and

Provide that the building permit is finalized (final inspection) and a Certificate of Occupancy is issued within two (2) years from the date of this notice.

Or

2. Submit a building/demolition permit application with all required information, plans, fees, and documents for the demolition of the building within thirty (30) days from the date of this notice; and provide all required information and fees for compliance with the California Environmental Quality Act within thirty (30) days from the day formally requested by the City; and

Complete the demolition of the building within six (6) months from the date of the issuance of the building/demolition permit.

If you have not abated the violations within the time limits set above and by taking the actions described above, the City will take enforcement action as authorized by law which may include any or all of the following: (1) issuance of a citation for violation of Cal. Health & Safety Code §17995 (which makes violation of the building code a misdemeanor punishable for a first offense by a fine of \$1,000, six months in the county jail or by both a fine and imprisonment with the fine increasing to \$5,000 for a second or subsequent violation); (2) filing a civil action to enjoin the violation as a public nuisance. In a civil action you may become liable for the City's attorneys' fees in bringing the action; and (3) abatement of the violations through a resolution and assessment of costs against the property through a lien.

The Palace Hotel has been unoccupied for over fifteen years, has fallen into a dilapidated condition, and now represents a public nuisance. Efforts to correct violations in the past have been marginally successful and the building has continued to degrade into its current dilapidated and unsafe condition. The building has become a significant eyesore in the historic downtown, and conflicts with the City's plans to revitalize the downtown and promote positive economic development. The time has come for the violations to be once and for all fully and successfully abated and the building restored and put to productive use or, as owner of the building, you could propose to demolish the structure.

We are available to work with you to resolve the Palace Hotel dilemma. You can contact me Monday through Thursday at (707) 467-5718 to discuss this correspondence.

THIS IS THE ONLY FORMAL NOTICE THE CITY WILL PROVIDE BEFORE TAKING ENFORCEMENT ACTION.

Sincerely,



David Willoughby
Building Official

cc: David Rapport, City Attorney
Sage Sangiacomo, Assistance City Manager
Charley Stump, Director, Planning and Community Development

EXHIBIT B

COMPLIANCE SCHEDULE

Milestone	Deadline	Evidence of Compliance
1. Obtain required building and encroachment permits and any other required permits to perform Asbestos Abatement Work Plan prepared by Bluewater Environmental Services, Inc. and approved by Cal OSHA and Mendocino County Air Quality Management District (MCAQMD) 2. Restore fire sprinkler system to full function to the satisfaction of the Fire Marshall. 3. Obtain approval by City Engineer of a written structural assessment of hotel by California licensed structural or civil engineer for conditions creating significant threat to structural integrity of building. 4. Complete any repairs recommended in approved structural assessment. 5. Secure the entire building from unauthorized entry to the satisfaction of the City Building Official. 6. Patch roof to effectively prevent water intrusion and before windows are replaced, cover all window, door and other openings to effectively prevent water intrusion. Continuously maintain these measures to prevent water intrusion until completion of rehabilitation.	April 21, 2015	The following correspond to the numbered items in column, headed "Milestone." For example, #1 below is the evidence to establish compliance with Milestone # 1. The evidence of compliance must be provided by the April 21, 2015, deadline. 1. Copy of issued permits on file in City Planning and Building Department. 2. Inspection and approval of City Building Official and Fire Marshall. 3. Copy of approved structural assessment on file with Planning and Building Department. 4. Written approval from structural or civil engineer bearing engineer's stamp and signature on file with Planning and Building Department and inspection by City Building Official and/or City Engineer. 5. Inspection by City Building Official. 6. Inspection and on-going inspections by City Building Official. 7. Written approval by Cal OSHA on file with Planning and Building Department and inspection by City Building Official.

EXHIBIT B

7. Fully perform and complete Cal OSHA approved Asbestos Abatement Work Plan.		
Prepare plan for pre-development to include: 1. Detail of steps required for pre-development 2. List of design professionals and consultants retained 3. Schedule for completing steps 4. Description of financing for pre-development work	90 days from completion of Asbestos abatement	File with Planning Director 1. Written plan 2. Signed contracts with design professionals and consultants 3. Schedule for completion 4. Executed loan documents 5. Evidence of funding availability
Completion of pre-development work	180 days from submission of Work plan to Planning Director	Submission of completed application for permits required for rehabilitation work with required construction plans
Submit engineer's final estimate of construction cost, certified by California licensed and qualified design professional	To be submitted with work plan	File engineer's estimate with Planning Director
Secure financing for construction and obtain (pay for and have issued) the building permit	90 days from submission of application for required permits	Executed financing documents, evidence of funding availability filed with Planning Director, permit issued
Completion of seismic retrofit	180days from issuance of building permit	Structural work to seismically retrofit the building completed. Permit for work signed off by Building Official and owner's California licensed structural engineer.
Completion of roofing to make watertight	180 days from issuance of building permit	Includes any roof framing, sheathing and all roofing installed. Observed and noted by the Building Official.
Completion of interior framing and installation of windows to make exterior watertight	210 days from issuance of building permit	Includes all framing repairs and changes to the floors, ceilings, walls, stairways and installing windows. Rough frame is signed off by the Building Official.

EXHIBIT B

Completion of all rough electrical, mechanical and plumbing for the building.	365 days from issuance of building permit.	Building is ready for insulation and drywall. Rough electrical, mechanical and plumbing is signed off by the Building Official.
Completion of Drywall	1 year and 2 months from issuance of building permit.	Sheetrock and firewalls completed and signed off by the Building Official
Completion of the project	2 years from the issuance of the building permit.	Building permit is signed off and a Certificate of Occupancy is issued for all occupancies within the building.



ITEM NO.: 7b

MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: ADOPTION OF RESOLUTION REMOVING THE EXISTING NO PARKING ZONE ON THE NORTH SIDE OF WEST CHURCH BETWEEN HOPE STREET AND BARNES STREET AND REMOVING ON-STREET PARKING ON THE SOUTH SIDE OF WEST CHURCH STREET BETWEEN SPRING STREET AND BARNES STREET

Background: The Traffic Engineering Committee (TEC) received a request from Elaine Shore and Kathy Holt, to review curbside parking on West Church Street in the vicinity of Trinity School. The request states that residents in the 800 block of West Church Street have difficulty backing out of driveways when vehicles are parked along both sides of West Church Street.

Discussion: West Church Street, in the two blocks adjacent to the Trinity School property (Spring Street to Barnes Street) is 25 feet wide. By restricting parking on the south side of West Church Street, vehicles will have 17-feet of street width when vehicles are parked along the north side of W. Church St. between Spring Street and Barnes Street. Since West Church Street does not have a centerline stripe traffic can use the full street width, if necessary, to drive around a parked car. West Church Street serves primarily residential neighborhoods and carries very low traffic volumes. For consistency in traffic flow, staff recommends removal of the No Parking Zone on the north side of West Church Street to be replaced by a designated No Parking Zone on the south side of West Church Street from Spring Street to Barnes Street. The TEC reviewed this request at its meeting of November 18, 2014. The TEC recommends approval of the No Parking Zone to the City Council. Please refer to the attached reference map (Attachment "2").

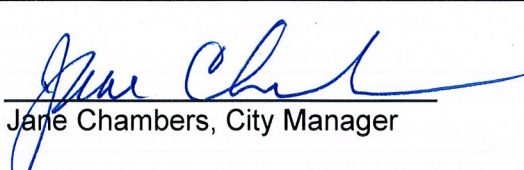
Fiscal Impact:

☐ Budgeted FY 14/15 ☐ New Appropriation ☒ Not Applicable ☐ Budget Amendment Required
Amount Budgeted Source of Funds (title and #) Account Number Addit. Appropriation Requested

Recommended Action(s): 1) Adopt resolution removing the existing No Parking Zone on the north side of West Church Street between Hope Street and Barnes Street and removing on-street parking on the south side of West Church Street between Spring Street and Barnes Street.

Alternative Council Option(s): 1) Do not adopt resolution and provide direction to staff.

Citizens advised: Elaine Shore and Kathy Holt
Requested by: Tim Eriksen, Director of Public Works / City Engineer
Prepared by: Rick Seanor, Deputy Director of Public Works
Coordinated with: Jane Chambers, City Manager
Attachments: 1. Resolution for Adoption
2. Location Map

Approved: 
Jane Chambers, City Manager

RESOLUTION NO. 2015-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH REMOVING THE EXISTING NO PARKING ZONE ON THE NORTH SIDE OF WEST CHURCH BETWEEN HOPE STREET AND BARNES STREET AND REMOVING ON-STREET PARKING ON THE SOUTH SIDE OF WEST CHURCH STREET BETWEEN SPRING STREET AND BARNES STREET

WHEREAS, the City Council may by resolution designate portions of streets upon which the standing, parking, or stopping of vehicles is prohibited or restricted pursuant to Article 11, Chapter 1, Division 8 of the Ukiah City Code; and

WHEREAS, there is an existing no parking zone along the north side of W. Church St. between Hope St. and Barnes St.; and

WHEREAS, the Traffic Engineering Committee (Traffic Engineer) considered the request to remove the no parking zone on the north side of W. Church St. between Hope St. and Barnes St. at its meeting on November 18, 2014; and

WHEREAS, the Traffic Engineer considered the request to establish a no parking zone on the south side of W. Church St. between Spring St. and Barnes St.; and

WHEREAS, the Traffic Engineer recommends the request to remove the no parking zone on the north side of W. Church St. between Hope St. and Barnes St.; and

WHEREAS, the Traffic Engineer recommends the request to establish a no parking zone on the south side of W. Church St. between Spring St. and Barnes St.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that the City Council of the City of Ukiah does remove the no parking zone on the north side of W. Church St. between Hope St. and Barnes St. The City Engineer shall direct the signage and curb painting to be removed as necessary; and

BE IT FURTHER RESOLVED, that the City Council of the City of Ukiah does establish a
no parking zone on W. Church St. between Spring St. and Barnes St.

PASSED AND ADOPTED this 4th day of February 2015, by the following roll call vote:

AYES:

NOES:

ABSENT:

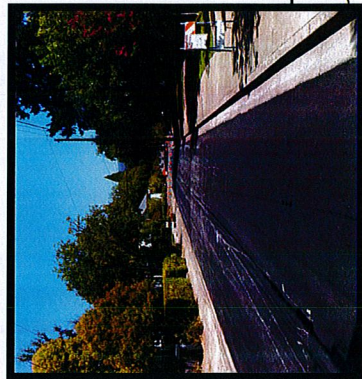
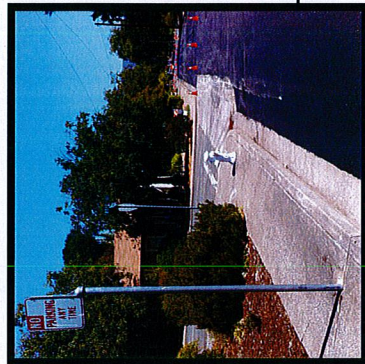
ABSTAIN:

Douglas F. Crane, Mayor

ATTEST:

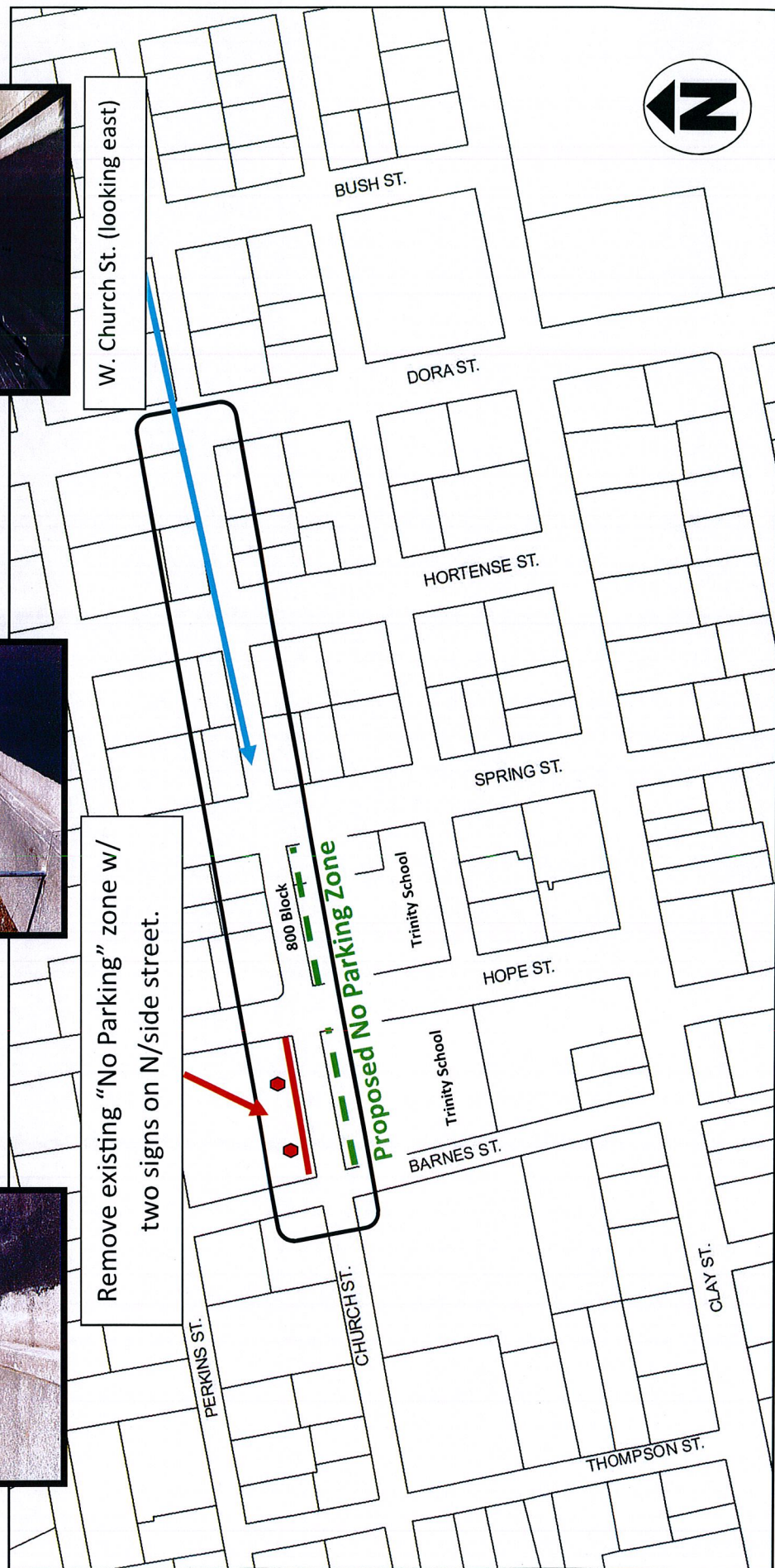
Cathy Elawadly, Deputy City Clerk

Attachment "2" West Church St. - Proposed No Parking Zone



Remove existing "No Parking" zone w/
two signs on N/side street.

W. Church St. (looking east)





ITEM NO.: 7c
MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: AUTHORIZE THE CITY MANAGER TO NEGOTIATE AND EXECUTE A 48 MONTH LEASE AND MAINTENANCE AGREEMENT WITH ADVANCE XEROGRAPHICS (LOCAL XEROX AGENT) FOR THE REPLACEMENT OF EXISTING MULTI-FUNCTION COPY MACHINES.

The City's lease agreement for multi-function (copy, print, fax, and scan) machines that currently support operations for Public Safety, Administration, Conference Center and Museum has expired.

The machines are networked for employees to maximize efficiency - enabling use directly from their desktops. They are used for multiple purposes, including copying, printing, faxing, scanning, and other production/presentation purposes including three-hole punching, folding, electronic filing, collating and stapling.

In November, the City Purchasing Supervisor solicited proposals from the two local copy machine dealers that maintain an office and technician services in Ukiah. Given the multifunction nature for which these machines are now used in the office environment, local maintenance and service support with reliable response times are necessary. Proposals were received from both local companies. A summary chart detailing the proposals is included as Attachment #1.

When comparing both price and features, the Xerox units offered by Advance Xerographics provide the best fit and are the most cost effective. Below is a summary of the machines, locations, and fund numbers associated with this proposed agreement. Funds have been budgeted and are available in the accounts referenced.

Model	Location	Estimated Lease & Maintenance Cost	Fund number
Xerox WC7970PT	Civic Center, Main	\$278.64 per month plus per copy fee	10022500.52100
Xerox WC7970PT	Civic Center, Annex	\$278.64 per month plus per copy fee	10022500.52100
Xerox WC7970PT	Public Safety	\$278.64 per month plus per copy fee	10520210.94500 – 55% 10521210.94500 – 35% 20620231.94500 – 5% 64020213.94500 – 5%
Xerox WC7220	Public Safety	\$142.55 per month plus per copy fee	10520210.94500 – 55% 10521210.94500 – 35% 20620231.94500 – 5% 64020213.94500 – 5%
Xerox WC7220	Museum	\$142.55 per month plus per copy fee	69122700.52100
Xerox WC7970PT	Conference Center	\$278.64 per month plus per copy fee	73022600.94500

Recommended Action(s): Authorize the City Manager to negotiate and execute a 48 month lease and maintenance agreement with Advance Xerographics (local Xerox agent) for the replacement of existing multi-function copy machines.

Alternative Council Option(s): Determine that the requested action is not appropriate, or provide further direction to staff.

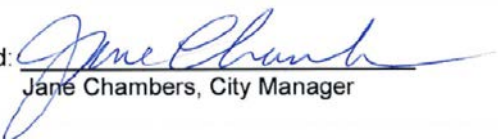
Citizens advised: N/A

Requested by: Sage Sangiacomo, Assistant City Manager

Prepared by: Mary Horger, Purchasing Supervisor and Sage Sangiacomo, Assistant City Manager

Coordinated with: Jane Chambers, City Manager

Attachments: Attachment #1 – Proposal Summary Sheet

Approved: 
Jane Chambers, City Manager

The lease includes maintenance and all consumable products including toner, developer, copy cartridges, fusers and staples. Advance Xerographics will be responsible for all cost of maintenance and repairs, including labor, parts, travel time, mileage, supplies and any other expenses required to maintain the equipment in proper order.

Staff is requesting Council's authorization to enter into a 48 month lease and maintenance agreement with Advance Xerographics to replace the existing multifunction units. Benefits of leasing, as opposed to purchasing the machines, include the option to cancel the lease for such things as non-performance and the option to upgrade to new technology at the end of the lease.

Fiscal Impact:

☒ Budgeted FY 14/15

☐ New Appropriation

☐ Not Applicable

☐ Budget Amendment Required

Amount Budgeted

Source of Funds (title and #)

Account Number

Addit. Appropriation Requested

PLEASE SEE ABOVE

RFP #E34085 Proposal Comparison -2014- Color Multifunctional Office Machines					
City's Specifications					
Model Name/Number:	XEROX WC7220	XEROX WC7830PT	XEROX WC7855PT	XEROX WC7970PT	KYOCERA TA5551ci
Configuration: Print/Scan/Copy/Fax (Y/N)	Y	Y	Y	Y	Y
Copies per month (Current Usage of Machines is up to 35,000 per month) :	50,000 duty cycle	90,000 duty cycle	300,000 duty cycle	300,000 duty cycle	225,000 duty cycle
Pages per minute (55 cpm black and color minimum):					
1) Black	20 ppm	30 ppm	55 ppm	70 ppm	160 ppm duplex and 80 ppm simplex
Letter	20 ppm	30 ppm	55 ppm	70 ppm	55 ppm
Legal	13 ppm	20 ppm	32 ppm	40 ppm	21 ppm
Ledger	11 ppm	17 ppm	27 ppm	35 ppm	27 ppm
12" x 18"	n/a	17 ppm	27 ppm	35 ppm	27 ppm
2) Color	20 ppm	30 ppm	50 ppm	70 ppm	160 ppm duplex and 80 ppm simplex
Letter	20 ppm	30 ppm	50 ppm	70 ppm	50 ppm
Legal	13 ppm	20 ppm	29 ppm	40 ppm	21 ppm
Ledger	11 ppm	17 ppm	25 ppm	35 ppm	25 ppm
12" x 18"	n/a	17 ppm	25 ppm	35 ppm	27 ppm
Copying:					
Resolution (dpi):	600 x 600	1200 x 2400	1200 x 2400	1200 x 2400	600 x 600
Single Pass Duplexing (Y/N)	N	Y	Y	Y	Y
Sheet Insertion (Y/N)	Y	Y	Y	Y	Y
Mixed Originals Mode (Y/N)	Y	Y	Y	Y	Y
Post Sheet Insertion (Y/N)	N	No-see model WC7970 next page	No	No	Y
Simplex/Duplex (Y/N)	Y	Y	Y	Y	Y
Automatic/Manual Reduction and Enlargement (Y/N) (List range.)	Y 25% - 400%	Y 25% - 400%	Y 25% - 400%	Y 25% - 400%	Y 25% - 400%
Printing:					
Resolution (dpi):	2400 X 600	1200 x 2400	1200 x 2400	1200 x 2400	600 X 600
Network Printing (Y/N):	Y	Y	Y	Y	Y
Wireless Printing (Y/N):	Y w/optional accessory	Y w/optional accessory	Y w/optional accessory	Y w/optional accessory	Y w/optional accessory
Scanning:					
Resolution (dpi):	600 x 600	600 X 600 up to 70 image per minute black-and-white and color	600 x 600 up to 80 images per minute (simplex) / up to 160 images per minute (duplex)	600 x 600	600 x 600
Scan to PDF (Y/N)	Y	Y	Y	Y	Y
Scan to TIFF (Y/N)	Y	Y	Y	Y	Y
Scan to Folder (SMB) (Y/N)	Y	Y	Y	Y	Y
Scan to e-Mail (Y/N)	Y	Y	Y	Y	Y
Scan to FTP (Y/N)	Y	Y	Y	Y	Y
Scan to USB (Y/N)	Y	Y	Y	Y	Y
WSD Scan (Y/N)	Y	Y	Y	Y	Y
TWAIN Scan (Y/N)	Y	Y	Y	Y	Y
Scan to network drive. (Y/N)	Y	Y	Y	Y	Y
Scan to Box (see Box.com) City folders (Y/N)	Y	Y	Y	Y	Y
Paper:					
List paper sizes that can be used:	3.5 X 3.9" TO 11 X 17"	3.5 X 3.9" TO 12.6 X 19"	3.5 X 3.9" TO 12.6 X 19"	3.5 X 3.9" TO 12.6 X 19"	Statement, invoice, letter, legal, ledger, 5.5 x 8.5, 12 x 18, 12 x 48, European and custom sizes
List maximum paper weight that can be used:	16 lb bond to 140 lb index/ 60 - 256 gsm	300 gsm 110lb cover stock	300 gsm 110lb cover stock	300 gsm 110lb cover stock	60-300 gsm
Use of recycled paper? (Y/N)	Y	Y	Y	Y	Y
Print/Copy directly on "Print-On" Dividers (i.e. Avery #11554) (Y/N)	Y	Y	Y	Y	Y-5, 7 and 8 bar Tab Dividers with Avery #11528
Print banners (12" x 47") (Y/N)	N	N	N	N	Y-multiple sized banners
Envelopes: Print directly on envelopes, minimum of 500 envelope feed capacity	60	60	60	60	Y-75 pg Envelope capacity. For 500 envelope capacity feed, they have included the 4100 printer.
List envelope sizes, and maximum feed capacity:	#10 Commercial (9.25 x 4.125"), Monarch, DL, C5, 6 x 9 in., Custom sizes: 3.9 x 5.8 in. to 6.4 x 9.5 in	#10 Commercial (9.25 x 4.125"), Monarch, DL, C5, 6 x 9 in., Custom sizes: 3.9 x 5.8 in. to 6.4 x 9.5 in	#10 Commercial (9.25 x 4.125"), Monarch, DL, C5, 6 x 9 in., Custom sizes: 3.9 x 5.8 in. to 6.4 x 9.5 in	Up to 60 envelopes: #10 commercial, Monarch, DL, C5, Large U.S. Postcard, A6, Custom sizes: 3.9 x 5.8 in. to 6.4 x 9.5 in.	Up to 75 envelopes, 4100 printer 500
Finishing:					
Multi-position stapling (Y/N)	Y	Y	Y	Y	Y
Max sheet stapling capability?	50 sheets	50 sheets	50 sheets	50 sheets	50 sheets
Hole Punch, 2-3 (Y/N)	Y	Y	Y	Y	Y - Optional*
List paper sizes and weight that accommodate hole punching.	All sizes up to 300 gsm weight	All sizes up to 300 gsm weight	All sizes up to 300 gsm weight	All sizes up to 200 gsm weight	8-1/2" x 11" - 12" x 18", 13 lb - 110 lb
List maximum # of sheets for hole punching.	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Saddle Stitch Stapling and Fold (Y/N)	Y	Y	Y	Y	Y
C-Z Folding (Y/N)	No - see model WC7970	No - see model WC7970	No - see model WC7970	Y	Y - C Folding - Optional* - NO Z FOLDING
Booklet Folder/Tri-Fold Unit with minimum output of 4000 sheets. (Y/N)	Booklet folder, Yes Tri-fold no see model WC7970	Booklet folder, Yes Tri-fold no see model WC7970	Booklet folder, Yes Tri-fold no see model WC7970	Y/Y	Y - Optional*
Collator (Y/N)	Y	Y	Y	Y	Y
Sorter (Y/N)	Unlimited sorting who need for bins.	Unlimited sorting who need for bins.	Unlimited sorting who need for bins.	Unlimited sorting who need for bins.	Y
USB Port (Y/N)	Y	Y	Y	Y	Y
Store jobs in memory (Y/N) list capacity	Yes, 160 GB in memory	Yes, 160 GB in memory	Yes, 160 GB in memory	Yes, 160 GB in memory	Y - many hundreds
Equipment					
Maximum # paper sheet capacity (looking for approximately 7500 sheets)	2180 sheets, 5-trays	5140 sheets	5140 sheets	5140 sheets	7650
List included paper drawers and sheet capacities:	Trays 1-4: 520 sheets each, 100 sheet bypass tray	Tray 1: 520 sheets, Tray 2: 520 sheets, Tray 3: 867 sheets, Tray 4: 1133 sheets, Hi-cap drawer 2000 sheets	Tray 1: 520 sheets, Tray 2: 520 sheets, Tray 3: 867 sheets, Tray 4: 1133 sheets, Hi-cap drawer 2000 sheets	Tray 1: 520 sheets, Tray 2: 520 sheets, Tray 3: 867 sheets, Tray 4: 1133 sheets, Hi-cap drawer 2000 sheets	Standard - 2 x 500 Universal Drawers + 150 Sheet Bypass
Automatic Document Feeder (Y/N)	Y	Y - up to 70 image per minute B&W and Color	Y	Y	4 x 500 Drawers (Bypass), OPTIONAL CONFIGURATION: 2 x 500 paper & 1500 paper drawers + 150 sheet Bypass*
How many sheet capacity?	110 sheets	110 sheets	130 sheets up to 80 images per minute (simplex) / up to 160 images per minute (duplex)	130sheets, 133 ppm	100 page document feeder standard (175 page document feeder optional)
List acceptable size of originals.	5.5 x 8.5 in to 11 x 17 in.	5.5 x 8.5 in to 11 x 17 in.	5.5 x 8.5 in to 11 x 17 in.	5.5 x 8.5 in to 11 x 17 in.	Statement to 11" x 17"
List acceptable weights (Simplex / Duplex)	16 lb bond to 32 lb bond / 50 gsm to 128 gsm	16 lb bond to 32 lb bond / 50 gsm to 128 gsm	16 lb bond to 32 lb bond / 50 gsm to 128 gsm	16 lb bond to 32 lb bond	16 lb to 110 lb bond
Equipment to come complete w/stand (Y/N)	Y	Y	Y	Y	Y
Equipment overall outside dimensions:	45.8 W x 25.6 D x 44.6 H	75.7 in W x 27.5 in D x 45.2 in H	75.7 in W x 27.5 in D x 45.2 in H	77.9 in W x 28.6 in D x 45.2 in H	Base Unit Dimensions 22.51" x 30.20" x 29.41"
Surge Protector Included (Y/N)	Y	Y	Y	Y	Y - an industrial surge protector and line filter is included.
Power Requirements	110-127 VAC	110-127 VAC	110-127 VAC	110-127 VAC NEMA part #: 5-20R & NEMA part #: 5-15R	120 v, 60 Hz
Technology Requirements:					
Support of the following:					
Windows Server 2003 (both 32 bit and x64) (Y/N)	Y	Y	Y	Y	Y
Windows Server 2008 R2 (both 32 bit and x64) (Y/N)	Y	Y	Y	Y	Y
Windows 7 (both 32 bit and x64) (Y/N)	Y	Y	Y	Y	Y
Windows Server 2012 R2 64 Bit (Y/N)	Y	Y	Y	Y	Y
Windows 8.1 (Y/N)	Y	Y	Y	Y	Y
Integration with Windows Active Directory 2008r2 (Y/N)	Y	Y	Y	Y	Y
Mac OS Compatibility (Y/N)	Y	Y	Y	Y	Y
Outright purchase price (FOB Ukiah) EXCLUDING TAX:	\$4191.00 + \$323.00, \$430 analyst services (included with lease)	\$6573.00 + \$395, \$502 analyst services (included with lease)	\$7262.00 + \$504, \$610 analyst services (included with lease)	\$10,186.00 + \$504.00, \$610 Analyst services (included with lease)	\$12,109.94
Lease Price (FOB UKIAH) EXCLUDING TAX:					
36 month lease (Price per month):	\$174.57	\$232.79	\$273.69	\$351.45	\$358.44
48 month lease (Price per month):	\$142.55	\$184.57	\$216.99	\$278.64	\$287.00
60 month lease (Price per month):	\$123.52	\$155.90	\$186.29	\$235.36	\$239.78
MAINTENANCE:					
Pricing:					
B/W price per page:	\$0.008200	\$0.0056	\$0.0056	\$0.0056	\$0.0069
Color price per page:	\$0.050600	\$0.0506	\$0.0506	\$0.0506	Tiered pricing: 1) \$0.0149, 2) \$0.0429, 3) \$0.0689
Other:	If purchased outright add \$20.00 per month service amount				
Guaranteed response time for maintenance calls:	4 hrs	4 hrs	4 hrs	4 hrs	Average of 2 hours and 7 minutes for on-site service calls in the City of Ukiah.
List how many technicians service this area, what City is their "home base" and dispatched from.	3 technicians, one living in Ukiah	3 technicians, one living in Ukiah	3 technicians, one living in Ukiah	3 technicians, one living in Ukiah	3 are "home based" in Discovery's Ukiah Office located 1 mile away, 3 more are "home based" in Santa Rosa.



ITEM NO.: 7d
MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: APPROVAL OF PURCHASE OF JOHN DEERE 5075E TRACTOR FOR THE WASTE WATER TREATMENT PLANT IN THE AMOUNT OF \$48,143.87 TO DEERE & COMPANY.

Background: The current tractor at the Waste Water Treatment Plant (WWTP) was purchased in the 1980's. It is used for maintenance of the WWTP, the south 43 acre parcel, levee maintenance of the percolation ponds as well as disking of the ponds. This tractor is in fair condition with a value of approximately \$3,000. It will be sold for surplus out of state due to the fact it does not comply with California Air Resources Board (CARB) emission standards.

Discussion: Pricing was requested from Belcorp Ag, who is an authorized John Deere reseller. The quote for the equipment is \$48,143.87, and is based on the National Purchasing Partners (NPP) competitively bid cooperative contract. NPP is a group purchasing organization offering organizations and associations access to an aggressively priced contract. Although Belcorp Ag provided the quote and will facilitate the sale, the purchase order is required to be issued directly to Deere & Company.

Other known, competitively bid contracts were also reviewed. National Joint Powers Alliance (NJPA) offered the same discounting (up to 18% off of list), whereas HGAC-Buy provided a lesser discount (up to 17.5% off of list). As per Municipal Code Section 1522, purchases may be made through cooperative purchasing agreements.

The need to replace this piece of equipment is due to its age and the lack of parts available. In addition the current tractor is not large enough to pull all of the equipment needed, especially since the acquisition of the south 43 acres.

Fiscal Impact:

☒ Budgeted FY 14/15 ☐ New Appropriation ☐ Not Applicable ☐ Budget Amendment Required

Amount Budgeted	Source of Funds (title and #)	Account Number	Addit. Appropriation Requested
\$80,000	WWTP Machinery & Equipment	84024425.80100	\$0

Recommended Action(s): Approve purchase of a John Deere 5075E tractor for the Waste Water Treatment Plant in the amount of \$48,143.87

Alternative Council Option(s): Do not approve the purchase and return to staff with direction

Citizens advised:

Requested by: Tim Eriksen, Director of Public Works/City Engineer

Prepared by: Jarod Thiele, Public Works Project Analyst and Mary Horger, Purchasing Supervisor

Coordinated with: Andy Luke, WWTP Supervisor; Dave Kirch, Lead Equipment Mechanic

Attachments: 1) Vehicle Replacement Justification;

Approved: _____

Jane Chambers, City Manager

City of Ukiah

Fleet Vehicle Justification

Proposed Vehicle: John Deere 5075E Utility Tractor
Department: Public Works
Area of use: Waste Water Treatment Plant (WWTP)
Prepared by: Jarod Thiele, Public Works Project Analyst and Dave Kirch,
Lead Equipment Mechanic

1 VEHICLE PURPOSE

Need for vehicle within Department fleet
This tractor will be used at the Waste Water Treatment Plant to maintain the grounds, levee maintenance, disking the percolation ponds and maintenance of the 43 acres to the south.

2 REPLACEMENT JUSTIFICATION

2.1 Current Vehicle

Description, Mileage, Funding Source and Market Value
The tractor being replaced is #1422. It was purchased in 1980's.with Sewer funds. Currently it has approximately 2000 hours on it. This vehicle is in fair condition with a value of approximately \$3,500.

2.2 Maintenance Costs

Overall Condition, Maintenance Costs, Out of Service Time, Parts Availability, and Associated Safety Issues

Overall Mechanical Condition: This vehicle is in fair mechanical condition

Maintenance Costs: For the past year this vehicle has incurred minimal costs

Out of Service Time: This vehicle is currently designated low use due to not complying with California Air Resource Board (CARB) standards and is limited to 200 hours per year

Parts Availability: Parts are no longer available from the factory

Associated Safety Issues: This vehicle has a faulty ABS module which causes the brakes to lock up and create a safety issue even on dry pavement. The cost to replace this module is \$1,000 but is no longer available

2.3 Shared Resources

Define any resources currently available within the City of Ukiah fleet which could be utilized for this purpose.

No resources are recommended as there is a safety issue with this vehicle

3 PROPOSED VEHICLE SPECIFICATIONS

Proposed Vehicle Specifications
2015 John Deere 5075E Utility Tractor

4 ALTERNATIVE FUEL AND CARB REGULATIONS

4.1 Alternative Fuels Availability

Proposed Vehicle Alternative Fuels Availability
Alternative fueled vehicles for this type of use are not available.

4.2 CARB STANDARDS

CARB STANDARDS
The current tractor does not meet CARB emission standards



ITEM NO.: 7e
MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: AWARD PURCHASE OF ONE NEW VACTOR TRUCK WITH 10 CUBIC YARD CAPACITY, AND A SINGLE ENGINE DUAL STAGE FAN UNIT WITH 1000 GALLONS OF WATER, MOUNTED ON A 2016 FREIGHTLINER 114SD 4X2 WITH A CUMMINS ISL 370 HP ENGINE TO OWEN EQUIPMENT FOR THE WATER SEWER DEPARTMENT IN THE TOTAL AMOUNT OF \$404,626.46 AND APPROVE BUDGET TRANSFER AND AMENDMENT.

Submitted for the City Council's consideration and action is Staff's recommendation to award the purchase of a new Vactor Truck with a 10-cubic yard capacity, single engine dual stage fan unit with 1000 gallons of water, mounted on a 2016 Freightliner 114SD 4x2 with Cummins ISL 370 HP Engine, Allison 3000 RDS Transmission in the amount of \$404,626.78 to Owen Equipment.

Owen Equipment provided a quote on December 22, 2014 based on the National Joint Powers Alliance (NJPA) agreement #022014-FSC, which is a national, competitively bid cooperative purchasing agreement. Purchasing staff also checked with HGAC-Buy who has an agreement with Owen Equipment as well, but the price utilizing that agreement was \$420,900.35 for the same chassis. As per Municipal Code Section 1522, purchases may be made through cooperative purchasing agreements such as NJPA or HGAC-Buy.

This purchase would replace the existing 1997 Vactor Combination Jet/Vac truck which is used for maintenance of the water distribution and sewer collection systems. This equipment has both pumping and jetting capabilities and is used to keep all of the sewer main lines free from blockages. It is also used for cleaning of lift stations and catch basins where heavy grit, sediment, sludge and other semi-solid and wet solid removal is needed. This is an essential piece of equipment, necessary in an emergency, for clearing any blockage and for cleaning up the area to help reduce any potential fines.

Fiscal Impact:

☐ Budgeted FY 14/15 ☒ New Appropriation ☐ Not Applicable ☒ Budget Amendment Required

<u>Amount Budgeted</u>	<u>Source of Funds (title and #)</u>	<u>Account Number</u>	<u>Addit. Appropriation Requested</u>
\$0	Water Fund	82024414.80100	\$202,313.23
\$0	Sewer Fund	84024421.80100	\$202,313.23

Recommended Action(s): Award the purchase of Vactor Truck to Owen Equipment in the amount of \$404,626.78 utilizing the NJPA Contract #022014-FSC

Alternative Council Option(s): Reject award recommendation and provide direction to Staff.

Citizens advised: N/A

Requested by: Tim Eriksen, Director of Public Works and City Engineer

Prepared by: Mary Williamson, Buyer; Jarod Thiele, Public Works Project Analyst; Dave Kirch, Lead Equipment Mechanic

Coordinated with: Tim Eriksen, Public Works Director and Mary Horger, Purchasing Supervisor

Attachments: 1) Vehicle Justification

Approved: _____

Jane Chambers, City Manager

The State of California Air Resource Board rules require the City's current Vac-Con truck be retrofitted or replaced with a machine that meets the current emission requirements. This vehicle is currently used minimally due to the costly amount of repairs needed and the fact it is not in compliance with diesel emissions regulations. In order for it to comply with California Air Resources Board (CARB) standards, it would require approximately \$150,000 to re-power both engines. This vehicle has a current value of approximately \$10,000 and will have to be sold out-of-state because it does not comply with CARB emission standards.

The current vehicle is in fair to poor mechanical condition. For the past year, this vehicle has incurred approximately \$15,000 in parts and labor costs. In addition, it needs approximately another \$25,000 of repairs for parts plus labor.

Staff has evaluated several different machines and tested them in the field. The Vector design has been determined to be the best choice for our operation.

Funds for this have been appropriated to the Equipment Replacement Fund for the last 3 fiscal years. Currently there is \$403,461 for sewer equipment replacement and \$280,000 for water equipment replacement.

City of Ukiah

Fleet Vehicle Justification

Proposed Vehicle: 2016 Freightliner 114SD 4X2 with Cummins ISL 370 HP Engine, Allison 3000 RDS Transmission, 10-Cubic Yard Capacity, Single Engine Dual Stage Fan unit with 1000 Gallons of Water, mounted on a.

Department: Public Works

Area of use: Water and Sewer Divisions

Prepared by: Jarod Thiele, Public Works Project analyst and Dave Kirch
Lead Equipment Mechanic

1 VEHICLE PURPOSE

Need for vehicle within Department fleet

This vehicle will be used daily for all of the Water and Sewer Divisions maintenance of the water distribution and waste water collection systems

2 REPLACEMENT JUSTIFICATION

2.1 Current Vehicle

Description, Mileage, Funding Source and Market Value

The vehicle being replaced is #2513. It was purchased in 1997 with Water and Sewer funds. Currently it has 8500 hours on it and 52,000 miles. This vehicle is in fair to poor condition with a value of approximately \$40,000. However there is a large amount of repairs needed.

2.2 Maintenance Costs

Overall Condition, Maintenance Costs, Out of Service Time, Parts Availability, and Associated Safety Issues

Overall Mechanical Condition: This vehicle is in fair to poor mechanical condition. Currently this vehicle needs a new Hydrostatic Pump, 3-Stage Fan assembly as well as a new boom turret and pins. The estimated cost of these repairs is approximately \$25,000 plus labor.

Maintenance Costs: For the past year this vehicle has incurred approximately \$15,000 in parts and labor costs.

Out of Service Time: This vehicle is currently used minimally due to diesel emission requirements. In order for it to comply with California Air Resources Board (CARB) standards would cost approximately \$150,000 to re-power both engines in addition to the repairs mentioned above.

Parts Availability: Most parts are available from the factory

Associated Safety Issues: The boom turret could cause a safety issue.

2.3 Shared Resources

Define any resources currently available within the City of Ukiah fleet which could be utilized for this purpose.

This vehicle will have to be sold out of state as it does not comply with CARB emissions standards.

3 PROPOSED VEHICLE SPECIFICATIONS

Proposed Vehicle Specifications
10-Cubic Yard Capacity, Single Engine Dual Stage Fan unit with 1000 Gallons of Water, mounted on a 2016 Freightliner 114SD 4X2 with Cummins ISL 370 HP Engine, Allison 3000 RDS Transmission.

4 ALTERNATIVE FUEL AND CARB REGULATIONS

4.1 Alternative Fuels Availability

Proposed Vehicle Alternative Fuels Availability
Alternative fueled vehicles for this type of use are not available.

4.2 CARB STANDARDS

CARB STANDARDS
The current vehicle #2513 does not meet CARB Standards.



ITEM NO.: 13a
MEETING DATE: February 4, 2015

AGENDA SUMMARY REPORT

SUBJECT: AWARD OF CONTRACT FOR PERKINS STREET UNDERGROUND DISTRICT #2, SPECIFICATION NO. 14-15 TO COASTSIDE CONCRETE IN THE AMOUNT OF \$619,220.00 (EUD).

Summary: The City of Ukiah Electric Department is requesting the award of contract for the Perkins Street Underground District #2, Specification No. 14-15, to Coastsides Concrete for the total bid amount of \$619,220.00.

Discussion: On March 5, 2014, the Ukiah City Council approved Perkins Street Underground District #2, a City improvement project to enhance the beauty of our Community. Council approved the plans and specifications for this project on December 3, 2014. Following the approval, the City distributed the plans and specifications to the required builders' exchanges, publicly advertised this project in the Ukiah Daily Journal, sent copies of the Notice to Bidders to all licensed Class A contractors on the City's 2014 Qualified Contractors List, and posted them to the City's website.

The City Clerk opened bids on January 13, 2015, with four bidders responding. Attached is a copy of the Bid Tabulation for Council's review. Staff is recommending award to Coastsides Concrete for \$619,220.00. If the contract is awarded, construction will be scheduled to start in early March 2015.

This contract will install the required electric, phone and cable TV substructures (conduits and vaults) from State Street to Pomeroy Street. The new conduit system will connect to existing underground facilities that are already in place. The connection between the new and old duct system will provide a pathway for all utilities to underground the overhead facilities. In addition, this contract installs the necessary LED streetlights to facilitate the overhead lighting system removal.

Since this project is a shared benefit for all utilities, the cost for some portions of the project would be divided according to space occupied, footage of trench and number of utilities. Whereas, if only one utility occupies the trench, that utility would pay the entire cost to install substructures.

Continued on Page 2

Recommended Action(s):

Award of Contract for Perkins Street Underground District #2, Specification No. 14-15 to Coastsides Concrete in the Amount of \$619,220.00 (EUD).

Alternative Council Option(s): (1) Reject Approval, (2) provide Staff with other direction.

Citizens advised:

Requested by: Mel Grandi, Electric Utility Director

Prepared by: Al Smatsky, Electric System Designer

Coordinated with: Jane Chambers, City Manager, David Rapport, City Attorney, and
Mary Horger, Purchasing Supervisor

Attachments: Bid Tabulation

Approved: _____

Jane Chambers, City Manager

The Underground District No. 2 construction is divided into four major phases:

- Phase 1: Conduit and vault installation contract, Specification No. 14-15 (this ASR request).
- Phase 2: Electric Utility: transfer facilities from overhead to underground.
- Phase 3: Cable TV, Comcast: transfer facilities underground.
- Phase 4: Telephone, AT&T: transfer facilities undergrounded and pole removal.

Once each phase (2-4) of underground construction is completed, the customer will be connected to the new underground facilities and the overhead system removed.

The anticipated completion date is December 31 2015.

Fiscal Impact:

☒ Budgeted FY 14/15 ☐ New Appropriation ☐ Not Applicable ☐ Budget Amendment Required

<u>Amount Budgeted</u>	<u>Source of Funds (title and #)</u>	<u>Account Number</u>	<u>Addit. Appropriation Requested</u>
\$675,000	Electric Underground-Infrastructure	80026120.80230	
\$295,000	Electric Street Lighting-Infrastructure	80526610.80230	

Subject:
Meeting Date:
Page 2 of 2

PERKINS STREET UNDERGROUNDING PROJECT													
Owner: City of Ukiah													
Bid Opening: 01/13/15					Coastside Concrete		G.D. Nielson Construction Inc.		Herman Weissker		ETIC, Inc.		
					6050 Commerce Blvd Suite 203 Rohnert Park, CA 95407		147 Camino Oruga Napa, CA 94558		1645 Brown Avenue Riverside, CA 92509		2285 Morello Avenue Pleasant Hill, CA 94595		
BID SCHEDULE													
Item #	It	Item Description	Quantity	UOM	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	Unit Price	Item Total	
1		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (12”X36” STREET TRENCH)	2000	LF	\$14.00	\$28,000.00	\$64.00	\$128,000.00	\$124.75	\$249,500.00	\$46.00	\$92,000.00	
2		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (12”X36” OFF-STREET TRENCH)	300	LF	\$10.00	\$3,000.00	\$91.30	\$27,390.00	\$223.67	\$67,101.00	\$45.00	\$13,500.00	
3		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (18”X48” STREET TRENCH)	120	LF	\$18.00	\$2,160.00	\$113.00	\$13,560.00	\$128.15	\$15,378.00	\$85.00	\$10,200.00	
4		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (18”X59” STREET TRENCH)	675	LF	\$25.00	\$16,875.00	\$94.40	\$63,720.00	\$162.33	\$109,572.75	\$80.00	\$54,000.00	
5		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (18”X59” OFF-STREET TRENCH)	110	LF	\$22.00	\$2,420.00	\$108.00	\$11,880.00	\$147.44	\$16,218.40	\$90.00	\$9,900.00	
6		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (24”X59” STREET TRENCH)	400	LF	\$30.00	\$12,000.00	\$94.00	\$37,600.00	\$133.67	\$53,468.00	\$99.00	\$39,600.00	
7		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (24”X59” OFF-STREET TRENCH)	325	LF	\$27.00	\$8,775.00	\$72.50	\$23,562.50	\$125.55	\$40,803.75	\$62.00	\$20,150.00	
8		EXCAVATE, TRENCH, BACKFILL AND COMPACTION (30”X59” OFF-STREET TRENCH)	60	LF	\$30.00	\$1,800.00	\$218.00	\$13,080.00	\$245.35	\$14,721.00	\$100.00	\$6,000.00	
9		REMOVE AND REPLACE ASPHALT CONCRETE (12” TRENCH)	4000	SF	\$8.00	\$32,000.00	\$26.00	\$104,000.00	\$27.70	\$110,800.00	\$34.00	\$136,000.00	
10		REMOVE AND REPLACE ASPHALT CONCRETE (18” TRENCH)	1325	SF	\$8.00	\$10,600.00	\$43.00	\$56,975.00	\$23.16	\$30,687.00	\$36.00	\$47,700.00	
11		REMOVE AND REPLACE ASPHALT CONCRETE (24” TRENCH)	375	SF	\$9.00	\$3,375.00	\$115.00	\$43,125.00	\$24.25	\$9,093.75	\$45.00	\$16,875.00	
12		1” PVC SCH 40 CONDUIT (COMCAST) INCLUDING INSTALLATION	240	FT	\$10.00	\$2,400.00	\$1.90	\$456.00	\$2.54	\$609.60	\$7.00	\$1,680.00	
13		2” PVC SCH 40 CONDUIT (COMCAST) INCLUDING INSTALLATION	6700	FT	\$12.00	\$80,400.00	\$1.75	\$11,725.00	\$2.64	\$17,688.00	\$7.50	\$50,250.00	
14		3” PVC SCH 40 CONDUIT (COMCAST) INCLUDING INSTALLATION	120	FT	\$14.00	\$1,680.00	\$9.70	\$1,164.00	\$4.49	\$538.80	\$10.00	\$1,200.00	
15		2” PVC SCHE 40 CONDUIT (AT&T) INCLUDING INSTALLATION	520	FT	\$12.00	\$6,240.00	\$1.35	\$702.00	\$2.87	\$1,492.40	\$8.00	\$4,160.00	
16		4” PVC SCH 40 CONDUIT (AT&T) INCLUDING INSTALLATION	1660	FT	\$18.00	\$29,880.00	\$17.90	\$29,714.00	\$4.57	\$7,586.20	\$11.00	\$18,260.00	
17		2” PVC SCH 40 CONDUIT INCLUDING INSTALLATION (ELECTRIC)	190	FT	\$12.00	\$2,280.00	\$2.40	\$456.00	\$4.51	\$856.90	\$9.00	\$1,710.00	
18		3” PVC SCH 40 CONDUIT INCLUDING INSTALLATION (ELECTRIC)	510	FT	\$14.00	\$7,140.00	\$1.00	\$510.00	\$3.85	\$1,963.50	\$9.50	\$4,845.00	
19		4” PVC SCH 40 CONDUIT INCLUDING INSTALLATION (ELECTRIC)	2550	FT	\$18.00	\$45,900.00	\$3.80	\$9,690.00	\$6.08	\$15,504.00	\$10.50	\$26,775.00	
20		6’ PVC SCH 40 CONDUIT INCLUDING INSTALLATION (ELECTRIC)	960	FT	\$22.00	\$21,120.00	\$9.25	\$8,880.00	\$11.01	\$10,569.60	\$14.00	\$13,440.00	
21		SIDEWALK REMOVAL AND REPLACEMENT FOR INSTALLATION OF ELECTRIC, CABLE & AT&T VAULTS AND BOXES	840	SF	\$18.00	\$15,120.00	\$38.00	\$31,920.00	\$14.71	\$12,356.40	\$60.00	\$50,400.00	
22		EXCAVATE, BACKFILL, COMPACT AND INSTALL CABLE SERVICE VAULTS B48 (COMCAST)	7	EA	\$2,750.00	\$19,250.00	\$608.00	\$4,256.00	\$3,978.00	\$27,846.00	\$2,650.00	\$18,550.00	
23		EXCAVATE, BACKFILL, COMPACT AND INSTALL CABLE SERVICE VAULTS N36 (COMCAST)	6	EA	\$1,000.00	\$6,000.00	\$634.00	\$3,804.00	\$1,365.00	\$8,190.00	\$2,450.00	\$14,700.00	
24		EXCAVATE, BACKFILL, COMPACT AND INSTALL CABLE SERVICE VAULTS N30 (COMCAST)	8	EA	\$750.00	\$6,000.00	\$603.00	\$4,824.00	\$1,029.00	\$8,232.00	\$2,000.00	\$16,000.00	
25		EXCAVATE, BACKFILL, COMPACT AND INSTALL CABLE SERVICE VAULTS K243630AT (AT&T)	7	EA	\$3,000.00	\$21,000.00	\$879.00	\$6,153.00	\$4,732.00	\$33,124.00	\$3,500.00	\$24,500.00	
26		EXCAVATE, BACKFILL, COMPACT AND INSTALL CONCRETE VAULT (CITY TO PROVIDE VAULT 94) (SPECIAL)	1	EA	\$10,000.00	\$10,000.00	\$2,433.00	\$2,433.00	\$18,708.00	\$18,708.00	\$1,400.00	\$1,400.00	
27		EXCAVATE, BACKFILL, COMPACTION AND INSTALL PEDESTEL BOX PAD (CITY TO PROVIDE)	4	EA	\$5,000.00	\$20,000.00	\$975.00	\$3,900.00	\$1,768.00	\$7,072.00	\$750.00	\$3,000.00	
28		EXCAVATE, BACKFILL, COMPACTION AND INSTALL TRANSFORMER BOX PAD (CITY TO PROVIDE)	2	EA	\$7,500.00	\$15,000.00	\$1,038.00	\$2,076.00	\$2,814.00	\$5,628.00	\$700.00	\$1,400.00	
29		EXCAVATE, BACKFILL, COMPACTION AND INSTALL PADMOUNT SWITCH BOX PAD (CITY TO PROVIDE)	3	EA	\$5,000.00	\$15,000.00	\$898.00	\$2,694.00	\$3,720.00	\$11,160.00	\$900.00	\$2,700.00	
30		EXCAVATE, BACKFILL, COMPACTION AND INSTALL SECONDARY SERVICE BOX(CITY TO PROVIDE)	4	EA	\$5,000.00	\$20,000.00	\$1,111.00	\$4,444.00	\$377.00	\$1,508.00	\$700.00	\$2,800.00	
31		DRIVEWAY, SIDEWALK AC REMOVAL AND REPLACEMENT BEHIND RIGHT-A-WAY ALONG PERKINS STREET (RESIDENTIAL	1	LS	\$25,000.00	\$25,000.00	\$46,822.00	\$46,822.00	\$40,470.00	\$40,470.00	\$15,000.00	\$15,000.00	
32		LANDSCAPE REMOVAL AND REPLACEMENT-PERKINS STREET AND ORCHARD AVENUE	1	LS	\$15,000.00	\$15,000.00	\$12,018.00	\$12,018.00	\$6,847.00	\$6,847.00	\$10,000.00	\$10,000.00	
33		LANE STRIPING	200	FT	\$15.00	\$3,000.00	\$30.00	\$6,000.00	\$2.32	\$464.00	\$13,000.00	\$2,600,000.00	
34		TRAFFIC LOOP REPAIR	1	LS	\$7,500.00	\$7,500.00	\$7,811.50	\$7,811.50	\$5,562.00	\$5,562.00	\$7,500.00	\$7,500.00	
35		1” HDPE CONDUIT INCLUDING INSTALLATION	1700	FT	\$25.00	\$42,500.00	\$36.00	\$61,200.00	\$96.91	\$164,747.00	\$48.00	\$81,600.00	
		STREETLIGHT FOUNDATIONS INCLUDING REMOVAL AND REPLACEMENT OF SIDEWALK AND INSTALLATION OF											
36		STREETLIGHT STANDARD AND LUMINAIRE	20	EA	\$1,200.00	\$24,000.00	\$2,936.00	\$58,720.00	\$3,393.00	\$67,860.00	\$4,000.00	\$80,000.00	
37		INSTALL STREETLIGHT JUNCTION BOXES AND MAKE ELECTRIC CONNECTIONS	20	EA	\$950.00	\$19,000.00	\$216.00	\$4,320.00	\$745.00	\$14,900.00	\$1,500.00	\$30,000.00	
38		#8 AWG THWN INCLUDING INSTALLATION	6000	FT	\$2.09	\$12,540.00	\$2.10	\$12,600.00	\$4.47	\$26,820.00	\$2.20	\$13,200.00	
39		#12 AWG THWN INCLUDING INSTALLATION	2700	FT	\$1.95	\$5,265.00	\$1.50	\$4,050.00	\$8.86	\$23,922.00	\$1.80	\$4,860.00	

Bid List			\$619,220.00		\$866,235.00		\$1,259,569.05		\$3,545,855.00
Total Bid Amount			\$619,220.00		\$866,235.00		\$1,259,569.05		\$3,545,855.00
Listed Subs	Advanced Cutting & Paving 6526 Alyssa Ct San Jose, CA 95138 DC Electric 8023 Gravenstein Hwy S Cotati, CA 94931 Striping Graphics 501 Aaron Street Cotati, CA 94931			A-Z Construction Calpella, CA Oden & Doucette, Inc. American Canyon, CA SHN Engineers & Geologists 335 S Main St Willtis, CA 95490 Statewide Traffic Safety Fairfield, CA W. Bradley Electric Novato, CA		Long's Directional Boring 1476 Bodie Place Norco, CA 92860		J.A. Gonsalves & Sons Napa, CA Saint Francis Electric 1001 Carden Street San Leandro, CA 94577	



**CITY OF UKIAH & SUCCESSOR AGENCY
TO THE FORMER UKIAH REDEVELOPMENT AGENCY
AGENDA SUMMARY REPORT**

SUBJECT: CONSIDER APPROVAL OF RESOLUTION(S) AUTHORIZING THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF UKIAH AND THE CITY OF UKIAH TO RE-ENTER INTO A FUNDING AGREEMENT FOR PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR THE REDWOOD BUSINESS PARK, DATED MARCH 8, 2011 AS AUTHORIZED BY THE OVERSIGHT BOARD IN RESOLUTION NUMBER 2012-08.

Background: On March 8, 2011, the City of Ukiah ("City") and the former Ukiah Redevelopment Agency ("Agency") approved an Amended Funding Agreement (Exhibit A to Attachment #1) under which the City agreed to be responsible for the design and construction of public improvements within and around the Redwood Business Park ("RBP") that are necessary for the continued economic vitality of the Park. The Agency agreed to pay the City not to exceed \$6 million for the cost of performing the City's obligations under the agreement. The funding amount was based on engineering estimates that had been prepared for all of the improvements required in the RBP, including improvements to Airport Park Boulevard, Talmage Road, Airport Road, Hastings Avenue, utilities, signalization, and the Talmage Road/Highway 101 interchange.

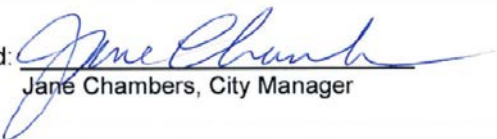
The Agreement constitutes an indebtedness of the Agency and a pledge of the Agency's Tax Increment revenues. The Agreement obligated the Agency to pay this money to the City for the public infrastructure improvements from any funds available to the Agency, including the proceeds of any bonds issued by the Agency and/or Tax Increment revenue to the Agency from the project area. The Agency planned to utilize a combination of bond proceeds from Tax Allocation Bonds that it issued in

Continued on Page 2

Recommended Action(s): Approve corresponding resolution (Attachment #2 for the City of Ukiah and Attachment #3 for the Successor Agency) authorizing the Successor Agency to the former Redevelopment Agency of the City of Ukiah and the City of Ukiah to re-enter into a funding agreement for public infrastructure improvements for the Redwood Business Park, dated March 8, 2011 as authorized by the Oversight Board in Resolution Number 2012-08.

Alternative Council Option(s): If necessary, provide any other related direction to staff.

Citizens advised: N/A
Requested by: N/A
Prepared by: David Rapport, City Attorney and Sage Sangiacomo, Assistant City Manager
Coordinated with: Jane Chambers, City Manager/Executive Director
Attachments: 1. OB Resolution authorizing the City and Successor Agency to re-entering the March 8, 2011 Amended Funding Agreement
2. City of Ukiah Resolution authorizing re-entering into the March 8, 2011 Restated funding agreement for Public Infrastructure Improvement for the RBP
3. Successor Agency Resolution authorizing re-entering into the March 8, 2011 Restated funding agreement for Public Infrastructure Improvement for the RBP

Approved: 
Jane Chambers, City Manager

March 2011, the proceeds from the sale of the land owned by the Agency within the RBP and funds that were in the Agency's reserves.

Discussion: Except for loans made within the first two years of the formation of a redevelopment agency ("RDA") or loans related to issued instruments of indebtedness, such as bonds, Health and Safety Code §34171(d)(2) excludes from the definition of "enforceable obligations" agreements between a city and an RDA. Under the law dissolving redevelopment agencies only enforceable obligations are entitled to funding from the income or assets of a successor agency to an RDA.

However, the law at the time did provide for such agreements to be entered or re-entered with the appropriate oversight board approval pursuant to Health and Safety Code §34178(a) and §34180(h).

Health and Safety Code §34178(a) stated that agreements between a city and an RDA are "invalid and shall not be binding on the successor agency; provided, however, that a successor entity wishing to enter or reenter into agreements with the city...that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board."

Health and Safety Code §34180(h) required the oversight board to first approve any successor agency action to enter or re-enter into an agreement with the city that formed the redevelopment agency that it is succeeding.

On June 13, 2012, the Oversight Board considered and approved a resolution to reauthorizing the Successor Agency to reenter the previously approved Funding Agreement for public improvements for the Redwood Business Park (Attachment #1).

On June 14, 2012, the Successor Agency emailed a notice of the Ukiah Oversight Boards agenda, minutes, and actions from the June 13, 2012 meeting to the Mendocino County Auditor-Controller, the State of California Controller, and the State of California Department of Finance and posted all of these materials for review on the Oversight Board/Successor Agency's web-site.

Under Health and Safety Code Section 34179(h), the resolution of the Oversight Board did not become effective for three business days after it was adopted. During those three days, the action would not become effective, if the Department of Finance requested review of the resolution. The three day period expired on June 19, 2012. The Successor Agency did not receive any request from the Department of Finance for review of the resolution.

Accordingly, the resolution became effective on June 20, 2012, and the Successor Agency and City Council were thereafter authorized under the law in effect at that time to reenter the March 8, 2011, an Amended Funding Agreement (Exhibit A to Attachment #1). The corresponding resolutions for the City and Successor Agency authorizing the parties to reenter the Amended Funding Agreement (Exhibit A to Attachment #1) are contained in Attachment #2 and #3.

The City Council and Successor Agency previously approved re-entering the agreement on June 20, 2012. However, the payment schedule in the agreement was modified from the original March 8, 2011, agreement. To avoid any question that the Successor Agency and the City are reentering the agreement approved by the Oversight Board, staff is recommending the Council and Agency authorize re-entering the exact agreement approved by the Oversight Board. If approved, the agreement will be included as an enforceable obligation on the next recognized obligation schedule that must be submitted to the Department of Finance on March 3, 2015.

**OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY OF UKIAH**

RESOLUTION NO. 2012-08

A RESOLUTION OF THE OVERSIGHT BOARD FOR THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF UKIAH APPROVING AUTHORIZING THE SUCCESSOR AGENCY TO RE-ENTER INTO A FUNDING AGREEMENT FOR PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR THE REDWOOD BUSINESS PARK, DATED MARCH 8, 2011 BETWEEN THE DISSOLVED REDEVELOPMENT AGENCY AND THE CITY OF UKIAH; MAKING RELATED FINDINGS AND DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, the City Council of the City of Ukiah ("City") approved and adopted the Redevelopment Plan for the Ukiah Redevelopment Project ("Redevelopment Plan") covering certain properties within the City (the "Project Area"); and

WHEREAS, the Community Redevelopment Agency of the City of Ukiah ("Dissolved Agency") was engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) ("CRL"); and

WHEREAS, since adoption of the Redevelopment Plan, the Dissolved Agency had undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private businesses to create jobs and expand the local economy; and

WHEREAS, the Dissolved Agency adopted a five year implementation plan that included infrastructure improvements to facilitate full development of the Redwood Business Park; and

WHEREAS, the Dissolved Agency was involved in the preparation of and approved an Exclusive Negotiating Agreement ("ENA") with Costco Wholesale Corporation at the Redwood Business Park in an effort to assist in the elimination of economic and physical blight through focused and intense efforts by encouraging new business investment, commercial tenancy and job creation in this only partially developed commercial area to enhance the community; and

WHEREAS, in furtherance of its effort to eliminate economic and physical blight in the project area, the Dissolved Agency expended over \$3.3 Million to assemble acreage previously owned by multiple owners ("the assembled acreage") and entered into other agreements with property owners in the Redwood Business Park in order to facilitate the development of the Redwood Business Park and the elimination of economic and physical blight; and

WHEREAS, under the ENA, the Dissolved Agency was obligated to negotiate in good faith and enter a disposition and development agreement with Costco under specified terms, if Costco obtains the necessary entitlements to construct and open its store on the assembled acreage; and

WHEREAS, the redevelopment of the Redwood Business Park requires certain critical infrastructure projects to improve traffic circulation, drainage and utility service (the "Public Improvements"); and

WHEREAS, the Dissolved Agency entered a substantial number of contracts and expended in excess of \$430,021 for various studies and engineering to plan and design the planned infrastructure improvements for the RBP; and

WHEREAS, the Dissolved Agency issued tax allocation bonds that closed on March 9, 2011, in part to fund the Public Improvements; and

WHEREAS, The Bond Indenture for the tax exempt bonds represents a contract with third parties that specifically obligates the Successor Agency to use the bond proceeds for redevelopment projects, as specifically described in the bond documents, including the the Redwood Business Park infrastructure improvements.

WHEREAS, Sections 10.07(a) of the 2011 Supplemental Bond Indenture requires \$4,392,288.33 to be deposited in the 2011 Redevelopment Fund and Section 10.08 requires moneys in the Redevelopment Fund to be used "solely for the purpose of aiding in financing the Redevelopment Project" and provides that: "The Agency covenants that no funds on deposit in the Redevelopment Fund shall be applied for any purpose not authorized by the Law and the provisions of this Indenture"; and

WHEREAS, Health and Safety Code Section 34177(i) provides that bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds; and

WHEREAS, the Dissolved Agency desired to cooperate with the City in its efforts to improve transit service and entered into a Funding Agreement on March 8, 2011, and pledged funding in an amount not to exceed SIX MILLION DOLLARS (\$6,000,000) ("Agency Contribution") to enable the City to design and build the Public Improvements to benefit the Redevelopment Project Area; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted, and the Governor signed, companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on August 3, 2011, the Ukiah City Council adopted as an urgency ordinance, effective upon its adoption, Urgency Ordinance #1131 which approved the community's participation in the Alternative Voluntary Redevelopment Program defined by ABx1 27 to enable a redevelopment agency to remain in existence and carry out the provisions of California Redevelopment Law; and

WHEREAS, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California on July 18, 2011 (*California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861), challenging the constitutionality of AB 1X 26 and AB 1X 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement; and

WHEREAS, on August 11, 2011, and modified on August 17, 2011, the Supreme Court stayed portions of AB 1X 26, and AB 1X 27 in its entirety during the pendency of the matter; and

WHEREAS, on December 29, 2011, the Supreme Court issued its final decision in the aforesaid litigation, upholding AB 1X 26, invalidating AB 1X 27, and extending all statutory deadlines under AB 1X 26, essentially dissolving all redevelopment agencies throughout the State effective February 1, 2012; and

WHEREAS, AB 1X 26 further provides that, upon their dissolution, any property taxes that would have been allocated to redevelopment agencies will no longer be deemed tax increment, and will be allocated first to successor agencies to make payments on the existing indebtedness and enforceable obligations of the dissolved redevelopment agencies, with remaining balances allocated in accordance with applicable constitutional and statutory provisions; and

WHEREAS, AB 1X 26 provides that successor agencies be designated as successor entities to the former redevelopment agencies, and provides that, with certain exceptions, all authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies, under the CRL, are vested in the successor agencies; and

WHEREAS, on January 8, 2012, the City Council of the City of Ukiah ("Council") adopted Resolution No. 2012-04 designating the City as the Successor Agency to the Dissolved RDA ("Successor Agency"); and

WHEREAS, on March 8, 2011, months prior to the Governor signing the Dissolution Act into law, the City and the now Dissolved RDA entered into a Funding Agreement for public infrastructure improvement projects for the Redwood Business Park ("Funding Agreement") whereby the City agreed to carry out certain activities described in the Dissolved RDA's redevelopment plan and its Implementation Plan in exchange for a pledge of assets from the Dissolved RDA; and

WHEREAS, the Funding Agreement represents a means whereby the City can use the proceeds from the Series A 2011 Tax Allocation Bonds to complete the Public Improvements for the Redwood Business Park; and

WHEREAS, the Funding Agreement entered into by the City and Dissolved RDA was enacted in accordance with then-existing redevelopment law as a legal and binding obligation prior to the approval of ABx1 26 on June 28, 2011; and

WHEREAS, the Funding Agreement was declared to constitute an indebtedness of the Dissolved RDA and a pledge of the Dissolved RDA's Tax Increment revenues; and

WHEREAS, Health and Safety Code §34171(d)(2) does not recognize any agreements made between a city and redevelopment agency as "enforceable obligations" (except for loans made within the first two years of the formation of the RDA or loans related to issued instruments of indebtedness, such as bonds, notes, etc.) and effectively treats these agreements as unenforceable; and

WHEREAS, such agreements become enforceable obligations if they are entered or re-entered with the appropriate oversight board approval pursuant to Health and Safety Code §34178(a) and §34180(h); and

WHEREAS, Health and Safety Code §34178(a) states that agreements between a city and a redevelopment agency are "invalid and shall not be binding on the successor agency; provided, however, that a successor entity wishing to enter or reenter into agreements with the city...that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board"; and

WHEREAS, Health and Safety Code §34180(h) requires the oversight board to first approve any successor agency action to enter into an agreement with the city that formed the redevelopment agency that it is succeeding; and

WHEREAS, the Oversight Board has reviewed the Funding Agreement as presented by Successor Agency staff at the Oversight Board meeting of June 13, 2012, and has reviewed and considered written and oral comments from the Successor Agency and public relating thereto; and

WHEREAS, In order to enable the City to continue its efforts to construct the Public Improvements to comply with underlying enforceable obligations including the indenture of the 2011 Series A Bond and the Costco ENA, the City desires to re-enter into the Funding Agreement providing for the Successor Agency to contribute to the City a portion of the costs relating to the development and construction of the Improvements, utilizing proceeds from the Series A Tax Allocation Bonds issued on March 9, 2011, from the sale of land to Costco Wholesale and from funds on deposit with the City; and

WHEREAS, the City shall be responsible for conducting environmental review prior to its approval of the Public Improvements, and as a prerequisite for use of of the Agency Contribution; and

NOW, THEREFORE, BE IT RESOLVED that the Oversight Board for the Successor Agency to the dissolved Redevelopment Agency of the City of Ukiah hereby finds, resolves, and determines as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval for the Successor Agency to enter into a Funding Agreement for public infrastructure improvements for the Redwood Business Park through this Resolution does not commit the Oversight Board to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval to Enter into Funding Agreement. Pursuant to Health and Safety Code §34178(a) and §34180(h), the Oversight Board hereby authorizes the Successor Agency to re-enter the Funding Agreement with the City of Ukiah for public infrastructure improvement projects for the Redwood Business Park, originally dated March 8, 2011, a true and correct copy of which is attached hereto as Exhibit A. The specific public improvements to be designed and constructed are set forth in the attached Exhibit B.

SECTION 4. Implementation. The Oversight Board hereby directs the Successor Agency to submit copies of the Resolution approved by the Oversight Board to the County of Mendocino Auditor-Controller, the State of California Controller and the State of California Department of Finance, and to post it on the Successor Agency's website.

SECTION 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Oversight Board declares that the Oversight Board would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification. The City Clerk of the City of Ukiah, acting on behalf of the Oversight Board as its Secretary, shall certify to the adoption of this Resolution.

SECTION 7. Effective Date. Pursuant to Health and Safety Code section 34179(h), all actions taken by the Oversight Board may be reviewed by the State of California Department of Finance, and, therefore, this Resolution shall not be effective for three (3) business days, pending a request for review by the State of California Department of Finance.

PASSED, APPROVED AND ADOPTED at a meeting of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency of the City Of Ukiah on June 13, 2012, by the following roll call vote:

AYES: Members Roth, Todd, Perryman, Knopp, Howard, Vice Chair Mirata, and Chair Crane

NOES: None

ABSENT: None

ABSTAINED: None


Chairperson

ATTEST:


Oversight Board Secretary

FIRST AMENDED FUNDING AGREEMENT

UKIAH REDEVELOPMENT PROJECT AREA
(Public Improvements- Redwood Business Park projects)

THIS FUNDING AGREEMENT is entered into as of March 8, 2011, by and between the **REDEVELOPMENT AGENCY OF THE CITY OF UKIAH**, a public body, corporate and politic (Agency), and the **CITY OF UKIAH**, a municipal corporation (City).

Recitals

A. Pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 *et seq.*), the Agency is a duly constituted redevelopment agency under the laws of the State of California and pursuant to said laws is carrying out the Redevelopment Plan (Redevelopment Plan) for the Ukiah Redevelopment Project (Redevelopment Project).

B. The major goals and objectives of the Redevelopment Plan include, among others, the elimination of blighting influences and the correction of environmental deficiencies in the Redevelopment Project Area, improving pedestrian and vehicular circulation in the Redevelopment Project Area, and the installation of new or replacement of existing public improvements which are currently inadequate to serve the area. The Redevelopment Plan authorizes the Agency to pay for, develop, or construct any publicly-owned improvements, either within or without the Project Area, for itself or for any public body or entity, which improvements are or would be of benefit to the Project Area. The Five Year Implementation Plan for the Ukiah Redevelopment Plan also specifically identifies the traffic, drainage and utility improvements as the public improvements projects to be undertaken by the Agency.

C. The Redwood Business Park is a potential major commercial-retail center within the Redevelopment Project Area which requires the installation certain traffic, drainage and utility improvements (the "Public Improvements") in order to induce private investment.

D. In furtherance of an Agreement between the Agency and Costco Wholesale Corporation, approved by the Agency in January 2011 (the "Agreement"), the Agency desires to cooperate with the City and provide funding to assist with the costs necessary for the Public Improvements at the Redwood Business Park, which Public Improvements will serve and be of primary benefit to the Ukiah Redevelopment Project Area.

E. Pursuant to Health and Safety Code Section 33445, the Agency is authorized, with the consent of the City Council, to pay all or part of the value of the land for and the cost of the design, installation and construction of any building, facility, structure, or other improvements which are publicly owned either within or without the Redevelopment Project Area, upon a determination by the City Council and Agency that such buildings, facilities, structures or other improvements are of benefit to the Redevelopment Project by helping to eliminate blight within the Redevelopment Project Area, that no other reasonable means of financing such buildings, facilities, structures, or other improvements are available to the community, and that the payment

of funds for the cost of such buildings, facilities, structures or other improvements is consistent with the Agency's five-year Implementation Plan for the Redevelopment Project.

F. Section 33678 of the Community Redevelopment Law provides that the portion of taxes allocated to the Agency pursuant to Section 33670(b) of the Community Redevelopment Law (Tax Increments) will not be deemed the receipt or appropriation of proceeds of taxes for the purposes of Article XIII.B. of the California Constitution so long as such Tax Increments are used for redevelopment activity which primarily benefits the Redevelopment Project Area.

G. In order to enable the City to continue its efforts to construct the Improvements for the benefit of the Redevelopment Project Area, and as an inducement to the City to do so, the parties desire to enter into this Agreement providing for the Agency to contribute to the City a portion of the costs relating to the development and construction of the Improvements.

Agreement

THE AGENCY AND THE CITY HEREBY AGREE AS FOLLOWS:

1. The City shall be responsible for all of the design and construction of the Public Improvements identified by the City in the Redwood Business Park and that will serve the Redevelopment Project Area.

2. The City shall be responsible for conducting environmental review prior to its approval of the Improvements, final design and construction and as a prerequisite for use of any of the Agency Contribution (as defined below) for final design and construction. It is understood and agreed that the Agency Contribution provided in this Agreement may be used to conduct such environmental review. The City shall cause the environmental review to be undertaken as soon as feasible.

3. The City shall cause such development and construction work to be undertaken as soon as feasible and continue in order to ensure that the Improvements are completed in a timely manner.

4. In consideration of the undertakings of the City under Sections 1 through 3 of this Agreement, the Agency shall: (1) by no later than March 9, 2011, pay to the City for the design, environmental review and construction of the Improvements \$3,306,195 and (2) pay to the City (or pay to a third party on behalf of the City) a portion of the actual costs incurred by the City as necessary for the design, environmental review and construction of the Improvements, in a total amount not to exceed SIX MILLION DOLLARS (\$6,000,000) (Agency Contribution).

The Agency shall make such Agency Contribution to (or on behalf of) the City from any funds available to the Agency for such purpose, including the proceeds of any bonds issued by the Agency, loans and Tax Increments from the Redevelopment Project Area, at the Agency's sole discretion.

5. Failure by either party to perform its obligations hereunder shall constitute a default under this Agreement, and the other party may institute legal action to cure, correct or remedy

such default, to recover damages for such default or to obtain any other remedy, including injunctive or declaratory relief, consistent with the purpose of this Agreement.

6. This Agreement constitutes an indebtedness of the Agency incurred in carrying out the Redevelopment Project, and a pledge of Tax Increments from the Redevelopment Project to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Section 33670 *et seq.* of the Health and Safety Code; provided, however, that such pledge of Tax Increments shall always be subordinate and subject to the right of the Agency to pledge or commit Tax Increments from the Redevelopment Project Area to repay bonds or other indebtedness incurred by the Agency in carrying out the Redevelopment Project.

7. Pursuant to Section 895.4 of the Government Code, the Agency and City agree that each will assume the full liability imposed upon it or any of its officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement and each party agrees to indemnify and hold harmless the other party for any loss, costs or expense that may be imposed upon such other party by virtue of Sections 895.2 and 895.6 of the Government Code.

8. This Agreement and the obligations of the City and the Agency hereunder shall terminate upon the completion of the construction of the Improvements by the City and the payment of the Agency Contribution as set forth in Section 4.

9. Within 30 calendar days of the end of each fiscal year, the City shall prepare and deliver to the Agency a report of activities and accomplishments with regard to the Improvements, together with 1) any environmental documentation or notice required as a result of any activity undertaken in compliance with this Agreement that is a project under CEQA and/or NEPA, 2) evidence of the costs incurred by the City to provide the Public Improvements provided for under this Agreement, and 3) any other information reasonably requested by the Agency relating to this Agreement or the Public Improvements (City's Report). Such information, provided in a timely manner, shall assist the Agency to fulfill its reporting requirements regarding construction of capital improvements under California Health and Safety Code Section 33080 *et seq.*

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

**REDEVELOPMENT AGENCY OF THE
CITY OF UKIAH**

By: 
Executive Director

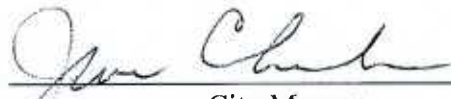
Attest:

By: 
Secretary

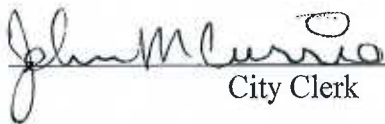
Approved as to Form

By: 
Agency Counsel

CITY OF UKIAH

By: 
City Manager

Attest:

By: 
City Clerk

Approved as to Form:

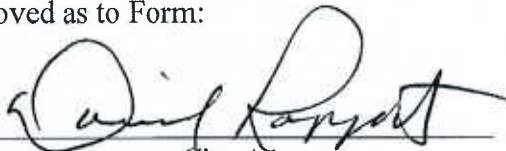
By: 
City Attorney

Exhibit B
Public Infrastructure Improvements for the Redwood Business Park

(Verbally dictated to Oversight Board at June 13, 2012 meeting and as previously transmitted)

Listing of improvements:

- Talmage Southbound Off-Ramp Interchange
- Talmage Road Widening and Signal Modification
- Airport Park Boulevard Reconstruction "Overlay"
- Commerce Road Intersection Signal
- Hasting Avenue Widening and Signal Modification

**THE CITY OF UKIAH
RESOLUTION NO. 2015-**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF UKIAH APPROVING
RE-ENTERING THE FIRST AMENDED FUNDING AGREEMENT FOR PUBLIC
INFRASTRUCTURE IMPROVEMENTS FOR THE REDWOOD BUSINESS PARK,
DATED MARCH 8, 2011, BETWEEN THE DISSOLVED REDEVELOPMENT
AGENCY AND THE CITY OF UKIAH AS AUTHORIZED IN RESOLUTION
NUMBER 2012-08 BY THE OVERSIGHT BOARD FOR THE SUCCESSOR
AGENCY**

WHEREAS, the City Council of the City of Ukiah ("City") approved and adopted the Redevelopment Plan for the Ukiah Redevelopment Project ("Redevelopment Plan") covering certain properties within the City (the "Project Area"); and

WHEREAS, the Community Redevelopment Agency of the City of Ukiah ("Dissolved Agency") was engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) ("CRL"); and

WHEREAS, since adoption of the Redevelopment Plan, the Dissolved Agency had undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private businesses to create jobs and expand the local economy; and

WHEREAS, the Dissolved Agency adopted a five year implementation plan that included infrastructure improvements to facilitate full development of the Redwood Business Park; and

WHEREAS, the Dissolved Agency was involved in the preparation of and approved an Exclusive Negotiating Agreement ("ENA") with Costco Wholesale Corporation at the Redwood Business Park in an effort to assist in the elimination of economic and physical blight through focused and intense efforts by encouraging new business investment, commercial tenancy and job creation in this only partially developed commercial area to enhance the community; and

WHEREAS, in furtherance of its effort to eliminate economic and physical blight in the project area, the Dissolved Agency expended over \$3.3 Million to assemble acreage previously owned by multiple owners ("the assembled acreage") and entered into other agreements with property owners in the Redwood Business Park in order to facilitate the development of the Redwood Business Park and the elimination of economic and physical blight; and

WHEREAS, under the ENA, the Dissolved Agency was obligated to negotiate in good faith and enter a disposition and development agreement with Costco under specified terms, if Costco obtains the necessary entitlements to construct and open its store on the assembled acreage; and

WHEREAS, the Dissolved Agency entered a substantial number of contracts and expended in excess of \$430,021 for various studies and engineering services to plan and design the planned infrastructure improvements for the RBP; and

WHEREAS, the Dissolved Agency issued tax allocation bonds that closed on March 9, 2011, in part, to fund the Public Improvements; and

WHEREAS, the Bond Indenture for the tax exempt bonds represents a contract with third parties that specifically obligates the Successor Agency to use the bond proceeds for redevelopment projects, as specifically described in the bond documents, including the Redwood Business Park infrastructure improvements; and

WHEREAS, Section 10.07(a) of the 2011 Supplemental Bond Indenture requires \$4,392,288.33 to be deposited in the 2011 Redevelopment Fund and Section 10.08 requires moneys in the Redevelopment Fund to be used "solely for the purpose of aiding in financing the Redevelopment Project" and provides that: "The Agency covenants that no funds on deposit in the Redevelopment Fund shall be applied for any purpose not authorized by the Law and the provisions of this Indenture"; and

WHEREAS, the Dissolved Agency desired to cooperate with the City in its efforts to improve transit service and entered into a Funding Agreement on March 8, 2011, and pledged funding in an amount not to exceed SIX MILLION DOLLARS (\$6,000,000) ("Agency Contribution") to enable the City to design and build the Public Improvements to benefit the Redevelopment Project Area; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted, and the Governor signed, companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on August 3, 2011, the Ukiah City Council adopted as an urgency ordinance, effective upon its adoption, Urgency Ordinance #1131 which approved the community's participation in the Alternative Voluntary Redevelopment Program defined by ABx1 27 to enable a redevelopment agency to remain in existence and carry out the provisions of California Redevelopment Law; and

WHEREAS, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California on July 18, 2011 (*California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861), challenging the constitutionality of AB 1X 26 and AB 1X 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement; and

WHEREAS, on August 11, 2011, and modified on August 17, 2011, the Supreme Court stayed portions of AB 1X 26, and AB 1X 27 in its entirety during the pendency of the matter; and

WHEREAS, on December 29, 2011, the Supreme Court issued its final decision in the aforesaid litigation, upholding AB 1X 26, invalidating AB 1X 27, and extending all statutory deadlines under AB 1X 26, essentially dissolving all redevelopment agencies throughout the State effective February 1, 2012; and

WHEREAS, AB 1X 26 further provides that, upon their dissolution, any property taxes that would have been allocated to redevelopment agencies will no longer be deemed tax increment, and will be allocated first to successor agencies to make payments on the existing indebtedness and enforceable obligations of the dissolved redevelopment agencies, with remaining balances allocated in accordance with applicable constitutional and statutory provisions; and

WHEREAS, AB 1X 26 provides that successor agencies be designated as successor entities to the former redevelopment agencies, and provides that, with certain exceptions, all authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies, under the CRL, are vested in the successor agencies; and

WHEREAS, on January 8, 2012, the City Council of the City of Ukiah ("Council") adopted Resolution No. 2012-04 designating the City as the Successor Agency to the Dissolved Agency ("Successor Agency"); and

WHEREAS, on March 8, 2011, months prior to the Governor signing the Dissolution Act into law, the City and the now Dissolved Agency entered into the First Amended Funding Agreement for public infrastructure improvement projects for the Redwood Business Park ("Funding Agreement") whereby the City agreed to carry out certain activities described in the Dissolved Agency's redevelopment plan and its Implementation Plan in exchange for a pledge of assets from the Dissolved Agency; and

WHEREAS, the Funding Agreement represents a means whereby funds from the now Dissolved Agency would be made available to the City to complete the Public Improvements for the Redwood Business Park, including, but not limited to, the proceeds from the Series A 2011 Tax Allocation Bonds, loans, and Tax Increment from the Redevelopment Project Area; and

WHEREAS, the Funding Agreement entered into by the City and Dissolved Agency was enacted in accordance with then-existing redevelopment law as a legal and binding obligation prior to the approval of ABx1 26 on June 28, 2011; and

WHEREAS, the Funding Agreement was declared to constitute an indebtedness of the Dissolved Agency and a pledge of the Dissolved Agency's Tax Increment revenues; and

WHEREAS, under Health and Safety Code Section 34178(a), as it read prior to June 28, 2011, such agreements became enforceable obligations if their reentry was approved by the appropriate oversight board pursuant to Health and Safety Code §34178(a) and §34180(h); and

WHEREAS, the Oversight Board for the Successor Agency to the Dissolved Agency ("Oversight Board") reviewed the Funding Agreement as presented by Successor Agency staff at the Oversight Board meeting of June 13, 2012, and reviewed and considered written and oral comments from the Successor Agency and public relating thereto; and

WHEREAS, the Oversight Board approved Resolution Number 2012-08 on June 13, 2012 which authorized the Successor Agency to re-enter into the Funding Agreement; and

WHEREAS, on June 14, 2012, the Successor Agency emailed a notice of the Ukiah Oversight Boards agenda, minutes, and actions from the June 13, 2012 meeting to the Mendocino County Auditor-Controller, the State of California Controller, and the State of

California Department of Finance and posted all of these materials for review on the Oversight Board/Successor Agency's web-site; and

WHEREAS, under Health and Safety Code Section 34179(h), the resolution of the Oversight Board would not become effective for three business days pending a potential request for a review by the Department of Finance; and

WHEREAS, the three day review period expired on June 19, 2012, and the Successor Agency did not receive any request from the Department of Finance for review of the resolution; and

WHEREAS, the Oversight Board Resolution No. 2012-08 became effective on June 20, 2012, which authorizes the Successor Agency and City Council to re-enter the Funding Agreement; and

WHEREAS, on June 20, 2012, the City Council and Successor Agency approved re-entering the Funding Agreement with the only substantive change in paragraph 4, changing the initial payment by the Dissolved Agency to the City from \$3,306,195 to a payment of \$1,700,138.83 by the Successor Agency; and

WHEREAS, the Successor Agency and the City intended on June 20, 2012, to reenter the agreement as approved by the Oversight Board in Resolution No. 2012-08; and

WHEREAS, no funds have been advanced by the Dissolved Agency or the Successor Agency and retained by the City pursuant to Section 4 of the Funding Agreement; and

WHEREAS, the Successor Agency and the City can fully perform the Funding Agreement as approved by the Oversight Board in Resolution No. 2012-08; and

WHEREAS, the City shall be responsible for conducting environmental review prior to its approval of the Public Improvements, and as a prerequisite for funding made available from the Funding Agreement; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Ukiah hereby finds, resolves, and determines as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval for the City to enter into the Funding Agreement does not commit the City to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval to Re-enter into Funding Agreement. Pursuant to the Oversight Board's approval in its Resolution No. Number 2012-08, the City of Ukiah hereby re-enters the First Amended Funding Agreement with the Successor Agency to the former Redevelopment Agency of the City of Ukiah for public infrastructure improvement projects for the Redwood Business Park, dated March 8, 2011, a true and correct copy of which is attached hereto as Exhibit A. The specific public improvements to be designed and constructed are set forth in the attached Exhibit B.

SECTION 4. Implementation. The City Council directs the City Manager to take all steps and actions necessary to implement this Resolution and the Funding Agreement on behalf of the City of Ukiah.

SECTION 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The City Council declares that the City of Ukiah would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification. The City Clerk of the City of Ukiah shall certify to the adoption of this Resolution.

SECTION 7. Effective Date. This Resolution becomes effective upon its adoption.

PASSED, APPROVED AND ADOPTED at a meeting of the City Council of the City of Ukiah on February 4, 2015, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Douglas F. Crane, Chairperson

ATTEST:

Cathy Elawadly, Deputy City Clerk

FIRST AMENDED FUNDING AGREEMENT

UKIAH REDEVELOPMENT PROJECT AREA
(Public Improvements- Redwood Business Park projects)

THIS FUNDING AGREEMENT is entered into as of March 8, 2011, by and between the **REDEVELOPMENT AGENCY OF THE CITY OF UKIAH**, a public body, corporate and politic (Agency), and the **CITY OF UKIAH**, a municipal corporation (City).

Recitals

A. Pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 *et seq.*), the Agency is a duly constituted redevelopment agency under the laws of the State of California and pursuant to said laws is carrying out the Redevelopment Plan (Redevelopment Plan) for the Ukiah Redevelopment Project (Redevelopment Project).

B. The major goals and objectives of the Redevelopment Plan include, among others, the elimination of blighting influences and the correction of environmental deficiencies in the Redevelopment Project Area, improving pedestrian and vehicular circulation in the Redevelopment Project Area, and the installation of new or replacement of existing public improvements which are currently inadequate to serve the area. The Redevelopment Plan authorizes the Agency to pay for, develop, or construct any publicly-owned improvements, either within or without the Project Area, for itself or for any public body or entity, which improvements are or would be of benefit to the Project Area. The Five Year Implementation Plan for the Ukiah Redevelopment Plan also specifically identifies the traffic, drainage and utility improvements as the public improvements projects to be undertaken by the Agency.

C. The Redwood Business Park is a potential major commercial-retail center within the Redevelopment Project Area which requires the installation certain traffic, drainage and utility improvements (the "Public Improvements") in order to induce private investment.

D. In furtherance of an Agreement between the Agency and Costco Wholesale Corporation, approved by the Agency in January 2011 (the "Agreement"), the Agency desires to cooperate with the City and provide funding to assist with the costs necessary for the Public Improvements at the Redwood Business Park, which Public Improvements will serve and be of primary benefit to the Ukiah Redevelopment Project Area.

E. Pursuant to Health and Safety Code Section 33445, the Agency is authorized, with the consent of the City Council, to pay all or part of the value of the land for and the cost of the design, installation and construction of any building, facility, structure, or other improvements which are publicly owned either within or without the Redevelopment Project Area, upon a determination by the City Council and Agency that such buildings, facilities, structures or other improvements are of benefit to the Redevelopment Project by helping to eliminate blight within the Redevelopment Project Area, that no other reasonable means of financing such buildings, facilities, structures, or other improvements are available to the community, and that the payment

of funds for the cost of such buildings, facilities, structures or other improvements is consistent with the Agency's five-year Implementation Plan for the Redevelopment Project.

F. Section 33678 of the Community Redevelopment Law provides that the portion of taxes allocated to the Agency pursuant to Section 33670(b) of the Community Redevelopment Law (Tax Increments) will not be deemed the receipt or appropriation of proceeds of taxes for the purposes of Article XIII.B. of the California Constitution so long as such Tax Increments are used for redevelopment activity which primarily benefits the Redevelopment Project Area.

G. In order to enable the City to continue its efforts to construct the Improvements for the benefit of the Redevelopment Project Area, and as an inducement to the City to do so, the parties desire to enter into this Agreement providing for the Agency to contribute to the City a portion of the costs relating to the development and construction of the Improvements.

Agreement

THE AGENCY AND THE CITY HEREBY AGREE AS FOLLOWS:

1. The City shall be responsible for all of the design and construction of the Public Improvements identified by the City in the Redwood Business Park and that will serve the Redevelopment Project Area.

2. The City shall be responsible for conducting environmental review prior to its approval of the Improvements, final design and construction and as a prerequisite for use of any of the Agency Contribution (as defined below) for final design and construction. It is understood and agreed that the Agency Contribution provided in this Agreement may be used to conduct such environmental review. The City shall cause the environmental review to be undertaken as soon as feasible.

3. The City shall cause such development and construction work to be undertaken as soon as feasible and continue in order to ensure that the Improvements are completed in a timely manner.

4. In consideration of the undertakings of the City under Sections 1 through 3 of this Agreement, the Agency shall: (1) by no later than March 9, 2011, pay to the City for the design, environmental review and construction of the Improvements \$3,306,195 and (2) pay to the City (or pay to a third party on behalf of the City) a portion of the actual costs incurred by the City as necessary for the design, environmental review and construction of the Improvements, in a total amount not to exceed SIX MILLION DOLLARS (\$6,000,000) (Agency Contribution).

The Agency shall make such Agency Contribution to (or on behalf of) the City from any funds available to the Agency for such purpose, including the proceeds of any bonds issued by the Agency, loans and Tax Increments from the Redevelopment Project Area, at the Agency's sole discretion.

5. Failure by either party to perform its obligations hereunder shall constitute a default under this Agreement, and the other party may institute legal action to cure, correct or remedy

such default, to recover damages for such default or to obtain any other remedy, including injunctive or declaratory relief, consistent with the purpose of this Agreement.

6. This Agreement constitutes an indebtedness of the Agency incurred in carrying out the Redevelopment Project, and a pledge of Tax Increments from the Redevelopment Project to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Section 33670 *et seq.* of the Health and Safety Code; provided, however, that such pledge of Tax Increments shall always be subordinate and subject to the right of the Agency to pledge or commit Tax Increments from the Redevelopment Project Area to repay bonds or other indebtedness incurred by the Agency in carrying out the Redevelopment Project.

7. Pursuant to Section 895.4 of the Government Code, the Agency and City agree that each will assume the full liability imposed upon it or any of its officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement and each party agrees to indemnify and hold harmless the other party for any loss, costs or expense that may be imposed upon such other party by virtue of Sections 895.2 and 895.6 of the Government Code.

8. This Agreement and the obligations of the City and the Agency hereunder shall terminate upon the completion of the construction of the Improvements by the City and the payment of the Agency Contribution as set forth in Section 4.

9. Within 30 calendar days of the end of each fiscal year, the City shall prepare and deliver to the Agency a report of activities and accomplishments with regard to the Improvements, together with 1) any environmental documentation or notice required as a result of any activity undertaken in compliance with this Agreement that is a project under CEQA and/or NEPA, 2) evidence of the costs incurred by the City to provide the Public Improvements provided for under this Agreement, and 3) any other information reasonably requested by the Agency relating to this Agreement or the Public Improvements (City's Report). Such information, provided in a timely manner, shall assist the Agency to fulfill its reporting requirements regarding construction of capital improvements under California Health and Safety Code Section 33080 *et seq.*

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

**REDEVELOPMENT AGENCY OF THE
CITY OF UKIAH**

By: 
Executive Director

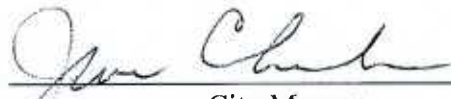
Attest:

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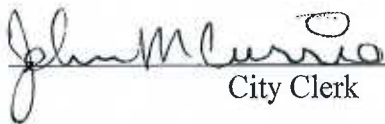
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Agency Counsel

CITY OF UKIAH

By: 
City Manager

Attest:

By: 
City Clerk

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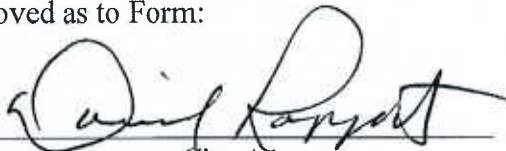
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City Attorney

Exhibit B
Public Infrastructure Improvements for the Redwood Business Park

(Verbally dictated to Oversight Board at June 13, 2012 meeting and as previously transmitted)

Listing of improvements:

- Talmage Southbound Off-Ramp Interchange
- Talmage Road Widening and Signal Modification
- Airport Park Boulevard Reconstruction "Overlay"
- Commerce Road Intersection Signal
- Hasting Avenue Widening and Signal Modification

**THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY
OF THE CITY OF UKIAH**

RESOLUTION NO. 2015-

**A RESOLUTION THE SUCCESSOR AGENCY TO THE FORMER
REDEVELOPMENT AGENCY OF THE CITY OF UKIAH APPROVING THE
SUCCESSOR AGENCY TO RE-ENTER INTO THE FIRST AMENDED FUNDING
AGREEMENT FOR PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR THE
REDWOOD BUSINESS PARK, DATED MARCH 8, 2011, BETWEEN THE
DISSOLVED REDEVELOPMENT AGENCY AND THE CITY OF UKIAH AS
AUTHORIZED IN RESOLUTION NUMBER 2012-08 BY THE OVERSIGHT
BOARD FOR THE SUCCESSOR AGENCY; MAKING RELATED FINDINGS AND
DECLARATIONS AND TAKING RELATED ACTIONS IN CONNECTION
THEREWITH**

WHEREAS, the City Council of the City of Ukiah ("City") approved and adopted the Redevelopment Plan for the Ukiah Redevelopment Project ("Redevelopment Plan") covering certain properties within the City (the "Project Area"); and

WHEREAS, the Community Redevelopment Agency of the City of Ukiah ("Dissolved Agency") was engaged in activities to execute and implement the Redevelopment Plan pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code § 33000, et seq.) ("CRL"); and

WHEREAS, since adoption of the Redevelopment Plan, the Dissolved Agency had undertaken redevelopment projects in the Project Area to eliminate blight, to improve public facilities and infrastructure, to renovate and construct affordable housing, and to enter into partnerships with private businesses to create jobs and expand the local economy; and

WHEREAS, the Dissolved Agency adopted a five year implementation plan that included infrastructure improvements to facilitate full development of the Redwood Business Park; and

WHEREAS, the Dissolved Agency was involved in the preparation of and approved an Exclusive Negotiating Agreement ("ENA") with Costco Wholesale Corporation at the Redwood Business Park in an effort to assist in the elimination of economic and physical blight through focused and intense efforts by encouraging new business investment, commercial tenancy and job creation in this only partially developed commercial area to enhance the community; and

WHEREAS, in furtherance of its effort to eliminate economic and physical blight in the project area, the Dissolved Agency expended over \$3.3 Million to assemble acreage previously owned by multiple owners ("the assembled acreage") and entered into other agreements with property owners in the Redwood Business Park in order to facilitate the development of the Redwood Business Park and the elimination of economic and physical blight; and

WHEREAS, under the ENA, the Dissolved Agency was obligated to negotiate in good faith and enter a disposition and development agreement with Costco under specified terms, if

Costco obtains the necessary entitlements to construct and open its store on the assembled acreage; and

WHEREAS, the redevelopment of the Redwood Business Park ("RBP") requires certain critical infrastructure projects to improve traffic circulation, drainage and utility service (the "Public Improvements"); and

WHEREAS, the Dissolved Agency entered a substantial number of contracts and expended in excess of \$430,021 for various studies and engineering services to plan and design the planned infrastructure improvements for the RBP; and

WHEREAS, the Dissolved Agency issued tax allocation bonds that closed on March 9, 2011, in part, to fund the Public Improvements; and

WHEREAS, the Bond Indenture for the tax exempt bonds represents a contract with third parties that specifically obligates the Successor Agency to use the bond proceeds for redevelopment projects, as specifically described in the bond documents, including the Redwood Business Park infrastructure improvements; and

WHEREAS, Section 10.07(a) of the 2011 Supplemental Bond Indenture requires \$4,392,288.33 to be deposited in the 2011 Redevelopment Fund and Section 10.08 requires moneys in the Redevelopment Fund to be used "solely for the purpose of aiding in financing the Redevelopment Project" and provides that: "The Agency covenants that no funds on deposit in the Redevelopment Fund shall be applied for any purpose not authorized by the Law and the provisions of this Indenture"; and

WHEREAS, Health and Safety Code Section 34177(i) provides that bond proceeds shall be used for the purposes for which bonds were sold unless the purposes can no longer be achieved, in which case, the proceeds may be used to defease the bonds; and

WHEREAS, the Dissolved Agency desired to cooperate with the City in its efforts to improve transit service and entered into a Funding Agreement on March 8, 2011, and pledged funding in an amount not to exceed SIX MILLION DOLLARS (\$6,000,000) ("Agency Contribution") to enable the City to design and build the Public Improvements to benefit the Redevelopment Project Area; and

WHEREAS, as part of the 2011-12 State budget bill, the California Legislature enacted, and the Governor signed, companion bills AB 1X 26 and AB 1X 27, requiring that each redevelopment agency be dissolved unless the community that created it enacts an ordinance committing it to making certain payments; and

WHEREAS, on August 3, 2011, the Ukiah City Council adopted as an urgency ordinance, effective upon its adoption, Urgency Ordinance #1131 which approved the community's participation in the Alternative Voluntary Redevelopment Program defined by ABx1 27 to enable a redevelopment agency to remain in existence and carry out the provisions of California Redevelopment Law; and

WHEREAS, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California on July 18, 2011 (*California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861), challenging the constitutionality of AB 1X 26 and AB 1X 27 on behalf of cities, counties and redevelopment agencies and requesting a stay of enforcement; and

WHEREAS, on August 11, 2011, and modified on August 17, 2011, the Supreme Court stayed portions of AB 1X 26, and AB 1X 27 in its entirety during the pendency of the matter; and

WHEREAS, on December 29, 2011, the Supreme Court issued its final decision in the aforesaid litigation, upholding AB 1X 26, invalidating AB 1X 27, and extending all statutory deadlines under AB 1X 26, essentially dissolving all redevelopment agencies throughout the State effective February 1, 2012; and

WHEREAS, AB 1X 26 further provides that, upon their dissolution, any property taxes that would have been allocated to redevelopment agencies will no longer be deemed tax increment, and will be allocated first to successor agencies to make payments on the existing indebtedness and enforceable obligations of the dissolved redevelopment agencies, with remaining balances allocated in accordance with applicable constitutional and statutory provisions; and

WHEREAS, AB 1X 26 provides that successor agencies be designated as successor entities to the former redevelopment agencies, and provides that, with certain exceptions, all authority, rights, powers, duties and obligations previously vested with the former redevelopment agencies, under the CRL, are vested in the successor agencies; and

WHEREAS, on January 8, 2012, the City Council of the City of Ukiah ("Council") adopted Resolution No. 2012-04 designating the City as the Successor Agency to the Dissolved Agency ("Successor Agency"); and

WHEREAS, on March 8, 2011, months prior to the Governor signing the Dissolution Act into law, the City and the now Dissolved Agency entered into the First Amended Funding Agreement for public infrastructure improvement projects for the Redwood Business Park ("Funding Agreement") whereby the City agreed to carry out certain activities described in the Dissolved Agency's redevelopment plan and its Implementation Plan in exchange for a pledge of assets from the Dissolved Agency; and

WHEREAS, the Funding Agreement represents a means whereby funds from the now Dissolved Agency would be made available to the City to complete the Public Improvements for the Redwood Business Park, including, but not limited to, the proceeds from the Series A 2011 Tax Allocation Bonds, loans, and Tax Increment from the Redevelopment Project Area; and

WHEREAS, the Funding Agreement entered into by the City and Dissolved Agency was enacted in accordance with then-existing redevelopment law as a legal and binding obligation prior to the approval of ABx1 26 on June 28, 2011; and

WHEREAS, the Funding Agreement was declared to constitute an indebtedness of the Dissolved Agency and a pledge of the Dissolved Agency's Tax Increment revenues; and

WHEREAS, Health and Safety Code §34171(d)(2) does not recognize any agreements made between a city and redevelopment agency as "enforceable obligations" (except for loans made within the first two years of the formation of the RDA or loans related to issued instruments of indebtedness, such as bonds, notes, etc.) and effectively treats these agreements as unenforceable; and

WHEREAS, under Health and Safety Code Section 34178(a), as it read prior to June 28, 2011, such agreements became enforceable obligations if their reentry was approved by the appropriate oversight board pursuant to Health and Safety Code §34178(a) and §34180(h); and

WHEREAS, Health and Safety Code §34178(a) stated prior to June 28, 2011, that agreements between a city and a redevelopment agency are “invalid and shall not be binding on the successor agency; provided, however, that a successor entity wishing to enter or reenter into agreements with the city...that formed the redevelopment agency that it is succeeding may do so upon obtaining the approval of its oversight board”; and

WHEREAS, Health and Safety Code §34180(h) requires the oversight board to first approve any successor agency action to enter into an agreement with the city that formed the redevelopment agency that it is succeeding; and

WHEREAS, the Oversight Board for the Successor Agency to the Dissolved Agency (“Oversight Board”) reviewed the Funding Agreement as presented by Successor Agency staff at the Oversight Board meeting of June 13, 2012, and reviewed and considered written and oral comments from the Successor Agency and public relating thereto; and

WHEREAS, the Oversight Board approved Resolution Number 2012-08 on June 13, 2012 which authorized the Successor Agency to re-enter into the Funding Agreement; and

WHEREAS, on June 14, 2012, the Successor Agency emailed a notice of the Ukiah Oversight Boards agenda, minutes, and actions from the June 13, 2012 meeting to the Mendocino County Auditor-Controller, the State of California Controller, and the State of California Department of Finance and posted all of these materials for review on the Oversight Board/Successor Agency’s web-site; and

WHEREAS, under Health and Safety Code Section 34179(h), the resolution of the Oversight Board would not become effective for three business days pending a potential request for a review by the Department of Finance; and

WHEREAS, the three day review period expired on June 19, 2012, and the Successor Agency did not receive any request from the Department of Finance for review of the resolution; and

WHEREAS, the Oversight Board Resolution No. 2012-08 became effective on June 20, 2012, which authorizes the Successor Agency and City Council to re-enter the Funding Agreement; and

WHEREAS, on June 20, 2012, the City Council and Successor Agency approved re-entering the Funding Agreement with the only substantive change in paragraph 4, changing the initial payment by the Dissolved Agency to the City from \$3,306,195 to \$1,700,138.83; and

WHEREAS, the Successor Agency and the City intended to reenter the agreement as approved by the Oversight Board in Resolution No. 2012-08; and

WHEREAS, no funds have been advanced by the Dissolved Agency or the Successor Agency and retained by the City pursuant to Section 4 of the Funding Agreement; and

WHEREAS, the Successor Agency and the City can fully perform the Funding Agreement as approved by the Oversight Board in Resolution No. 2012-08; and

WHEREAS, the City shall be responsible for conducting environmental review prior to its approval of the Public Improvements, and as a prerequisite for funding made available from the Funding Agreement; and

NOW, THEREFORE, BE IT RESOLVED that the Successor Agency to the dissolved Agency of the City of Ukiah hereby finds, resolves, and determines as follows:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval for the Successor Agency to enter into a Funding Agreement for public infrastructure improvements for the Redwood Business Park through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval to Re-enter into Funding Agreement. Pursuant to the Oversight Board's approval in its Resolution No. Number 2012-08, the Successor Agency hereby re-enters the First Amended Funding Agreement with the City of Ukiah for public infrastructure improvement projects for the Redwood Business Park, dated March 8, 2011, a true and correct copy of which is attached hereto as Exhibit A. The specific public improvements to be designed and constructed are set forth in the attached Exhibit B.

SECTION 4. Implementation. The Successor Agency directs the Executive Director to take all steps and actions necessary to implement this Resolution and the Funding Agreement on behalf of the Successor Agency.

SECTION 5. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

SECTION 6. Certification. The City Clerk of the City of Ukiah, acting on behalf of the Successor Agency as its Secretary, shall certify to the adoption of this Resolution.

SECTION 7. Effective Date. This Resolution becomes effective upon its adoption.

PASSED, APPROVED AND ADOPTED at a meeting of the Successor Agency to the Dissolved Agency of the City of Ukiah on February 4, 2015, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAINED:

Douglas F. Crane, Chairperson

ATTEST:

Cathy Elawadly, Deputy City Clerk
acting as Successor Agency Secretary

DRAFT

FIRST AMENDED FUNDING AGREEMENT**UKIAH REDEVELOPMENT PROJECT AREA**
(Public Improvements- Redwood Business Park projects)

THIS FUNDING AGREEMENT is entered into as of March 8, 2011, by and between the **REDEVELOPMENT AGENCY OF THE CITY OF UKIAH**, a public body, corporate and politic (Agency), and the **CITY OF UKIAH**, a municipal corporation (City).

Recitals

A. Pursuant to the Community Redevelopment Law of the State of California (Health and Safety Code Section 33000 *et seq.*), the Agency is a duly constituted redevelopment agency under the laws of the State of California and pursuant to said laws is carrying out the Redevelopment Plan (Redevelopment Plan) for the Ukiah Redevelopment Project (Redevelopment Project).

B. The major goals and objectives of the Redevelopment Plan include, among others, the elimination of blighting influences and the correction of environmental deficiencies in the Redevelopment Project Area, improving pedestrian and vehicular circulation in the Redevelopment Project Area, and the installation of new or replacement of existing public improvements which are currently inadequate to serve the area. The Redevelopment Plan authorizes the Agency to pay for, develop, or construct any publicly-owned improvements, either within or without the Project Area, for itself or for any public body or entity, which improvements are or would be of benefit to the Project Area. The Five Year Implementation Plan for the Ukiah Redevelopment Plan also specifically identifies the traffic, drainage and utility improvements as the public improvements projects to be undertaken by the Agency.

C. The Redwood Business Park is a potential major commercial-retail center within the Redevelopment Project Area which requires the installation certain traffic, drainage and utility improvements (the "Public Improvements") in order to induce private investment.

D. In furtherance of an Agreement between the Agency and Costco Wholesale Corporation, approved by the Agency in January 2011 (the "Agreement"), the Agency desires to cooperate with the City and provide funding to assist with the costs necessary for the Public Improvements at the Redwood Business Park, which Public Improvements will serve and be of primary benefit to the Ukiah Redevelopment Project Area.

E. Pursuant to Health and Safety Code Section 33445, the Agency is authorized, with the consent of the City Council, to pay all or part of the value of the land for and the cost of the design, installation and construction of any building, facility, structure, or other improvements which are publicly owned either within or without the Redevelopment Project Area, upon a determination by the City Council and Agency that such buildings, facilities, structures or other improvements are of benefit to the Redevelopment Project by helping to eliminate blight within the Redevelopment Project Area, that no other reasonable means of financing such buildings, facilities, structures, or other improvements are available to the community, and that the payment

of funds for the cost of such buildings, facilities, structures or other improvements is consistent with the Agency's five-year Implementation Plan for the Redevelopment Project.

F. Section 33678 of the Community Redevelopment Law provides that the portion of taxes allocated to the Agency pursuant to Section 33670(b) of the Community Redevelopment Law (Tax Increments) will not be deemed the receipt or appropriation of proceeds of taxes for the purposes of Article XIII.B. of the California Constitution so long as such Tax Increments are used for redevelopment activity which primarily benefits the Redevelopment Project Area.

G. In order to enable the City to continue its efforts to construct the Improvements for the benefit of the Redevelopment Project Area, and as an inducement to the City to do so, the parties desire to enter into this Agreement providing for the Agency to contribute to the City a portion of the costs relating to the development and construction of the Improvements.

Agreement

THE AGENCY AND THE CITY HEREBY AGREE AS FOLLOWS:

1. The City shall be responsible for all of the design and construction of the Public Improvements identified by the City in the Redwood Business Park and that will serve the Redevelopment Project Area.

2. The City shall be responsible for conducting environmental review prior to its approval of the Improvements, final design and construction and as a prerequisite for use of any of the Agency Contribution (as defined below) for final design and construction. It is understood and agreed that the Agency Contribution provided in this Agreement may be used to conduct such environmental review. The City shall cause the environmental review to be undertaken as soon as feasible.

3. The City shall cause such development and construction work to be undertaken as soon as feasible and continue in order to ensure that the Improvements are completed in a timely manner.

4. In consideration of the undertakings of the City under Sections 1 through 3 of this Agreement, the Agency shall: (1) by no later than March 9, 2011, pay to the City for the design, environmental review and construction of the Improvements \$3,306,195 and (2) pay to the City (or pay to a third party on behalf of the City) a portion of the actual costs incurred by the City as necessary for the design, environmental review and construction of the Improvements, in a total amount not to exceed SIX MILLION DOLLARS (\$6,000,000) (Agency Contribution).

The Agency shall make such Agency Contribution to (or on behalf of) the City from any funds available to the Agency for such purpose, including the proceeds of any bonds issued by the Agency, loans and Tax Increments from the Redevelopment Project Area, at the Agency's sole discretion.

5. Failure by either party to perform its obligations hereunder shall constitute a default under this Agreement, and the other party may institute legal action to cure, correct or remedy

such default, to recover damages for such default or to obtain any other remedy, including injunctive or declaratory relief, consistent with the purpose of this Agreement.

6. This Agreement constitutes an indebtedness of the Agency incurred in carrying out the Redevelopment Project, and a pledge of Tax Increments from the Redevelopment Project to repay such indebtedness, under the provisions of Section 16 of Article XVI of the California Constitution and Section 33670 *et seq.* of the Health and Safety Code; provided, however, that such pledge of Tax Increments shall always be subordinate and subject to the right of the Agency to pledge or commit Tax Increments from the Redevelopment Project Area to repay bonds or other indebtedness incurred by the Agency in carrying out the Redevelopment Project.

7. Pursuant to Section 895.4 of the Government Code, the Agency and City agree that each will assume the full liability imposed upon it or any of its officers, agents or employees for injury caused by a negligent or wrongful act or omission occurring in the performance of this Agreement and each party agrees to indemnify and hold harmless the other party for any loss, costs or expense that may be imposed upon such other party by virtue of Sections 895.2 and 895.6 of the Government Code.

8. This Agreement and the obligations of the City and the Agency hereunder shall terminate upon the completion of the construction of the Improvements by the City and the payment of the Agency Contribution as set forth in Section 4.

9. Within 30 calendar days of the end of each fiscal year, the City shall prepare and deliver to the Agency a report of activities and accomplishments with regard to the Improvements, together with 1) any environmental documentation or notice required as a result of any activity undertaken in compliance with this Agreement that is a project under CEQA and/or NEPA, 2) evidence of the costs incurred by the City to provide the Public Improvements provided for under this Agreement, and 3) any other information reasonably requested by the Agency relating to this Agreement or the Public Improvements (City's Report). Such information, provided in a timely manner, shall assist the Agency to fulfill its reporting requirements regarding construction of capital improvements under California Health and Safety Code Section 33080 *et seq.*

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

**REDEVELOPMENT AGENCY OF THE
CITY OF UKIAH**

By: 
Executive Director

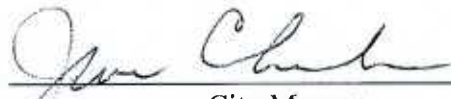
Attest:

By: 
Secretary

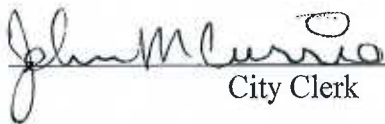
Approved as to Form

By: 
Agency Counsel

CITY OF UKIAH

By: 
City Manager

Attest:

By: 
City Clerk

Approved as to Form:

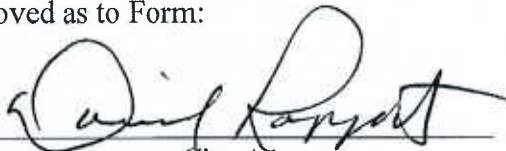
By: 
City Attorney

Exhibit B
Public Infrastructure Improvements for the Redwood Business Park

(Verbally dictated to Oversight Board at June 13, 2012 meeting and as previously transmitted)

Listing of improvements:

- Talmage Southbound Off-Ramp Interchange
- Talmage Road Widening and Signal Modification
- Airport Park Boulevard Reconstruction "Overlay"
- Commerce Road Intersection Signal
- Hasting Avenue Widening and Signal Modification



AGENDA SUMMARY REPORT

SUBJECT: UPDATE ON FINES AT THE WASTE WATER TREATMENT PLANT IN CONNECTION WITH ADMINISTRATIVE CIVIL LIABILITY COMPLAINT NO. 2014-0058 AS ISSUED BY THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

Background: Over the last few years, City Staff has updated the Council regarding fines as a result of the exceedances of discharge requirements in the City's existing National Pollutant Discharge Elimination System (NPDES) Permit for the Waste Water Treatment Plant. The budget includes a line item for "fines" in order to resolve these violations. Staff has been working with Regional Water Quality Control Board (RWQCB) staff (Board Staff) for the past few months and now is reporting to Council.

Staff initially received notice of the Administrative Civil Liability Complaint (ACLC) from the RWQCB in November 2014. This started a discussion with Board Staff and City Staff to address the violations (Attachment 1). The majority of the compliance issues were a result of minimum mandatory penalties that were assessed for copper discharge limit exceedance.

Discussion:

During the renewal of the current NPDES permit, City Staff and Water Board Staff agreed to examine the copper limits in order to judge the appropriateness of the limits. A Copper Water Effects Ratios Study was performed by Winzler and Kelly (Now GHD) which proved the limits in the prior permit were too low. This study was acknowledged and approved by Regional Water Board staff which resulted in the final effluent limitations for copper to be increased by 5.33 times our current permit.

This current round of fines is based on the expired permit, as it was the permit in effect at the time of the exceedances. The total amount of fines is \$51,000. The City may choose to submit a project to Water Board staff that will be an offset of, no more than, 50% of the fines. City staff plans to submit a project for Board approval as an offset. The project that staff is recommending is a Sewer Master Plan study. This study would give the City a strategic approach to addressing our infiltration and inflow (I and I) issue in order to significantly lessen the flow to the plant which, would result in less flow to the river.

Fiscal Impact:

☒ Budgeted FY 14/15 ☐ New Appropriation ☐ Not Applicable ☐ Budget Amendment Required

Amount Budgeted	Source of Funds (title and #)	Account Number	Addit. Appropriation Requested
\$50,000	WWTP- 84024425.94700	84024425.94700	\$

Recommended Action(s): 1. Receive update

Alternative Council Option(s): Provide direction to staff.

Citizens advised:

Requested by: Tim Eriksen, Director of Public Works/City Engineer
Prepared by: Jarod Thiele, Public Works Project Analyst
Coordinated with: Jane Chambers, City Manager
Attachments: 1: Fact sheet for ACLC R1-2014-0058.

Approved: _____

Jane Chambers, City Manager



EDMUND G. BROWN JR.
GOVERNOR

MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

North Coast Regional Water Quality Control Board

Attachment #1

October 31, 2014

Mr. Tim Eriksen, Director of Public Works
City of Ukiah
300 Seminary Avenue
Ukiah, CA 95482

Recd JT
11/5/14
10:15am

Dear Mr. Eriksen:

Subject: Administrative Civil Liability Complaint No. R1-2014-0058

File: City of Ukiah Waste Water Treatment Facility
WDID No. 1B840290MEN

Enclosed is Administrative Civil Liability (hereinafter ACL) Complaint No. R1-2014-0058 (hereinafter Complaint) issued by the California Regional Water Quality Control Board, North Coast Region (hereinafter Regional Water Board) in the matter of the City of Ukiah Wastewater Treatment Facility. The Complaint alleges that the City of Ukiah violated Waste Discharge Requirements (hereinafter WDRs) Orders No. R1-2006-0049 and R1-2012-0068 (NPDES Permit No. CA00022888) during the period from February 1, 2012 through May 31, 2014. The specific violations covered by this Complaint are listed in Attachment A to Complaint No. R1-2014-0058. The Complaint proposes that, pursuant to California Water Code section 13385, subdivision (h), mandatory minimum penalties in the amount of \$51,000 be imposed.

Additionally, a Fact Sheet is enclosed, along with a Waiver Form. The Fact Sheet describes the Complaint process and explains what the City of Ukiah can expect and its obligations as the process proceeds. **Please read each document carefully. This Complaint may result in the issuance of an order by the Regional Water Board requiring that the City pay a penalty.**

In accordance with California Water Code section 13323, subdivision (b), the City of Ukiah has a right to be heard by the Regional Water Board regarding this matter in a public hearing within ninety (90) days of issuance of this ACL Complaint. A hearing has been scheduled for January 29, 2015 as described in the enclosed Notice of Public Hearing and

Hearing Procedures. If the City of Ukiah chooses to waive its right to a hearing and comply with the provisions of the ACL Complaint as stated, or chooses to waive the right to a hearing within 90 days to engage in settlement discussions, then please mark the appropriate selection and sign the enclosed waiver form and return it, by December 1, 2014 with full payment of the liability or signed waiver. The matter may be settled without a public hearing provided no significant comments are received during the public comment period, which begins with the issuance date of the ACL Complaint and ends on December 1, 2014. The City of Ukiah will be notified of any issues brought forth during the comment period and my decision to settle the matter.

You may contact Cecile Morris of my staff by telephone at (707) 576-2347 or by email at Cecile.Morris@waterboards.ca.gov if you have any questions regarding this Complaint.

Sincerely,



David Leland, P.E.
Assistant Executive Officer

141031_CNM_ef_Ukiah_WWTF_ACLC_TransLtr

Enclosure:

1. Complaint No. R1-2014-0058 (with Attachment A)
2. Complaint Waiver Form
3. Notice of Public Hearing and Hearing Procedures
4. Administrative Civil Liability Fact Sheet

Certified-Return Receipt Requested

cc: Matthias St. John, Executive Officer, RWQCB
Samantha Olson, OCC
Anna Kathryn Benedict, OE

Administrative Civil Liability Fact Sheet

The California Regional Water Quality Control Boards (Regional Water Boards) have the authority to impose administrative civil liabilities for a variety of violations under California Water Code Section 13323. This document generally describes the process that the Regional Water Boards follow in imposing administrative civil liabilities.

The first step is the issuance of an administrative civil liability complaint by the authorized Regional Water Board's Executive Officer or Assistant Executive Officer. The complaint describes the violations that are alleged to have been committed, the Water Code provisions authorizing the imposition of liability, and the evidence that supports the allegations. **Any person who receives a complaint must respond timely as directed, or risk the Regional Water Board imposing the administrative civil liability by default.** The complaint is accompanied by a letter of transmittal, a Waiver Form and a Hearing Procedure. Each document contains important information and deadlines. You should read each document carefully. A person issued a complaint is allowed to represent him or herself. However, legal advice may be desirable to assist in responding to the complaint.

Parties

The parties to a complaint proceeding are the Regional Water Board Prosecution Team and the person named in the complaint, referred to as the "Discharger." The Prosecution Team is comprised of Regional Water Board staff and management. Other interested persons may become involved and may become "designated parties." Only designated parties are allowed to submit evidence and participate fully in the proceeding. Other interested persons may play a more limited role in the proceeding and are allowed to submit non-evidentiary policy statements. If the matter proceeds to hearing, the hearing will be held before the full membership of the Regional Water Board (composed of up to nine board members appointed by the Governor) or before a panel of three board members. The board members who will hear the evidence and rule on the matter act as judges. They are assisted by an Advisory Team, which provides advice on technical and legal issues. Both the Prosecution Team and the Advisory Team have their own attorney. Neither the Prosecution Team nor the Discharger or his/her representatives are permitted to communicate with the board members or the Advisory Team about the complaint without the presence or knowledge of the other. This is explained in more detail in the Hearing Procedure.

Complaint Resolution options

Once issued, a complaint can lead to (1) withdrawal of the complaint; (2) withdrawal and reissuance; (3) payment and waiver; (4) settlement; (5) hearing. Each of these options is described below.

Withdrawal: May result if the Discharger provides information to the Prosecution Team that clearly demonstrates that a fundamental error exists in the information set forth in the complaint.

Withdrawal and reissuance: May result if the Prosecution Team becomes aware of information contained in the complaint that can be corrected.

Payment and waiver: May result when the Discharger elects to pay the amount of the complaint rather than to contest it. The Discharger makes a payment for the full amount and the matter is ended, subject to public comment.

Settlement: Results when the parties negotiate a resolution of the complaint. A settlement can include such things as a payment schedule, or a partial payment and suspension of the remainder pending implementation by the Discharger of identified activities, such as making improvements beyond those already required that will reduce the likelihood of a further violation or the implementation or funding of a Supplemental Environmental Project (SEP) or a Compliance Project. Qualifying criteria for Compliance Projects and SEPs are contained in the State Water Resources Control Board's (State Water Board) Enforcement Policy, which is available at the State Water Board's website at: http://www.waterboards.ca.gov/plans_policies/. Settlements are generally subject to public notice and comment, and are conditioned upon approval by the Regional Water Board or its authorized staff management. Settlements are typically memorialized by the adoption of an uncontested Administrative Civil Liability Order.

Hearing: If the matter proceeds to hearing, the parties will be allowed time to present evidence and testimony in support of their respective positions. The hearing must be held within 90 days of the issuance of the Complaint, unless the Discharger waives that requirement by signing and submitting the Waiver Form included in this package. However, execution of the waiver does not preclude the Regional Water Board from proceeding to hearing on this matter within 90 days. The hearing will be conducted under rules set forth in the Hearing Procedure. The Prosecution Team has the burden of proving the allegations and must present competent evidence to the board regarding the allegations. Following the Prosecution Team's presentation, the Discharger and other parties are given an opportunity to present evidence, testimony and argument challenging the allegations. The parties may cross-examine each others' witnesses. Interested persons may provide non-evidentiary policy statements, but may generally not submit evidence or testimony. At the end of the presentations by the parties, the board members will deliberate to decide the outcome. The Regional Water Board may issue an order requiring payment of the full amount recommended in the complaint, it may issue an order requiring payment of a reduced amount, it may order the payment of a higher amount, decide not to impose an assessment or it may refer the matter to the Attorney General's Office.

Factors that must be considered by the Regional Water Board

Except for Mandatory Minimum Penalties under Water Code Section 13385 (i) and (h), the Regional Water Board is required to consider several factors specified in the Water Code, including nature, circumstance, extent, and gravity of the violation or violations, whether the discharge is susceptible to cleanup or abatement, the degree of toxicity of the discharge, and, with respect to the violator, the ability to pay, the effect on ability to continue in business, any voluntary cleanup efforts undertaken, any prior history of violations, the degree of culpability, economic benefit or savings, if any resulting from the violations, and other matters as justice may require (California Water Code Section 13327, 13385(e) and 13399)(http://www.waterboards.ca.gov/water_issues/programs/enforcement/docs/enf_policy_final111709.pdf). During the period provided to submit evidence (set forth in the Hearing Procedure) and at the hearing, the Discharger may submit information that it believes supports its position regarding the complaint. If the Discharger intends to present arguments about its ability to pay it must provide reliable documentation to establish that ability or inability. The kinds of information that may be used for this purpose include:

For an individual:

1. Last three years of signed federal income tax returns (IRS Form 1040) including schedules;
2. Members of household, including relationship, age, employment and income;
3. Current living expenses;
4. Bank account statements;
5. Investment statements;
6. Retirement account statements;
7. Life insurance policies;
8. Vehicle ownership documentation;
9. Real property ownership documentation;
10. Credit card and line of credit statements;
11. Mortgage loan statements;
12. Other debt documentation.

For a business:

1. Copies of last three years of company IRS tax returns, signed and dated,
2. Copies of last three years of company financial audits
3. Copies of last three years of IRS tax returns of business principals, signed and dated.
4. Any documentation that explains special circumstances regarding past, current, or future financial conditions.

For larger firms:

1. Federal income tax returns for the last three years, specifically:
 - IRS Form 1120 for C Corporations
 - IRS Form 1120 S for S Corporations
 - IRS Form 1065 for partnerships
2. A completed and signed IRS Form 8821. This allows IRS to provide the SWRCB with a summary of the firm's tax returns that will be compared to the submitted income tax returns. This prevents the submission of fraudulent tax returns;
3. The following information can be substituted if income tax returns cannot be made available:
 - Audited Financial Statements for last three years;
 - A list of major accounts receivable with names and amounts;
 - A list of major accounts payable with names and amounts;
 - A list of equipment acquisition cost and year purchased;
 - Ownership in other companies and percent of ownership for the last three years;
 - Income from other companies and amounts for the last three years.

For a municipality, county, or district:

1. Type of entity:
 - City/Town/Village;
 - County;
 - Municipality with enterprise fund;
 - Independent or publicly owned utility;
2. The following 1990 and 2000 US Census data:
 - Population;
 - Number of persons age 18 and above;
 - Number of persons age 65 and above;
 - Number of Individual below 125% of poverty level;
 - Median home value;
 - Median household income.
3. Current or most recent estimates of:
 - Population;
 - Median home value;
 - Median household income;
 - Market value of taxable property;
 - Property tax collection rate.

4. Unreserved general fund ending balance;
5. Total principal and interest payments for all governmental funds;
6. Total revenues for all governmental funds;
7. Direct net debt;
8. Overall net debt;
9. General obligation debt rating;
10. General obligation debt level.
11. Next year's budgeted/anticipated general fund expenditures plus net transfers out.

This list is provided for information only. The Discharger remains responsible for providing all relevant and reliable information regarding its financial situation, which may include items in the above lists, but could include other documents not listed. Please note that all evidence regarding this case, including financial information, will be made public.

Petitions

If the Regional Water Board issues an order requiring payment, the Discharger may challenge that order by filing a petition for review with the State Water Board pursuant to Water Code section 13320. More information on the petition process is available at: http://www.waterboards.ca.gov/public_notices/petitions/water_quality/index.shtml
An order of the State Water Board resolving the petition for review of the Regional Water Board's Administrative Civil Liability Order can be challenged by filing a petition for writ of mandate in the superior court pursuant to Water Code section 13330.

Once an Administrative Civil Liability Order becomes final, the Regional Water Board or State Water Board may seek a judgment of the superior court under Water Code Section 13328, if necessary, in order to collect payment of the administrative civil liability amount.

**STATE OF CALIFORNIA
REGIONAL WATER QUALITY CONTROL BOARD
NORTH COAST REGION**

In the Matter of:

The City of Ukiah, WWTF
300 Seminary Avenue
Ukiah, CA 95482

Complaint No. R1-2014-0058
for
Administrative Civil Liability

Attn: Mr. Tim Eriksen, Director of
Public Works/City Manager

The Assistant Executive Officer of the California Regional Water Quality Control Board,
North Coast Region (Regional Water Board) hereby gives notice that:

1. This Administrative Civil Liability Complaint (Complaint) is issued under the authority of California Water Code section 13323 to the City of Ukiah (hereinafter Discharger) to assess administrative civil liability for discharges from its Wastewater Treatment Facility (WWTF) in violation of provisions of law for which the Regional Water Board must impose mandatory minimum penalties pursuant to Water Code section 13385, subdivisions (h) and (i). The Complaint alleges seventeen (17) effluent limit violations of Waste Discharge Requirements (WDRs) Orders No. R1-2006-0049 and R1-2012-0068, NPDES Permit No. CA 0022888. The violations cited herein occurred during the period from February 1, 2012 through May 31, 2014 (hereinafter Complaint Period) and are specifically listed in Attachment A, which is incorporated into this Complaint by reference. During the Complaint Period, the Discharger was subject to the waste discharge requirements established in Order No. R1-2006-0049 until October 1, 2012 whereupon Order No. R1-2012-0068 became effective.
2. Unless waived, the Regional Water Board will hold a hearing on this Complaint at the January 29, 2015, Board meeting located at the Regional Water Board office, 5550 Skylane Boulevard, Suite A, Santa Rosa, CA or at a location as posted on the Regional Water Board's website (address listed below). The Discharger or its representative will have an opportunity to be heard and to contest the allegations in this Complaint and the imposition of the civil liability. Not less than 10 days before the hearing date, an agenda for the meeting will be available on the Regional Water Board's website: http://www.waterboards.ca.gov/northcoast/board_info/board_meetings/.
3. Regulations of the United States Environmental Protection Agency require public notification of any proposed settlement of the civil liability occasioned by violation of the Clean Water Act. Accordingly, interested persons will be given thirty days to comment on any proposed settlement of this Complaint.

The Assistant Executive Officer of the Regional Water Board hereby alleges that:

STATEMENT OF PROHIBITIONS, PROVISIONS, AND REQUIREMENTS APPLICABLE TO THE DISCHARGER:

4. WDRs Order No. R1-2006-0049 (Effluent Limitations & Discharge Specifications, Section IV.A.1.a., g. & h.) sets forth effluent limits for dichlorobromomethane, copper and Acute Toxicity which are summarized as follows:

Parameter	Units	AMEL	MDEL
Dichlorobromomethane	ug/L	0.56	1.1

The final effluent limitations for copper are calculated in Attachment E-1 to Order No. 2006-0049. These effluent limitations are based on hardness-based formulas from the CTR published in the Federal Register on May 18, 2000.

There shall be no acute toxicity in the effluent, as measured at Monitoring Location M-001, when discharging to the Russian River. The Discharger will be considered in compliance with this limitation when the survival of aquatic organisms in a 96-hour bioassay using undiluted effluent complies with the following:

- i. Minimum for any one bioassay: 70 percent survival.
- ii. Median for any three or more consecutive bioassays: at least 90 percent survival.

Compliance with this effluent limitation shall be determined in accordance with section V.A. of Monitoring and Reporting Program No. R1-2006-0049 in Attachment E.

5. WDRs Order No. R1-2012-0068 (Effluent Limitations & Discharge Specifications, Section IV.A.1.a. & d.) sets forth effluent limits for dichlorobromomethane and cyanide which are summarized as follows:

Parameter	Units	AMEL	MDEL
Dichlorobromomethane	ug/L	0.56	1.1
Cyanide, Total (as CN)	ug/L	4.3	8.5

ALLEGED VIOLATIONS OF PROHIBITIONS, PROVISIONS, AND REQUIREMENTS APPLICABLE TO THE DISCHARGER

6. The Discharger's self-monitoring reports for the Complaint Period document seventeen (17) effluent limit exceedances subject to MMPs, which are identified in Attachment A, Table 1.

FACTUAL BASIS FOR THE ALLEGED VIOLATIONS

The following evidence supports the alleged violations described above:

7. The Discharger owns and operates the Ukiah WWTF located at 300 Plant Road, Ukiah, California in Mendocino County. The WWTF serves 15,000 residential, commercial, and institutional users in the City of Ukiah and 5,000 residential users served by the Ukiah Valley Sanitation District. Disinfected, tertiary treated wastewater can be discharged to the Russian River, a water of the United States, as needed during winter months (October 1 to May 14). Year-round, disinfected secondary wastewater is discharged to percolation ponds adjacent to the Russian River. The Russian River meets the definition of waters of the state.
8. The Regional Water Board adopted WDRs Order No. R1-2006-0049 on September 20, 2006 to regulate discharges from the WWTF. WDRs Order No. R1-2006-0049 became effective November 9, 2006 and remained in effect until October 1, 2012 whereupon Order No. R1-2012-0068 became effective and serves as an NPDES permit under the Federal Clean Water Act.
9. In its monitoring reports submitted for the Complaint Period, the Discharger self-reported seventeen (17) exceedances of the effluent limitations for Copper, Cyanide, Dichlorobromomethane and Toxicity as set forth in Orders No. R1-2006-0049 and No. R1-2012-0068. The exceedances are identified in Attachment A, Table 1. Cyanide, Copper, Dichlorobromomethane and Acute Toxicity are Group II pollutants.

WATER CODE PROVISIONS UPON WHICH LIABILITY IS BEING ASSESSED DUE TO NONCOMPLIANCE WITH APPLICABLE REQUIREMENTS

10. Water Code section 13385, subdivision (h) requires the Regional Water Board to assess a mandatory minimum penalty of three thousand dollars (\$3,000) for each serious violation. Pursuant to Water Code section 13385, subdivision (h)(2) a "serious violation" is defined as any waste discharge that violates the effluent limitations contained in the applicable waste discharge requirements for a Group II pollutant by 20 percent or more, or for a Group I pollutant by 40 percent or more. Appendix A of Part 123.45 of Title 40 of the Code of Federal Regulations specifies the Group I and II pollutants.

11. Water Code section 13385, subdivision (i) requires the Regional Water Board to assess a mandatory minimum penalty of three thousand dollars (\$3,000) for each violation whenever the Discharger does any of the following four or more times in any period of six consecutive months, except that the requirement to assess the mandatory minimum penalty shall not be applicable to the first three violations:
 - a. Violates a waste discharge requirement effluent limitation.
 - b. Fails to file a report pursuant to section 13260.
 - c. Files an incomplete report pursuant to section 13260.
 - d. Violates a toxicity effluent limitation contained in the applicable waste discharge requirements where the waste discharge requirements do not contain pollutant-specific effluent limitations for toxic pollutants.
12. The maximum amount of discretionary administrative civil liability pursuant to Water Code section 13385, subdivision (c) is \$10,000 per day of violation plus \$10 times the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.
13. At the hearing, the Regional Water Board will consider whether to affirm, reject, or modify the proposed civil liability up to the maximum penalty provided for by law, or refer the matter to the Attorney General to have a Superior Court consider enforcement. The Discharger can waive its right to a hearing to contest the allegations contained in this Complaint by submitting a signed waiver and paying the MMPs in full or by taking other actions as described in the waiver form. If this matter proceeds to hearing and the Regional Water Board decides to impose discretionary penalties, the Prosecution Team reserves the right to seek an increase in the civil liability amount. This increase may include the additional costs of enforcement incurred subsequent to the issuance of this Complaint through hearing.

PROPOSED ADMINISTRATIVE CIVIL LIABILITY

1. The Assistant Executive Officer of the Regional Water Board proposes that mandatory minimum penalties be assessed against the Discharger in the amount of \$51,000 for the violations specifically identified in Attachment A to this Complaint.
2. Notwithstanding the issuance of this Complaint, the Regional Water Board retains the authority to assess additional penalties for violations of the requirements of the Discharger's waste discharge requirements for which penalties have not yet been assessed or for violations that may subsequently occur.

3. Issuance of this Complaint is an enforcement action and is therefore exempt from the provisions of the California Environmental Quality Act (Pub. Res. Code § 21000 et seq.) in accordance with title 14, California Code of Regulations sections 15308 and 15321 subsection (a) (2).



David F. Leland, P.E.
Assistant Executive Officer
Regional Water Board Prosecution Team

October 31, 2014

14_0058_UkiahWWTF_ACLC

ALLEGED VIOLATIONS

Violation Group No. 1, Effluent Limitations: According to quarterly monitoring reports submitted by the Discharger for the period from February 1, 2012 through May 31, 2014, the Discharger had seventeen (17) effluent limitation exceedances, of which all are subject to mandatory minimum penalties. One exceedance was a non-serious (chronic) effluent violation, and sixteen exceedances were serious effluent violations. The mandatory minimum penalty amount for these violations is **\$51,000** as shown in the following table:

Table 1: Violations of Effluent Limitations (Mandatory Minimum Penalties Pursuant to CWC section 13385 (h) and (i))

CWIQS No.	Date	Parameter (Waste Stream)	Reported Value	Permit Limit	Units	Violation Type	Mandatory Minimum Penalty
Waste Discharge Requirements Order No. R1-2006-0049							
920763	2/1/12	Copper Monthly Avg. (Mean)	16	5.64	ug/L	Serious	\$3,000
920764	2/1/12	Copper Daily Maximum	16	11.33	ug/L	Serious	\$3,000
924360	3/6/12	Copper Monthly Avg. (Mean)	21	5.64	ug/L	Serious	\$3,000
944561	3/6/12	Copper Daily Maximum	21	11.33	ug/L	Serious	\$3,000
926286	4/3/12	Copper Daily Maximum	15	7.96	ug/L	Serious	\$3,000
926287	4/30/12	Copper Monthly Avg. (Mean)	15	3.97	ug/L	Serious	\$3,000
944553	5/1/12	Dichlorobromomethane Monthly Avg.	2.30	0.56	ug/L	Serious	\$3,000
927852	5/31/12	Dichlorobromomethane Monthly Avg.	2.30	0.56	ug/L	Serious	\$3,000
927854	5/1/12	Dichlorobromomethane Daily Maximum	2.30	1.1	ug/L	Serious	\$3,000
927856	5/1/12	Acute Toxicity Daily Maximum	0	70	% Survival	Serious	\$3,000
944567	5/2/12	Copper Monthly Avg.	19	5.98	ug/L	Serious	\$3,000
927853	5/31/12	Copper Monthly Avg.	19	5.98	ug/L	Serious	\$3,000
927855	5/2/12	Copper Daily Maximum	19	11.99	ug/L	Serious	\$3,000
927851	5/8/12	Acute Toxicity Daily Maximum	0	70	% Survival	Serious	\$3,000

CWIQS No.	Date	Parameter (Waste Stream)	Reported Value	Permit Limit	Units	Violation Type	Mandatory Minimum Penalty
Waste Discharge Requirements Order No. R1-2012-0068							
941264	11/6/12	Dichlorobromomethane Monthly Avg. (Mean)	1.95	0.56	ug/L	Serious	\$3,000
941263	11/6/12	Dichlorobromomethane Daily Maximum	1.95	1.1	ug/L	Serious	\$3,000
942382	12/11/12	Dichlorobromomethane Monthly Avg. (Mean)	5.24	0.56	ug/L	Serious	\$3,000
942380	12/11/12	Dichlorobromomethane Daily Maximum	5.24	1.1	ug/L	Serious	\$3,000
942381	12/11/12	Cyanide Monthly Avg.	4.5	4.3	ug/L	Chronic	\$3,000
No Discharge to Russian River or Effluent Violations from 5/15/2013 through May 30, 2014							
TOTAL							\$51,000

141031_CNM_ef_UkiahWWTF_ACLC_Attachment_A



City of Ukiah

January 16, 2015

North Coast Regional Water Quality Control Board

Attn: Cecile Morris

5550 Skylane Blvd, Suite A

Santa Rosa, CA 95403

Transmitted Electronically to:

NorthCoast@waterboards.ca.gov and CMorris@waterboards.ca.gov

Re: Enhanced Compliance Action Plan for Administrative Civil Liability Complaint No R1-2014-0058

Dear Ms. Morris,

The City of Ukiah has received the above referenced Administrative Civil Liability Complaint (ACLC) and has chosen to waive our right to a 90-day hearing. In addition, the City has chosen to follow through with an Enhanced Compliance Action Plan in lieu of 50% of the total fine amount of \$51,000

The project the City would like to propose is the development of a Sewer System Master Plan for the purposes of identifying a capital outlay plan for rehabilitation and/or replacement of sewer system collection mains within the system. It is anticipated that it will take about six months to develop.

Previous work has been performed under contract with GHD to develop an in-depth flow model of the sewer collection system. It is the intent to use information gathered from that work to assist in prioritizing capital projects that will reduce infiltration into the collection system.

Reducing inflow and infiltration will greatly reduce the amount of waste water that needs to be treated at the Waste Water Treatment Plant. In addition, it will reduce the quantity of discharges to the river that include parameters which exceed permit limits, thus reducing the amount of fines the city incurs.

Please let me know if you find this project acceptable so we can move forward as quickly as possible in order to get an engineering firm to assist us with the preparation of a Sewer System Master Plan. Let me know if you have questions or would like further information.

Sincerely,

Jarod L. Thiele
Project Analyst



AGENDA SUMMARY REPORT

SUBJECT: RECEIVE TECHNICAL MEMO FOR THE BASIS OF DESIGN FOR WELL #4 AND APPROVE BUDGET AMENDMENT FOR FINAL DESIGN

Background: On April 2, 2014, Council awarded a contract to GHD in the amount of \$359,610 for the design of new water well #9, which will be located on the north side of Orr Creek near the intersection of Orchard Avenue and Brush Street. This contract also included the rehabilitation of existing Well #4 which is on Lorraine Street. Initially, staff was working with GHD on the design of the new well #9 which was sited on property owned by RCHDC. Upon further investigation of the surrounding properties, GHD learned that there were 2 bulk fuel sites in the area which could have contamination. This was during the middle of the drought so it was decided to put well #9 on hold and shift the efforts to the rehabilitation of well #4.

Discussion: GHD began investigating the current state of Well #4 and reviewed files and videos and made the following discoveries regarding its condition:

- 1) A split in the well casing was observed which indicates structural weakness;
- 2) Extensive plugging of the well screen;
- 3) Lack of proven Sanitary Seal which is required by the Drinking Water Division of the Regional Water Quality Control Board (RWQCB);
- 4) Re-occurring bacteria issues; and
- 5) High risk that aggressive rehabilitation will end in well failure.

Given these conditions, GHD is recommending that the existing well should be abandoned and a new well should be drilled on the current property. Also, it is recommended to drill a test well which will then be converted to a monitoring well with another hole drilled for the production well. It is important for the City to have a monitoring well in place with the new Groundwater Legislation that is coming into effect.

Now that Engineering staff and GHD have a recommendation for how to proceed with the resolution for the facility, GHD has provided a scope of services to provide design and the completion of plans and specifications for the complete rehabilitation of well #4. The scope (Attachement 2) is provided for council review.

Fiscal Impact:

☐ Budgeted FY 14/15 ☒ New Appropriation ☐ Not Applicable ☒ Budget Amendment Required

<u>Amount Budgeted</u>	<u>Source of Funds (title and #)</u>	<u>Account Number</u>	<u>Addit. Appropriation Requested</u>
\$0	Water Capital	82224413.80230	\$244,455.20

Recommended Action(s): Receive technical memo regarding design of well #4 and approve budget amendment.

Alternative Council Option(s): N/A

Citizens advised:

Requested by: Tim Eriksen, Director of Public Works and City Engineer

Prepared by: Jarod Thiele, Public Works Project Analyst

Coordinated with: Jane Chambers, City Manager

Attachments: 1. Technical Memo for basis design of well #4
2. Amendment for Engineering Design

Approved: 
Jane Chambers, City Manager



Attachment #1

Memorandum

December 31, 2014

To	Jarod Thiele, City of Ukiah		
Copy to	Lyle Valador, City of Ukiah Tim Eriksen, City of Ukiah		
From	Matt Kennedy, PE, TE Kent O'Brien, PG, CEG	Tel	707.540.3376
Subject	Basis of Design for Replacement Well 4, Rev. III	Job no.	02502/8411192/09

This Technical Memorandum (TM) provides an update to the project priorities and an outline of the key elements which are being incorporated into the design of the wells and well pumping system. This Basis of Design TM is being submitted to the City for review and concurrence. Under the terms of the services agreement between GHD and the City (City-Consultant Agreement, dated April 16, 2014), a new well (Well 9) was to be installed at a location proposed by the City and the existing Well 4 was to be evaluated and rehabilitated if possible. The proposed Well 9 site preferred by the City is owned by RCHDC and is located on Brush Street. The Well 9 project has been delayed due to encountering environmental complexities at the northwest portion of the RCHDC property. Because of this delay, the existing Well 4 site has been chosen as the location for the City's next well while southeast portion of the RCHDC property is evaluated as a location for the installation Well 9. This TM has been organized into sections based on the major work items for this project. These sections are listed below:

1	Abandonment of Existing Well 4.....	2
2	Replacement Well 4.....	3
3	Well Site Improvements.....	5
4	Well 9 Siting Status.....	15
5	Action Items	16

1 Abandonment of Existing Well 4

1.1 Well 4 to be replaced and not rehabilitated:

GHD has made the recommendation to replace rather than rehabilitate Existing Well 4 due to:

- a. A split in the well casing observed in a well video – this indicates structural weakness;
- b. Extensive plugging of the well screen;
- c. Lack of a proven sanitary well seal;
- d. Re-occurring bacteria issues;
- e. High risk that aggressive rehabilitation will end in well failure.

1.2 Logistics for Existing Well 4 Abandonment

- a. Keep existing Well 4 equipped for water production for long as possible;
- b. Remove fuel tank and backup engine at any time;
- c. Incorporate destruction of existing Well 4 into the same contract with the Monitoring Well and Replacement Well 4;
- d. The Monitoring Well located on the Well 4 property will be identified as Well MW4A;
- e. Removal of Well 4 casing may be difficult because of corrosion. Well 4 casing may need to be ripped and filled with cement. Cement may flow through aquifer which is why the new wells (Monitoring Well and Replacement Well 4) will be installed after the destruction of existing Well 4;
- f. Destroy Existing Well 4 shortly before installation of the Monitoring Well (a 6-inch PVC test well). The Monitoring Well will be built and tested before the installation of the Replacement Well 4;
- g. Installation of destruction of Existing Well 4, installation of the Monitoring Well and installation of Replacement Well 4 to occur in 90 day period by a single drilling contractor working directly for the City. During this time (at a minimum) groundwater will not be available from the Well 4 site.

1.3 Next Steps for Well 4 Abandonment

- a. GHD to prepare Tech Memo providing rationale for replacing rather than rehabbing Well 4. This 2 page TM will be for the City's use in providing information to City Council;
- b. City to gain City Council agreement to destroy Existing Well 4 rather than rehabbing this existing well.

2 Replacement Well 4

2.1 Design of Replacement Well 4:

The design criteria for Replacement Well 4 were developed based on discussions with the City and are consistent with the Basis of Design Summary Update submitted on May 23, 2014 for proposed Well 9, and on July 29th for proposed Replacement Well 4.

- a. The Replacement Well 4 will be constructed using 12-inch diameter stainless steel blank casing and 12-inch diameter wire wrap screen;
- b. Only one access pipe will be located outside of the 12-inch casing, this will be a 2.5 inch diameter PVC pipe used for replenishing filter pack during well development;
- c. Inside the well casing will be equipped with a hanging transducer and a separate port for depth to water measurements;
- d. Well will be constructed with up to three separate sections of well screen;
- e. Screen sections will not include the shallow unconfined zone due to bacteria which has been detected in the Exiting Well 4. However, the Monitoring Well will have the shallow zone screened to allow for direct testing of the shallow groundwater before the Replacement Well 4 is constructed. If no or little bacteria are detected in the shallow well and the flow volume from this zone is significant the City will be given the pro/con options to screen this shallow zone.

2.2 Installation of Replacement Well 4:

- a. Well will be constructed using reverse rotary drilling, if practical;
- b. Using this method will provide for a cleaner drill hole and likely less development. However, it could require a large volume of potable water from the distribution system during the drilling operations. This will be further evaluated after the selection of the drilling contractor and evaluating the equipment which is available;
- c. Installation of Replacement Well 4 may require 24 hour operation for a period of 3 to 5 days. This is required in order to prevent the drilled hole from collapsing and trapping the drilling bit and rods. The City may need to notify nearby residences;
- d. The Contractor will be responsible for removing the drill cuttings from the site daily and disposing of them off site. This material may vary in composition and usefulness as compactable fill.

2.3 Development and Test Pumping:

- a. Development of the Monitoring Well and Replacement Well 4 will be required and this will generate a large volume of water. It is probable that the development water can be contained in one 20,000 gallon Baker Tank which will be on site. The water will be

allowed to clarify by settling out suspended solids than discharge to the nearby ditch under a Regional Board Permit;

- b. Test pumping of both the Monitoring Well and the Replacement Well 4 may be required immediate discharge to the nearby drainage ditch. Based on discussions with the Regional Board GHD believes that a permit for this activity can be obtained. GHD has begun the permit process. Additional water quality testing may be required. This testing will be performed by a City approved laboratory and billed directly to the City.

3 Well Site Improvements

3.1 Safety in Design and Construction

- a. Chemical chlorination room is the key safety issue.
- b. Eye wash station maintenance.
- c. Weekly safety meetings for City staff.
- d. City planning to have chlorination safety training in coming weeks.
- e. City to send copy of WTP safety manual.

3.2 Site Improvements

3.2.1 Access Locations and Paving

- a. Lorraine Street is a City Street; damages to the pavement during construction and from trenching will need to be repaired.
- b. Site of Well 4 is surrounded by residential homes, and an undeveloped property/ vacant lot is situated adjacent to the property on the north.
- c. Consideration of access of large vehicles through the entrance on Lorraine Street.

3.2.2 Security Fencing and Gates

- a. Site of Well 4 is enclosed by a fence and gate. City has stated that the condition of the existing fencing and gate is fine and do not need replacement. Security enhancements (e.g., barbed wire) are not needed.

3.2.3 Utility Connections

- a. Existing water main on Lorraine Street (City to provide record drawings showing size and location of water main). Minimum cover (30+ inches of cover per Dan Hunt).
- b. It is anticipated that the treated well water discharge pipe will connect to the existing water main located on the Well 4 site, which connects to the water main in Lorraine Street.
- c. Water service for site and building will be provided by City water. There is an existing service that will be used.
- d. Discharge piping material: Use AWWA C900 PVC pipe for underground piping. Use AWWA C151 DIP for aboveground piping.
- e. Sewer connection:
 - a. Floor drain and sink drain will connect to the existing sewer on Lorraine Street.
 - b. For the overboard discharge pipe, connection to the existing sewer main in Lorraine Street was determined to not be feasible due to capacity limitations.

Therefore, a permanent point of discharge to the drainage ditch behind the Well 4 site is recommended and will be pursued with the City's concurrence. GHD has prepared a permit application to the North Coast RWQCB for a one-time discharge to the drainage ditch associated with the replacement well drilling and development. We believe it will be fairly straightforward to obtain a permanent permit from the North Coast RWQCB for periodic overboard discharges.

- f. Utility information from PG&E and Comcast has been obtained and will be incorporated into the construction drawings.

3.2.4 Fire Hydrant

- a. Fire hydrant: An existing hydrant is located in front of the well site on the sidewalk.

3.2.5 Lighting

- a. Safety lighting on building.
- b. Exterior lights on building.
- c. Existing adjacent street lights are present in front of the well site at the street (on power pole).
- d. New energy code goes into effect on July 1st, but design ultimately comes down to City Bldg. Dept. requirements and enforcement.
- e. City to check with Planning / Building Dept. on whether a building permit is going to be needed.

3.3 Building Structure and Architecture

3.3.1 Building Layout and Floor Plan

- a. Wellhead to be located outside of building, generally within 6-10 feet of building but may be further depending on site layout and constraints and actual replacement well location.
- b. Would like the chlorine room close to the point of injection, adjacent to it. Move it from the end of the building. Proposed L-shape building. This layout would eliminate the need for a moment frame.
- c. Would like an exterior single door.
- d. Utilize Trichlor tablet system, but keep the option for tablet or liquid chlorine with the design of the room.
- e. No storage room needed.

3.3.2 Roof

- a. No skylight or hatch needed with well head located outside building.
- b. Pitched roof with comp shingles.

- c. Ventilation for the attic space where present.

3.3.3 Flashing

- a. Stainless Steel similar to other well buildings.

3.3.4 Exterior Siding

- a. Hardiboard.

3.3.5 Interior Walls and Ceiling

- a. Plywood interior walls preferred. GHD to investigate code requirements for fire rating.

3.3.6 Doors and Access

- a. Fire Department Knox Box: same model as used at Wells 7 and 8.
- b. Single door for the chlorine room.
- c. Single door for the main well building with louvers.
- d. Preference is for no exterior windows for security, but would like a window above the desk on the east side of the building for some interior lighting.
- e. Provide solar tubes for interior lighting.
- f. Interior window for visual inspection between main room and chlorine room. Would be nice to have a sliding / operable window.

3.3.7 Hardware

- a. A1 "Best" hardware, locks, keys and security, handle door knobs (made by Stanley). Match the master key. Functional and long lasting.
- b. Same as Well 7, doors to the WTP and High Service Pump Station.
- c. City account number with A1 Best is 10213640.

3.3.8 Finishes

- a. Match the beige color of Wells 7 and 8.

3.3.9 Work Space

- a. Small desk with a few drawers.
- b. Sink with under on-demand water heater.

3.4 Building Mechanical and Plumbing Systems

3.4.1 HVAC and Controls

- a. May need heat with well head located outside of the building. Cooling may be needed especially in the summer months. Main purpose is to keep equipment cool, not cool people.

- b. Motor outside or down the well. The VFD needs to be cooler.
- c. As a design guideline we will aim for a temperature of 85-90 F to keep equipment cool.
- d. Size exhaust fans large enough to adequately vent rooms and supply fresh air. Don't specify exhaust fans that are small like at Wells 7 and 8.

3.4.2 Louvers/Ventilation

- a. On all doors. Ventilate the ceiling space.

3.4.3 Sink & On-Demand Water Heater

- a. Review existing well sinks.
- b. Provide on-demand hot water with temperature control valve.

3.4.4 Floor Drains

- a. Near the instrumentation.
- b. Near sample tap.
- c. In chlorine room.
- d. Connected to sanitary sewer.

3.4.5 Hose Bibs and Racks

- a. One exterior off the discharge.
- b. One in the well building with a hose rack.
- c. One in the chlorine room with a hose rack.

3.4.6 Instrumentation Piping

- a. Use PVC pipe for feed lines to instruments and other facilities inside the well building. Do not use copper pipe.

3.4.7 Drinking Fountain

- b. No drinking fountain.

3.4.8 Eye Wash Station

- a. In the chlorine room.
- b. GHD to look into options for shower/eyewash combo and the ANSI tepid water requirements. Based on our review of ANSI Z358.1-2009 Standard for Emergency Eyewashes and Shower Equipment, tepid water is required.
- c. Eyewash/facewash unit to be specified and shown on the drawings.

3.4.9 Fire Protection

- a. The building official indicated that fire sprinklers are not necessary.

- b. 1 fire extinguisher will be installed in the Control Room and the Chlorination Room.

3.5 Well Head Improvements

City would like Well 4 to be a controlling well. The City has had good success working with Groundwater Pump and Well, Ron Foster Sr., Ronsr@groundwaterpumpandwell.com, Phone: (707) 433-3419 - Fax: (707) 433-9421

3.5.1 Well Head

- a. Locate outside building, generally within 6-10 feet of the building. May be located further depending on site layout and constraints.
- b. Surround well head with a concrete pad, approximately 10-ft x 10-ft square
- c. Enclose the well head and concrete pad in a removable enclosure with a lockable access door, interior light and an interior 120 volt outlet for a fan or swamp cooler.

3.5.2 Motor

- a. Motor and pump be line shaft turbine .
- b. Inverter duty motor so insulation on motor windings is of a higher voltage.
- c. Shaft grounded so electrical discharge doesn't pit the bearings.
- d. Must be integrated with the VFD selection and specification.

3.5.3 Pump

- a. Motor and pump be coupled and submersible for installation down the well, City to confirm.
- b. If Goulds pump is selected, a Goulds discharge head is required. May not need this with submersible pump/motor combination.
- c. Preliminary pump selection:
 - a. Type: Line-Shaft Turbine
 - b. A slower speed pump was selected because slower speeds can increase life of the bearings and mechanical seals.
 - c. Fluid: Water
 - d. Flow: 800 gpm (minimum)
 - e. Head: 335 ft
 - f. Pump Dia: To be determined
 - g. Bowl Size: To be determined
 - h. Speed: 1770 rpm (synch speed: 1800 rpm) preferred. Actual speed to be determined.

- i. Motor size: 100 hp (approximately)
- j. Motor frame: 10 inch (must be able to fit in a 12" ID well)
- k. Efficiency: Min. 85% @ design flow
- l. Manufacturer: Goulds Model 9RCHC (7 stage)

3.5.4 Sound Attenuator

3.5.5 Gravel and Sounding Tubes (provide 3 total)

- a. 2 inch sounding.
- b. 2-inch spare that goes to water source.
- c. 2-inch gravel pack.
- d. Need to verify that these pipe sizes are feasible with the available drilling rigs.

3.5.6 Sample Ports and Gauges

- a. Raw water sample port before chlorine injection point.
- b. Finish water sample port after chlorine injection point.
- c. Pressure gage between instrumentation and discharge head. Easy access for daily reading.
- d. Separate water line to instruments that is not connected to water faucets. Provide a backflow device on this line.

3.5.7 Flowmeter

- a. 11/20/2014 Lyle would like to use Siemens. SITRANS F M MAG 5100 W Mag meter for main production meter with SITRANS F M MAG 5000 transmitter.

3.5.8 Overboard

- a. Discharge to the drainage ditch with a permanent permit from the North Coast RWQCB.
- b. Provide control valve for slow open/close control of system discharges to the water system and overboard to drainage ditch.

3.5.9 Appurtenances

- a. Sand capture/removal after the raw water tap using Rossum Sand Tester
- b. Consider using PVC pipe for instrument feeds instead of copper if we can
- c. Include ball valves for all instruments and tubing. Use ball valves with stainless steel balls.

3.6 Chlorination System

3.6.1 System Type

- a. Arden TriChlor tablet system

3.6.2 Layout

- a. Per manufacturer. System comes skid mounted

3.6.3 Feed Pump and Injector

- a. Locate the point of injection to provide as much distance (contact time) as possible between the point of injection and the first service.

3.6.4 Tubing

- a. Use PVC pipe for feed lines to instruments and other facilities inside the well building. Do not use copper pipe.

3.6.5 Analyzer

- a. Kuntze Neon Multi, most current model to be released for use sometime in February 2015 (GHD verify with manufacturer, and specify updated model). Model measures temperature, pH and chlorine residual.

3.6.6 Turbidimeter

- a. 8/7/2014 Lyle would like to go with a SWAN turbidimeter. The model is SWAN AMI Turbidwell. Model A-25.411.600.2. Included options: auto drain in unit, AMI USB Interface

3.7 Electrical Systems

3.7.1 Transformer and Service Voltage

- a. GHD to verify capacity and condition of existing electrical service.
- b. Looks like it will be a City transformer.
- c. 480 volt.

3.7.2 City of Ukiah Electrical Service and Enclosure

- a. Need City utility's equipment standards. Contact info for Jimmy Lozano to be forwarded to GHD.

3.7.3 Transfer Switch

- a. With a portable generator it makes sense to have a manual transfer switch. That's what we should design for.

3.7.4 Power Monitor

- a. California energy code requires power monitoring.

- b. Requirements depend on electrical service size.
- c. Amperage, voltage and KW consumed are minimum monitoring requirements.
- d. Not a feature the City uses regularly.
- e. Go with the switchboard manufacturer standard.

3.7.5 Variable Frequency Drive

- a. Go with the same manufacturer as is being used at Well 7 and 8.

3.7.6 Instrument Panel

- a. The City's water treatment plant staff wants to go with Telstar if possible for the instrument panel at Well 9 and Well 4. Here is the contact for Telstar.
 - i. Ben Herston
 - ii. Branch Manager for Telstar
 - iii. Mobile: 916.204.2747
 - iv. Email: bherston@telstarinc.com

3.7.7 Portable Generator Receptacle

- a. Match the same type as is being used at Well 8.
- b. Lyle's notes: use a quick release for the generator hook-up.
- c. The existing generator connections are not quick release. Need to follow-up with the City on options for the generator connection type.

3.7.8 Normal and Emergency Lighting

- a. LED interior lighting.
- b. Battery back-up emergency lights: use dual-head, stand-alone type, not integrated into normal lighting fixtures.

3.7.9 Alarms

- a. No phone line needed.
- b. City sees a need for a security alarm system, but no audible alarm at the well site due to location in a residential neighborhood.
- c. Deep Valley is the alarm system company the City uses at some locations.
- d. SCADA system-door switch and silent alarm that calls the operator.

3.7.10 Interior & Exterior Receptacles

- a. Multiple interior receptacles generally where needed.
- b. Provide 3 receptacles in the chlorine room. One of the receptacles in chlorine room will be switched (on – off) with pump unit for chlorine unit.

- c. One exterior receptacle just to the north of the door.

3.7.11 City's SCADA Programmer:

- a. Glenmount Global Solutions out of Napa, Dannen Goefre 707.258.8500.

3.8 Instrumentation and Controls

3.8.1 City's preferred instrumentation consultant is Telstar

- a. Philip Maffei (project manager) or Paul Berson (project engineer)
- b. 925.787.3979

3.8.2 Well System Monitoring and Controls

- a. Build in flexibility to control the pump, overboard pumping, and discharge to the system, either SCADA, timers, manually. Operations may change and having options will allow for future operation flexibility.
- b. Likes the Telstar controls at Well 7 and 8.

3.8.3 Level Transmitter

- a. 0-75 psi.
- b. Probably the same as Well 7 and 8.

3.8.4 Solenoid Valve

- a. Include option.

3.8.5 RTU and Antenna

- a. Straight shot to the WTP.
- b. Phoenix Contact radio is one brand used by the City.

3.8.6 SCADA Programming

- a. Glenmount Global Solutions out of Napa, Dannen Goefre 707.258.8500.
- b. City to determine if SCADA integrator to work for Contractor within the construction contract, or to be hired directly by the City.

3.8.7 Chessell Chart recorder

- a. Eurotherm Chessell chart recorder, Model 392, includes a 4 pen circular unit. 4 pens are for flow, ntu, chlorine, and well level. The units we have now are 100 mm continuous.

3.8.8 *No need for Autodialer (old technology, redundant with SCADA)*

3.9 Other Project Elements

The City's preferred electrical subcontractor for well electrical work is Brandon Halog of Total Environmental & Power Systems, Inc. (TEPS), who used to work for the City's Electric Department. Contact information is: Office - 925.681.2338, Mobil - 925.332.6560

4 Well 9 Siting Status

4.1 Contaminated Properties Potentially Affecting RCHDC Well Site

- a. The property owned by RCHDC was evaluated for the siting of a new well (Well 9) in the property's northwest corner at the intersection of Brush and Orr Streets. This corner was selected based on the flood zone and future property development considerations. Based on the results of an environmental review by GHD the northwest portion of the RCHDC property is in close proximity to two operating fuel facilities with known groundwater contamination issues. These two fuel facilities are listed below:
 - a. Former Tidewater Bulk Fuel Facility located at 195 Brush Street. Environmental issues at this site are the responsibility of Philips 66 and Chevron. The consultant is CRA which is now part of GHD.
 - b. Former Redwood Tree Service Station located at 859 North State Street. Environmental issues at this site are the responsibility of a private party. The consultant is LACO Associates.

4.2 Recent Data Relative to Contaminated Properties

- a. During June 2014, GHD reviewed environmental reports available through the public GeoTracker web site and discussed the findings with the City of Ukiah's Public Works Department. GHD recommended that the proposed location for Well 9 (Brush and Orr Street in the Northwest corner of RCHDC property) be discounted until further investigations are completed. The concern is that installation and operation of Well 9 at the Brush and Orr Street location could entrain hydrocarbons from the contaminated sites. This could be costly to treat in order to attain drinking water quality standards. GHD has discussed the findings of recent additional sampling performed by CRA at the Tidewater bulk fuel facility. The results will be reported to the Regional Board in a future report. The sampling results indicate that high concentrations of hydrocarbons are found in the first encountered groundwater but that relatively low levels of hydrocarbons and MTBE are present in groundwater at a depth of approximately 23 feet below ground surface. These lower concentrations are below a clay layer which could be expected to impede the migration of the majority of contamination downward into the drinking water aquifer.

4.3 Alternative Well 9 Site on RCHDC property

- a. During discussions with the City, GHD has recommended that the northeast portion of the RCHDC property be evaluated as a well site rather than the northwest portion. The northeast location provides a larger separation between the two fuel sites listed above and the proposed Well 9. This increased distance of separation reduces the possibility

that hydrocarbon concentrations in the drinking water from proposed Well 9 will exceed water quality goals and need to be treated.

4.4 Next Steps for Alternative Well 9 Site on RCHDC property

- a. Wait for the submittal of the sampling report from CRA to the RWQCB and then evaluate these findings.
- b. Revisit the effects the floodplain has on well construction in northeast corner of the RCHDC property.

5 Action Items

Name	Action Item
City of Ukiah	Check with City Planning Dept. and Bldg. Dept. on whether a building permit is going to be needed.
City of Ukiah	Provide copy of WTP safety manual.
GHD and City	Follow-up site visit and/or conference call to discuss SCADA interface between Well 4 and WTP.
City of Ukiah	Lyle to verify the size and underground material type of the existing discharge pipe leaving the building. Suspected to be 10" or 12" steel pipe.
City of Ukiah	City to verify the location of the 6" AC pipe that leave the Well #4 site and crosses the open field behind. We need to connect this pipe to the new discharge pipe.
City of Ukiah	Lyle to send photos of the Well 7 and 8 ceiling ventilation improvements done by the City.
Harmony Tomsun and Dave Vossler	Verify that drillers have the capability to install the estimated casing size and three 2-inch pipes. Identify method of abandonment for Existing Well 4.



Attachment #2

January 28, 2015

Mr. Jarod Thiele
Public Works Project Analyst
City of Ukiah
300 Seminary Avenue
Ukiah CA 95482-5400

Our ref: 84/11192/10

Your ref: COU# 1314-200

RE: Amendment for Engineering Design, Geotechnical and Construction Oversight Services for Water Well #4 Rehabilitation and New Water Well #9 Project

Dear Mr. Thiele:

GHD is pleased to provide the City of Ukiah (City) with this Scope and Fee for additional services on the Engineering Design, Geotechnical and Construction Oversight Services for Water Well #4 Rehabilitation and New Water Well #9 Project, dated March 6, 2014 (Contract #1314-200). This proposal is for additional activities associated with the design and construction installation of Replacement Well #4 on the same property (APN 003-572-15-00) as the existing Well #4, and the design and construction of New Well #9 near the intersection of North Orchard Avenue / Brush Street. This project is derived from the findings developed during the site evaluation tasks previously performed under this contract. The original scope of services included the design and installation of New Well #9 on a privately owned parcel located at the intersection of Brush Street / Orr Street; and the hydrogeologic evaluation of existing Well #4.

Project Background

The evaluation, design and construction of new Well #9 at a site adjacent to Brush Street / Orr Street was the primary focus of the work conducted by GHD under Contract #1314-200, which began in April 2014. In May 2014 environmental screening of the properties near the Proposed Well #9 site identified two nearby fuel storage and dispensing facilities which have records of hydrocarbon soil and groundwater contamination. Soil and groundwater sampling in 2014 at the former Tidewaters Bulk Fuel Terminal 600 feet west of the Proposed Well #9 site indicated significant concentrations of diesel contamination in the groundwater. This contamination could result in more stringent water quality monitoring requirements and possibly the need for water treatment if Proposed Well #9 was installed at this location. Based on this discovery, GHD recommended the following actions:

- 1) The design of Proposed Well #9 is put on hold while environmental testing by others at the former Tidewater Bulk Facility is completed so a more thorough evaluation of the contamination levels and potential risks to the well operation can be evaluated.
- 2) Other sites are considered for the Proposed Well #9 project.
- 3) GHD proceeds with the field investigations and evaluation of existing Well #4 for rehabilitation or replacement.

The City agreed with these recommendations, design efforts associated with Well #9 were put on hold, and project resources were shifted to begin evaluation of existing Well #4. Existing Well #4 has been off-line due to reoccurring detections of bacteria in extracted groundwater. Also, approximately the lower 100-feet of the well casing had previously collapsed. GHD's evaluation of existing Well #4 indicates that the installation of a

new replacement well at the same property is recommended instead of rehabilitation of existing Well #4 due to the following issues:

- A split in the well casing observed in a well CCTV video inspection – this split indicates structural weakness;
- Extensive plugging of the well screen;
- Lack of a proven sanitary well seal;
- Re-occurring bacteria contamination issues;
- High risk that aggressive rehabilitation will end in well failure.
- High risk and cost of proper abandonment should failure occur.

The City and GHD held a meeting on June 19, 2014 at the existing Well #4 site. During this meeting GHD recommended that further work related to the Brush Street / Orr Street new Well #9 site remain on hold while environmental testing is performed by others, and that the scope of services and budget should be re-appropriated for the design and installation of Replacement Well #4 including building and site improvements, and destruction of Existing Well #4. Once the subsurface environmental testing and review is completed at the former Tidewaters Bulk Fuel Terminal and an evaluation of the new Well #9 site is completed the City could reauthorize the design of New Well #9.

Design of Replacement Well #4 progressed during the months of June, July and August. During this time the City decided to evaluate options for purchasing the parcel behind existing Well #4 and relocating Replacement Well #4 to this parcel, which is currently an open field. The City subsequently entered into discussions with the property owner, and design of Replacement Well #4 was temporarily put on hold based on the potential for the well site to change and to preserve design budget.

In August 2014 the subsurface environmental testing at the former Tidewater Bulk Facility was completed by others. The test results indicated that shallow soil and groundwater contamination is present, but that it does not appear to have migrated below shallow confining clay layers. As a precautionary measure, GHD has recommended that New Well #9 be sited near the intersection of North Orchard Avenue / Brush Street. This site is further east of the contamination source and provides greater separation and reduces the risk of potentially drawing petroleum hydrocarbon contamination to New Well #9.

By November 2014 discussions with the property owner adjacent to the existing Well #4 site were not progressing, the City determined that the purchase of the parcel would not move forward, and that design of Replacement Well #4 on the existing Well #4 parcel should continue.

Scope and Budget Update

Some design work was undertaken on the proposed Well #9 site at Brush Street / Orr Street prior to the suspension of Well #9 work and shift of project resources to design Replacement Well #4. Most of the design work completed for the Proposed Well #9 site at Brush Street / Orr Street project is directly transferrable to the Replacement Well #4 project, and has been used to develop the Replacement Well #4 project. It is expected that the design of the Replacement Well #4 and the chlorination and control building will be directly transferrable back to the Proposed Well #9 design at North Orchard Avenue / Brush Street when that effort restarts.

The estimated hours for the design of the Replacement Well #4 project have been adjusted based on the City's authorization to proceed with the design of Replacement Well #4 and the reuse of similar design work already completed for Proposed Well #9.

This revised budget estimate provided with this proposal includes a summary of the overall budget status of the work associated with the Proposed Well #9 project and a detailed Scope of Services for the Replacement Well #4 project. This proposed Scope of Services consists of and amends the following key elements:

- Design, bid support and occasional contractor oversight during drilling and well construction of Replacement Well #4;
 - Installation of a Test Well and associated hydrogeologic evaluation of the existing Well #4 site;
 - Installation of Replacement Well #4;

- Design, bid support and construction management / observation services for Replacement Well #4 control and chlorination building, site improvements, well head, pump and water distribution piping;
- Destruction of existing Well #4;
- Assistance to the City in preliminary evaluation of other locations for the Proposed Well #9;
- Design, bid support and occasional contractor oversight during drilling and well construction of new Well #9;
 - Installation of a Test Well at the new Well #9 site;
 - Installation of new Well #9;
- Design, bid support and construction management / observation services for new Well #9 control and chlorination building, site improvements, well head, pump and water distribution piping;

The table below summarizes budget spent on each task under Contract #1314-200, budget adjustments based on efforts completed, and the estimated percent completion as of January 25, 2015.

Task No.	Task Name	Original Budget	Proposed Budget	Budget Change	Effort	Budget Remaining	% Complete
1	Project Award and Preliminaries	\$14,008	\$8,698	(\$5,310)	\$8,698	\$0	100%
2	Well #9 Location Evaluation and Field Investigation	\$11,560	\$7,308	(\$4,252)	\$7,126	\$182	98%
3	Well #9 Concept Design Drawings to Qualified Drilling Contractors	\$9,393	\$9,393	\$0	\$5,353	\$4,040	57%
4	Well #9 Detailed Well Design and Bid Documents	\$21,031	\$21,031	\$0	\$19,905	\$1,126	95%
5	Well #9 Site: Install 4-Inch Test Well, Test Setup and Analysis	\$8,077	\$8,077	\$0	\$0	\$8,077	0%
6	Well #9 Installation	\$14,749	\$14,749	\$0	\$0	\$14,749	0%
7	Well #9 Aquifer (Pump) Testing and Pump Design Refinement	\$14,642	\$14,642	\$0	\$0	\$14,642	0%
8	Well #9 Reporting and Closeout	\$26,464	\$26,464	\$0	\$0	\$26,464	0%
9	Well #9 Site, Building, and Utility Design	\$117,991	\$117,991	\$0	\$47,448	\$70,543	40%
10	Well #9 Bid Phase and Construction Engineering Support	\$9,704	\$9,704	\$0	\$96	\$9,608	1%
11	Well #9 CM / Inspection Services	\$84,804	\$84,804	\$0	\$0	\$84,804	0%
12	Well #4 Field Investigation	\$19,786	\$29,348	\$9,562	\$27,886	\$1,462	95%
13	Well #4 Rehabilitation Specifications	\$7,401	\$7,401	\$0	\$2,589	\$4,812	35%
	TOTAL	\$359,610	\$359,610	\$0	\$119,101	\$240,509	33%

Tasks 12 and 13 were used both to evaluate the rehabilitation of existing Well #4 and to begin the design of the Replacement Well #4. When the City authorized GHD to proceed with Replacement Well #4 design and re-appropriate existing budget, additional tasks were added to the project to allow the design team to move forward with the design of Replacement Well #4 and to manage the efforts on individual tasks separately from Well #9 efforts.

Integrated Project Approach

The Scope of Services for the design of the Replacement Well #4 is comparable to and integrated with the Scope of Services for the Proposed Well #9 project. The approach to the Replacement Well #4 scope of services is to integrate it with the New Well #9 tasks to develop a combined set of construction documents for both well sites. One set of construction documents will be developed for Replacement Well #4 and New Well #9 drilling and well development and one set of construction documents will be developed for Replacement Well #4 and New Well #9 building, site and utility improvements. This approach integrates both well sites into a single project, which will provide the City with cost savings during design, well drilling and construction. This approach is also expected to improve the attractiveness of the project to well drilling and construction contractors. Construction management and observation services for both wells would also be integrated.

Scope of Services for Replacement Well #4

Following authorization to proceed with the evaluation and design of Replacement Well #4, additional project tasks were established, and budget was re-appropriated to those tasks for Well #4 efforts. The following are the proposed Scope of Services for Replacement Well #4.

The Project Tasks are identified below:

- Task 14. Replacement Well #4 Project Preliminaries and Site Investigation
- Task 15. Replacement Well #4 Concept Design Drawings
- Task 16. Replacement Well #4 Detailed Well Design, Specifications, and Bid Documents
- Task 17. Install 6-Inch Test Well, Test Setup and Analysis
- Task 18. Replacement Well #4 Installation
- Task 19. Aquifer (Pump) Testing and Pump Design Refinement
- Task 20. Replacement Well #4 Reporting and Closeout
- Task 21. Replacement Well #4 Site, Building and Utility Design
- Task 22. Bid Phase and Construction Engineering Support
- Task 23. Construction Management and Inspection Services
- Task 24. Well #4 Destruction

Task 14 – Replacement Well #4 Project Preliminaries and Site Investigation

GHD understands that one of the most critical aspects of this well destruction and installation project is timeliness. Discussions with drilling contractors suitable for the Replacement Well #4 project have been in progress due to the communication in place from the Proposed Well #9 project which will avoid potential delays as a result of unavailability of drilling contractors. GHD will continue monitoring of drilling contractors' availability throughout the upcoming assessment and design phases.

GHD understands that a final location for Replacement Well #4 has been selected to remain within the existing Well #4 site. The final selection of the well location is a critical path in order to prepare for site access issues regarding on site activities for the destruction of Well #4 and installation of Replacement Well #4 within the limited space available.

This task includes preliminary activities such as a detailed review of the 2006 Well Siting Study, available supporting documentation for the existing Well #4 and a preliminary field investigation performed concurrently with the geotechnical investigation to assess potential environmental concerns left in place at the existing Well #4. This Task includes:

- City of Ukiah data review, kick-off meeting, and initial site visit;

- Identifying qualified drilling contractors pertaining to the destruction and installation activities to be performed;
- Identifying availability of qualified drilling contractors (critical path);
- Discussions and / or meetings with contractors to establish and maintain interest in these projects;
- Perform on site environmental investigation concurrently with geotechnical drilling in order to confirm the diesel AST and associated piping has not affected the integrity of the site;
- Establish location for Replacement Well #4;
- Prepare draft CDPH permit application and supporting information (i.e., Drinking Water Source Assessment and Protection report); and
- Meet with CDPH to discuss schedule and well replacement location.

Assumptions: GHD assumes that the City has notified the CDPH of the intent to install a new well and that they are in agreement with the proposed well. GHD also assumes that the CEQA permitting has been obtained or is being addressed by the City and that the site has been cleared for hazardous material concerns. GHD has the expertise to assist the City with hazardous materials and/or CEQA permitting if needed.

Task 15 – Replacement Well #4 Specifications and Preliminary Concept Design Drawings

GHD 's approach is to engage the interest of drilling contractors early this construction season by providing early notice of the intent of well installation and a Preliminary Conceptual Design Drawings of the Test Well and Replacement Well #4. These Conceptual Design Drawings would be sent to qualified drillers to allow them to initiate preparation of bids and to provide comments regarding scheduling and other constraints. These Conceptual Design Drawings can be prepared quickly and are expected to shorten the overall schedule by clarifying the basic project before beginning detailed design. By providing early notice to drillers, the City will learn of driller's availability and by providing a Conceptual Design Drawing the City can ask for a fast response to the final bid without risk that drillers will decline to respond. This Task includes the following:

- Preparation of Concept Design Drawings for Installation;
- City review of Concept Design Drawings;
- Issue Concept Design Drawing to qualified drilling contractors; and
- Respond to questions and changes in driller availability and schedule.

Task 16 – Replacement Well #4 Detailed Well Design and Bid Documents

GHD will prepare 95% draft design drawings and technical specifications for the installation of Replacement Well #4 and submit these draft specifications and drawings to the City for review and comment. Because the Preliminary Design Drawings for new Well #9 will have been previously completed, the City and GHD can use this Task to focus on important details such as the logistics of the well installation. A conditional well screen and pump will be specified (for bid purposes) with a note indicating that these specific aspects of the design are to be confirmed after the results of the Test Well (Task 17) and Pumping Test (Task 19) are available. One meeting will be completed with the City prior to the 95% design to make sure all aspects of the design are incorporated. This Task includes the following:

- Prepare draft 95% design drawings and specifications for Replacement Well #4;
- Meet with the City to discuss the design;
- Submission of 95% design to the City for review and comment;
- Submission of 100% design to the City for bidding to qualified drilling contractors;
- Response to questions during Contractor bid preparation;
- Review of bids;
- Acceptance of winning bid; and
- Schedule start of drilling.

Note: In the project fee proposal this Task includes the design of the well. The well pad, pump, wellhead, piping, disinfection system, electrical, instrumentation, supervisory control and data acquisition (SCADA), building, and site improvement elements are described below under Task 21.

Task 17 – Install 6-Inch Test Well, Test Setup and Analysis

Task 4 proposes that a Test Well be completed as part of the installation of Replacement Well #4. The Test Well proposed in this Task is recommended after review of the City's existing Well #4 data. Design and analysis associated with the Test Well is included in the schedule and cost. GHD believes that there is a high probability that the Test Well will confirm the design details appropriate for the installation of Replacement Well #4. The Test Well program results will be used to refine the well design specification such as depth, screen interval(s) and filter pack.

During the Test Well drilling activities, soil samples for sieve analysis and water quality samples will be collected and the analysis will be performed on an expedited turn around. The findings will be used to complete the final design specification for the City and facilitate the procurement of well construction materials. This Task includes the following:

- Observe installation of Test Well;
- Analysis of the geophysical log of the Test Well boring;
- Review of soil sample sieve analysis;
- Design and review of contractor aquifer permeability testing;
- Design and review of water quality sampling and analysis; and
- Well screen design adjustments based on Test Well sieve analysis.

Assumptions: This Task anticipates three days of on-site observation during the installation of the Test Well for the collection of soil samples for sieve analysis and lithologic logging of the boring. It also includes two additional days of on-site time during the setup and performance of the aquifer permeability tests. It includes equipment such as a transducer and a depth to water meter needed for permeability testing. The costs assume that the drilling contractor will manage the discharge of groundwater and fluids during these tests. Laboratory fees will be billed directly to the City. The drilling contractor will subcontract for the sieve analysis and geophysical log of the Test Well. GHD will collect the water samples and submit these to the City's preferred laboratory for analysis. The City can provide up to 3 short term site visits during test pumping by the drilling contractor for the purpose of verifying contractor adherence to the test pumping procedures developed by GHD. The purpose of this test pumping is to obtain high quality groundwater samples and to gain an estimation of aquifer hydraulic conductivity.

Task 18 – Replacement Well #4 Installation

The installation of a municipal well is a complex process where on-site observation is required at critical times. This Task is related to observation of the drilling contractor during key events and responding to the conditions which are encountered. It is not necessary that GHD technical staff be on-site for all drilling activities. This Task includes the following:

- Review of procurement of well screen and casing by drilling contractor;
- Observe pilot hole installation and provide verification of aquifer material;
- Observation of Replacement Well #4 casing installation;
- Observation of well seal placement; and
- Observation of the development of Replacement Well #4 at start and end of these activities.

Assumptions: This Task includes five days of on-site observation during the installation of the pilot boring and installation of the well casing. The costs assume that the drilling contractor will manage the drill cuttings and discharge of drilling fluids during the installation. The drilling contractor is also responsible for coordinating required drilling permits and regulatory well inspections.

Task 19 – Aquifer (Pump) Testing and Pump Design Refinement

After Replacement Well #4 is installed and developed the well driller will install a temporary pump and run a step-drawdown aquifer pumping test. This test will be followed by a constant rate aquifer test that will range in duration from 24 to 72 hours depending on site conditions. GHD will set up and monitor test equipment installed in the Test Well and Replacement Well #4 during these aquifer tests. GHD will analyze the aquifer test data and provide this analysis in the final report. The aquifer test results will also be used by GHD to refine the pump design as needed and to finalize the permit documents.

- Replacement Well #4 aquifer/step and constant rate pumping tests and analysis
- Production pump size design refinement

Assumptions: This Task includes five days of on-site observation during the aquifer testing process. GHD assumes that the Test Well will remain in place for use after the installation of Replacement Well #4. It is assumed that Replacement Well #4 will be installed 30 to 50 feet from the Test Well. The Test Well remains for future use during operation of Replacement Well #4. Both Replacement Well #4 and the Test Well will be monitored during the pumping tests. GHD will review the area near the wells to identify potential observation wells. Monitoring of these wells may be completed as an additional task. The costs assume that the drilling contractor will manage the discharge of groundwater during the test. This test is performed for 24 to 72 hours. GHD assumes that the City will provide up to six (6) short term site visits to verify that the contractor is adhering to the test protocol developed by GHD. These visits may need to be conducted after or before normal working hours.

Task 20 – Replacement Well #4 Project Reporting and Closeout

Project reporting includes documenting the activities performed during the well installation and testing. This information is also used to complete the CDPH permitting process.

- Prepare final well installation report including as-built drawings.
- Finalize and submit CDPH permit documents.

Task 21 – Replacement Well #4 Site, Building and Utility Design

The completion of this task tracks concurrently with the design and installation of Replacement Well #4 and completion of the design of New Well #9. Replacement Well #4 and New Well #9 construction documents will be integrated into a single package for bidding purposes. The well site, building, distribution piping, utilities and treatment design includes the following elements:

- Site topographic survey
- Geotechnical investigation and report
- Basis of Design technical memorandum
- Well head and appurtenances
- Pump sizing and selection
- Site demolition, clearing and grubbing
- Site improvements (excavation, grading, paving, fencing & gates)
- Yard piping valves and appurtenances
- Finalize design of wood frame chlorination and control building
- Chlorination system
- Building HVAC mechanical system
- Electrical, interior and exterior lighting, instrumentation and SCADA for the well pump and chlorination system
- Coordination with the City Electrical Department for the electrical service, and
- Connection to the existing distribution main located in Lorraine Street.

Based on the outcome of the Design Charrette and subsequent meetings and discussions regarding the chlorination system, the City has selected the Arden TriChlor tablet chlorination system for Replacement Well #4 and New Well #9. This system will be incorporated into the project design, along with other elements documented in the Basis of Design technical memorandum.

The structural and architectural design of the New Well #9 chlorination and control building was completed to approximately a 60% design level. It is assumed that this building design will be retained and utilized for the chlorination and control building for the Replacement Well #4.

Task 21.1 – Topographic Mapping and Boundary Survey (Subconsultant: Rau & Associates)

This task includes performing a topographic field survey which may be accomplished by a combination of GPS and conventional surveying methods.

A topographic map of the Well #4 parcel with improvements will be completed. Limits will include features within the fence lines of the existing parcel and out into the street frontage (approximately 50 feet of street in both directions from lot frontage) to show any evidence of overhead or underground utilities and drainage patterns. The existing sanitary sewer pipeline in Lorraine Street from Betty Street south to trunk sewer pipeline in Talmage Frontage Road will also be surveyed to determine its capacity to handle overboard discharges during well operation. A boundary survey of the subject parcel will be performed, corner monuments set or existing fences tagged for reference, and a Record of Survey filed showing the boundary relative to the existing fences.

Task 21.1.1 Data and Records Research; Landowner Contacts

Data and records research services will be performed to support Project design surveys, topographic mapping, location of boundaries, and production of the Record of Survey Map. The City of Ukiah is to supply a current Title Report to discover any easements of record. Data and records research activities will include title analysis, reduction/calculation of record data, and boundary analysis. The adjoining neighbors will be notified that field survey work is being done for the City.

Task 21.1.2 – Field Surveys

Topographic mapping will include the existing improvements on the parcel as well as visible utilities and utility appurtenances (manholes, valve covers, splice boxes, etc.) and the streetscape (curb, gutter, sidewalk on both sides) in front of the parcel. A boundary survey will be done to establish/confirm the limits of the parcel. It is anticipated that the Boundary Survey will have to extend over onto Orchard Avenue and possibly south to Talmage or west to Waugh Lane, since the original subdivision along Lorraine was done in the 1950s. Two days of field surveys is budgeted for this task.

Task 21.1.3 – Office Topographic Mapping

Topographic mapping will be done from the field surveys performed in accordance with applicable City of Ukiah accuracy standards. Topographic base maps will be prepared for the project site as well as the streetscape fronting the project site. Mapping will be provided at a 1 inch = 20 feet horizontal scale with 1-foot contour intervals, using industry standards of accuracy. Up to five hard copies and two CD's of the electronic version of the mapping will be delivered to the City.

Task 21.1.4 – Office Boundary Mapping

Boundary resolution will be performed in the office using field ties to existing monuments. It is anticipated that at least three monuments of record will be found within tolerances sufficient to allow the boundaries to be established. The evidence found will be shown on a preliminary boundary map and the boundary resolved. The resolved boundary shall be added to the topographic map to complete it for design purposes. The Title Report will be studied for any easements of record. If there are any easements of record which cross the subject parcel, they shall be plotted to show the area encumbered.

Task 21.1.5 – Set Boundary Monuments

The boundary will be monumented at the angle points, or if fence posts are at or near the location of the property boundary corner, the fence post will be tagged in lieu of a monument being placed.

Task 21.1.6 – Record of Survey Map

A Record of Survey Map will be prepared and submitted to the Mendocino County Surveyor for map checking. Services to be performed include production of the map, plan check processing, and recordation of the map. Payment of the County's plan check and recordation fees are included in this task.

Task 21.2 – Geotechnical Investigation (Subconsultant: Rau & Associates):

The following geotechnical services will be provided by Geotechnical Subconsultant.

Task 21.2.1 – Private Landowner and Public Agency Notifications

Notification to the adjoining land owners and the County Division of Environmental Health will be provided about the plan to conduct field investigations on City of Ukiah owned property in order to prevent false alarms and concerns about drilling without permits.

Task 21.2.2 – Field Exploration

A geotechnical investigation will be conducted including 3 to 4 borings in the designated area, using a drill rig (appropriately cleaned to prevent contamination) to depths ranging from 10 to 15 feet within the identified Project Area limits for Wellhead Structure. Borings will be used to assess the properties of in-situ subgrade soils (Atterberg Limits, Expansion Index) and to evaluate the potential for adverse conditions such as soft soils or high groundwater. In addition, one soil boring will be drilled up to approximately 35 feet in depth near the proposed wellhead structures to assess potential for liquefaction. It is anticipated that observations of the drilling logs will be sufficient to be able to state that the liquefaction potential is sufficiently low to not require computer evaluation. If computer evaluation of liquefaction potential becomes necessary, the work will be an additional cost to the project and will be authorized by a change to the professional services agreement.

The Geotechnical Subconsultant will log the borings and collect soil samples.

Task 21.2.3 – Geotechnical Laboratory Testing

Laboratory tests will be performed on selected soil samples to evaluate pertinent physical and engineering properties. Tests may include R-Value for the structural section in the yard area around the well and wellhead structures, corrosion potential, maximum wet density of subgrade soils, unconfined compressive strength, and Atterberg (Plasticity Index) limits. Substitute laboratory test may be performed depending on the conditions encountered during field exploration.

The laboratory testing will include one remolded shear test to aid in determining the allowable soil parameters for design of the structures sited on reprocessed fill. Three or four moisture/density tests, four abbreviated hydrometer tests to determine percentage of silt and clay, and one gradation to determine liquefaction potential of a representative gravel lens (if encountered) will complete the testing program.

Task 21.2.4 – Engineering Analysis and Report Preparation

Results of field exploration and laboratory tests, and chemical analysis will be used to determine geotechnical parameters for the planned construction elements of the Project. Recommendations for pavement or gravel surface section designs, trench excavation stability and backfill, and site grading will be provided. A written report will be prepared under the direction of a Registered Civil and Geotechnical Engineer. A section will be included in the geotechnical report for the project to describe conditions encountered and provide design parameters for the wellhead structure foundations, including maximum design bearing pressure and passive pressure for lateral resistance, as well as recommendations for subsurface and surface drainage elements around the structures.

Task 21.2.5 – Plan Check

A review of Project plans and specifications will be performed by Geotechnical Subconsultant for the 100% and Final submittals in order to confirm that the plans and specifications are in general conformance with the findings and recommendations relative to the geotechnical investigation.

Task 21.2.6 – Meetings

Geotechnical Subconsultant's representatives will attend up to two (2) meetings with City of Ukiah to discuss geotechnical issues.

Task 21.3 – Asbestos and Lead Survey Report

This task includes performing a lead and asbestos report prior to the destruction of any above ground structures. Asbestos and lead sampling is not included in this scope of work.

Task 21.4 – Review Background Information

This task includes contacting the various utility providers with utilities within the project limits to request utility information and records, if any, principally to determine the surface and subsurface location of various utilities which may conflict with the improvements. Utility potholing is not included in this scope of work.

GHD will visit the Well # 4 site and surrounding area with the City to assess and document the existing conditions, verify the topographic survey, and site the new chlorination and control building and associated site improvements. Attendance by the lead design engineer and project manager are at two in-person meetings is also included in this task.

Task 21.5 – 95% Design Submittal

GHD will prepare 95% construction contract documents: drawings, specifications, and opinion of probable construction costs for the building and site improvements. Documents will be submitted for City review and comment. The 95% submittal will also be submitted to the Building Department for permit review. GHD will meet with the City to review and confirm comments prior to finalizing the design for bidding.

Task 21.6 – 100% (Final) Design Submittal

Following the 95% design review meeting GHD will finalize the design for public bidding. Construction contract documents for bid will be submitted at the 100% (Final) design level, and will address City comments. The bid submittal will include stamped and signed drawings on Mylar, City front end specifications, technical specifications, and opinion of probable construction cost for the project.

Submittals:

- Topographic Survey Map.
- Easement documents (legal description and plat).
- Geotechnical Investigation Report (3 hard copies, 1 electronic copy).
- 95% Plans, Specifications & Opinion of Probable Cost (3 full-size copies of drawings, specifications, cost, 1 electronic copy).
- 100% (final) Plans, Specifications & Opinion of Probable Cost (1 full-size Mylar copy of drawings, 10 full-size copies of drawings, specifications, cost, 1 electronic copy).

Task 22 – Bid Phase and Construction Engineering Support

GHD will respond to technical inquiries during bidding via written addenda. This scope is based upon the preparation of up to one (1) written addenda related to changes to or interpretations of the Bid Documents and submitting a PDF of the Addendum. CAD drafting time is not included. This Task does not include construction observation or inspection services.

GHD will provide construction engineering support services through the duration of construction.

Task 23 –Construction Management and Observation Services

This task assumes the contractor has been allowed a total of one hundred ten (110) working days for completion of all work under the Construction Contract for the New Well # 9 and Replacement Well #4 site, building, and piping construction. This scope augments Task 11, which is CM and Observation for New Well #9 based on the estimated additional fifty (50) working days of contract time.

Task 23.1 – Pre-Construction

This task includes project administration, coordination, organizing the pre-construction meeting and document pre-construction conditions:

Task 23.1.1 – Project Administration and Coordination

- Budget and schedule tracking
- Provide project and contract oversight

Task 23.1.2 – Schedule and Cost breakdown review

- On-site inspector/observer will review the contractor's schedule and cost breakdown of bid items.

Task 23.1.3 – Pre-Construction Meeting

- Facilitate the pre-construction meeting and discuss issues such as design approach, project concepts, overall project review, and construction procedures.
- Preparation of meeting notes and agenda.
- Coordination with City Staff, City Building Inspector and City utility service providers.

Task 23.1.4 – Photo log/pre-construction inspection

- Photograph documentation of prior conditions.

Task 23.2 – Construction Phase – Construction Management

GHD will coordinate between the Contractor, design team, City of Ukiah, and other parties throughout course of the project. It is assumed that the City will handle and respond to public concerns/complaints.

Task 23.2.1 – Progress Pay Requests

GHD will review Contractor monthly payment requests, negotiate differences in payment quantities, and prepare and submit monthly payment requests to City.

Task 23.2.2 – Project Files

GHD will maintain project records and files.

Task 23.2.3 – Progress Meetings

The On-site observer will attend project meetings and prepare agenda and meeting minutes, as needed. This scope of work assumes one progress meeting per week (up to 12 meetings). The Construction Manager will attend up to 5 meetings.

Task 23.2.4 – Schedule Monitoring

- The observer will monitor the Contractor's construction schedule and progress for adherence to project schedule, coordinate with the Contractor on maintaining activities, notify Contractor of any schedule concerns, review any schedule revisions, and negotiate time extensions.
- Coordinate with the Contractor to provide City staff with sufficient advance notice for any construction activities which may affect or require City resources.

Task 23.2.5 – Submittals

- Coordinate and manage Submittal and Shop Drawings reviews – including maintaining submittal log (up to 12 hours of review and processing time). This scope item also includes an allowance for up to 4 resubmittals.
- Provide technical review and response

Task 23.2.6 – Request for Information/Contract Change Orders (RFIs/CCOs)

- Manage Contractor correspondence including Requests for Information (RFIs), Potential Change Orders (PCOs) and Contractor Change Orders (CCOs) – include technical / engineering assistance & review, maintaining logs, prepare and transmit responses and coordinate with other parties to develop responses.
- Allowance for up to 2 Change Orders and 6 RFIs.

Task 23.2.7 – Oversight

GHD will provide senior level oversight of project, including reviewing progress pay requests, correspondence, meeting minutes, RFIs and CCOs, as needed (up to 2 hours for Principal and 6 hours for Construction Manager).

Task 23.3 – Daily Observation

GHD will provide part-time daily construction observation to document construction progress, site cleanliness, potential future conflicts, and contractor issues.

Task 23.3.1 – Daily Observation

Provide part-time on-site construction observation to check on the Contractor's general conformance with the project plans and specifications. The period of construction will be staffed at ½ time during construction (4 hours a day on site). It is anticipated that the City Building inspector will be present during required Building Department inspections.

- Prepare daily observation reports including digital photo logs of progress
- Maintain job set plans with markup depicted any changes
- Collect and maintain all material tags and testing tags/reports.
- Review traffic control and monitor Contractor daily activities for possible impacts to public – check for adequate noticing in alignment with traffic control set up
- Review Contractor's erosion control plan, check for conformance with the construction documents, and monitor for implementation of BMPs on timely manner

Task 23.4 – Project Closeout

GHD will prepare final project closeout documents including the following:

- Final project summary letter
- Complete project photo log in CD format
- Approved submittals
- Inspection and observation reports
- All materials testing and inspection records and final reports (provided by City and third party inspectors)
- Labor compliance documentation - contractor prevailing wage reports (if required and provided)
- Meeting records

Task 23.4.2 – Record Drawings

Prepare and transmit Record drawings to City, incorporating any field changes, change orders or other changes deemed necessary by the Engineer or City, and existing conditions located by the Contractor. One (1) red-lined bond hard copy with consolidated construction changes will be submitted to the City for their records.

Task 23.4.3 – Notice of Completion/Retention

GHD will assist the City in preparing the Notice of Completion and coordinate payment processing of retention.

Task 24 – Well #4 Destruction

This Task is related to observation of the drilling contractor during key events and responding to the conditions which are encountered in order to ensure correct destruction techniques have been followed. This Task includes the following:

- Review of destruction design by drilling contractor.
- Observation of Well #4 conductor casing and well destruction.

Assumptions: This Task includes two days of on-site observation during the destruction of the existing well. The costs assume that the drilling contractor will manage the drill cuttings and discharge of drilling fluids during the destruction. The drilling contractor is also responsible for coordinating required drilling permits and regulatory inspections.

Proposed Budget

The table below summarizes proposed budget for Replacement Well #4 tasks, efforts completed, and the estimated percent completion as of January 25, 2015. Any efforts that exceed proposed budgets will be managed by GHD such that the overall project budget is not exceeded without prior written approval of the City.

Task No.	Task Name	Original Budget	Proposed Budget	Budget Change	Effort	Budget Remaining	% Complete
14	Well #4 Project Preliminaries	\$0	\$12,942	\$0	\$28,091	(\$15,149)	217%
15	Well #4 Concept Design Drawings	\$0	\$11,607	\$0	\$8,744	\$2,863	75%
16	Well #4 Detailed Well Design and Bid Documents	\$0	\$10,904	\$0	\$21,780	(\$10,876)	200%
17	Well #4 Test Well	\$0	\$12,423	\$0	\$0	\$12,423	0%
18	Well #4 Installation	\$0	\$16,051	\$0	\$0	\$16,051	0%
19	Well #4 Aquifer (Pump) Testing and Pump Design Refinement	\$0	\$7,796	\$0	\$0	\$7,796	0%
20	Well #4 Reporting and Closeout	\$0	\$15,561	\$0	\$0	\$15,561	0%
21	Well #4 Site, Building, and Utility Design	\$0	\$76,667	\$0	\$26,751	\$49,916	35%
22	Well #4 Bid Phase and Construction Engineering Support	\$0	\$5,582	\$0	\$0	\$5,582	0%
23	Well #4 CM / Inspection Services	\$0	\$45,485	\$0	\$0	\$45,485	0%
24	Well #4 Destruction	\$0	\$7,214	\$0	\$0	\$7,214	0%
	TOTAL	\$0	\$222,232	\$0	\$85,366	\$136,866	38%

The table below summarizes the overall budgets that have been utilized through January 25, 2015 toward the Proposed Well #9 project and the Replacement Well #4 project, compared to funds that will be necessary for GHD to complete the design and construction of both Proposed Well #9 and Replacement Well #4.

Project Phase	Cost
Well #9 and Well #4 Rehabilitation Project (Current Contract)	
Original Contract Budget	\$359,610
Authorized Expenditures	\$119,101
Original Contract Budget Remaining	\$240,509
Replacement Well #4 (Proposed Amendment)	
Proposed Amendment Budget	\$222,232
Authorized Expenditures	\$85,366
Proposed Amendment Budget Remaining	\$136,866
Total Project Budget (Contract + Amendment)	\$581,842

Assumptions and Exclusions

This Scope of Services relies upon certain assumptions, based upon the information available at the time of execution of the Agreement, and exclusions. Should these assumptions and exclusions subsequently be found changed or otherwise invalid, the terms of this Agreement, including the scope, schedule, and terms of compensation, shall be modified accordingly by mutual Agreement. The following assumptions and exclusions are essential elements of this Scope of Services:

- Deliverables will be subject to review by the City of Ukiah, and except as otherwise stated herein, will be prepared in accordance with the applicable requirements of each in effect at the time of execution of this Agreement.
- Due to the schedule and emergency nature of the Project and the agencies with approval authority over the Project, changes to the Project or its approval process may occur during the life of the Project, necessitating corresponding changes in the services required to accomplish the Project. Changes to the Project may result from changes in policy by governing or reviewing agencies, in response to public comments, and other causes which cannot reasonably be foreseen at this time. Changes to the approval process or requirements may result from new or revised legislation by governing bodies, or new or revised regulations promulgated by a number or regulatory agencies. It is recognized that should significant changes to the Project or its approval process occur which could not have been foreseen at the time of execution of this Agreement, the scope, schedule, and/or compensation for services to be provided under this Agreement shall be modified accordingly.
- Utility facilities will be accurately located and marked in the field by the respective utility owners prior to commencement of geotechnical explorations.
- It is assumed that the soils encountered in the soil borings will not have significant depths of strata subject to liquefaction. If weak soils are encountered (i.e., standard blow count lower than 7 blows per foot) for any significant depth, additional work may be necessary to determine the effect of seismic forces on the wall and/or fill, as it may cause lurching, seismic consolidation, or liquefaction with resultant differential settlement.
- Cost of Mylar production assumes 40 full-size 22"x34" sheets.
- Construction of Replacement Well #4 site improvements, utilities, building and appurtenances is assumed to require 50 working days. The estimated total number of working days for both Replacement Well #4 and Proposed Well #9 is 110 working days. The actual number working days will be contingent upon the timing of well installation and testing, and final pump selection and availability. A construction hiatus may be required depending upon the pump/motor, VFD and MCC lead time.
- All work involved in preparing and obtaining cooperative agreements and approval of cooperative agreements is excluded.

- Any services associated with the identification, handling, containment, abatement, disposal, or in any other respect related to asbestos or hazardous materials is excluded except as stated in the Scope of Services.
- Preparation of environmental documents and related special studies in support of the project is excluded.
- Materials testing during construction for conformance with contract requirements is excluded.
- Inspection of contractor's work and materials for certification purposes is excluded.

Services Provided by the City

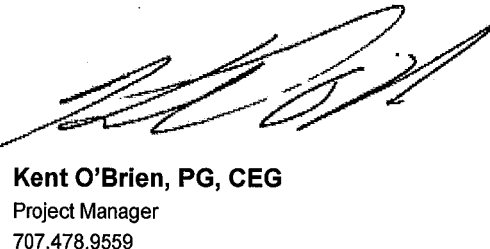
The City of Ukiah will:

1. Provide access to all portions of the Project site, as necessary for base mapping, design of the project, and all associated investigations.
2. Furnish to GHD for use on this project copies of all available previous studies, reports, ordinances, surveys, drawings, existing maps, and utility information applicable to the Project.
3. Locate water, electrical power, sanitary sewer and storm sewer utilities as part of the Underground Service Alert (USA) requirements.
4. GHD shall be entitled to rely upon the accuracy of data and information provided by the City or others without independent review or evaluation.
5. Review and provide comments on submittals provided by GHD.
6. Except as specifically stated otherwise herein, act as Applicant and pay all fees:
 - a. For all required permits, and
 - b. Material testing during construction.
7. Provide for use by GHD current Preliminary Title Reports for all affected properties.
8. Pay all fees, except as specifically stated herein to be included in Basic Services.
9. Provide all required right-of-way appraisal and acquisition services.
10. Prepare and issue all required Notices to Relocate existing utility facilities.
11. Provide after-hours site visits during the pumping of the Test Well and aquifer/pump testing of Replacement Well #4.

Said services are not included within the Scope of Services to be provided by GHD under this Agreement. GHD is committed to the City of Ukiah and the successful completion of this project in 2015. It is our goal to complete the design of the project by April 2015 so the City can advertise for bids and authorize construction during the summer of 2015. Please feel free to contact Kent or me if you have any questions about this proposal or need any additional information.

Sincerely
GHD Inc


Matt Kennedy, PE, TE
Project Director
707.540.3376


Kent O'Brien, PG, CEG
Project Manager
707.478.9559

Attachments:

1. Budget Estimate Spreadsheet
2. GHD Standard Rates



GHD Inc. - PROJECT FEE ESTIMATING SHEET

Project Name: Replacement Well #4 & New Well #9 Project

Prepared by: Kent O'Brien / Matt Kennedy

Job Number: 3411192

Client: City of Ukiah

Date: January 28, 2015

Task / Item		LABOR CATEGORY > RATE >		LABOR COSTS													FEE COMPUTATION			
				PD Matt \$180 /Hr	JM Kent \$195 /Hr	GEO Eliz/Jed \$155 /Hr	GEO Dave \$155 /Hr	Elec Eng. \$175 /Hr	Staff Eng. \$135 /Hr	GEO Crawford \$125 /Hr	Const. Mgmt. \$180 /Hr	Const. Insp. \$160 /Hr	Const. Engr \$160 /Hr	Proj. Coord. \$125 /Hr	CAD \$120 /Hr	WP \$95 /Hr	PA \$95 /Hr	TOTAL HOURS	Expenses And Subs	*OTHER DIRECT COSTS
TASK-14.0 Project Preliminaries and Site Investigation																				
14.1 Surrounding Site Review			1					4									5		\$30	\$725
14.2 Environmental Site Investigation			1					8							1		10		\$60	\$1,375
14.3 Identify Availability of Qualified Contractors			3		5												8		\$48	\$1,408
14.4 Data Review Well #4		2	4			4											14		\$84	\$2,344
14.5 Prepare Drinking Water Source Assessment and Protection		1	1	16	1			16						2	4	1	42		\$252	\$5,977
14.6 General Permitting			1	1				4						1	1	1	8		\$48	\$1,113
SUBTOTAL TASK 14.0		3	11	17	10	0	0	36	0	0	0	0	0	4	4	2	87	\$0	\$522	\$12,942
TASK-15.0 Replacement Well #4 Concept Design Drawings																				
15.1 Preparation of Concept Design Drawings		1	6		16			4						12	4		43		\$258	\$6,408
15.2 Response to City Review of Concept Design Drawings					12									4	2		18		\$108	\$2,638
15.3 Response to Questions and Changes in Contractor Availability			2		12									1	1		16		\$96	\$2,561
SUBTOTAL TASK 15.0		1	8	0	40	0	0	4	0	0	0	0	0	17	7	0	77	\$0	\$462	\$11,607
TASK-16.0 Replacement Well #4 Detailed Well Design and Bid Documents																				
16.1 Prepare 95% Design for Replacement Well #4		1	8	2	12			5						10	8	2	48		\$288	\$6,973
16.2 Submission of 100% Well Design to City for Bidding		1	2		8			8						4	4	1	20		\$120	\$2,885
16.3 Drilling Coordination			2		4			4						6	4		6		\$36	\$1,046
SUBTOTAL TASK 16.0		2	12	2	24	0	0	5	0	0	0	0	0	14	12	3	74	\$0	\$444	\$10,904
TASK-17.0 Install 6-Inch Test Well, Test Setup and Analysis																				
17.1 Test Well Installation / Sieve Testing / Permeability Testing / Sampling		1	3		16			40									60	\$1,000	\$360	\$9,605
17.2 Review of Laboratory Information and Analysis of Data			4		6			8									18		\$108	\$2,818
SUBTOTAL TASK 17.0		1	7	0	22	0	0	48	0	0	0	0	0	0	0	0	78	\$1,000	\$468	\$12,423
TASK-18.0 Replacement Well #4 Installation																				
18.1 Pilot Hole Drilling			1		2			8									11	\$600	\$66	\$2,171
18.2 Well Boring/Reaming Drilling		1	1		4			8									14		\$84	\$2,079
18.3 Casing and Well Seal Installation		1	2		8			32									43	\$800	\$258	\$6,868
18.4 Well Development Observation			1		8			24									33	\$300	\$198	\$4,933
SUBTOTAL TASK 18.0		2	5	0	22	0	0	72	0	0	0	0	0	0	0	0	101	\$1,700	\$606	\$16,051
TASK-19.0 Aquifer (Pump) Testing and Pump Design Refinement																				
19.1 Pumping Test and report			3		3			18									46	\$1,600	\$276	\$7,786
SUBTOTAL TASK 19.0		0	3	0	3	0	0	18	0	0	0	0	0	2	4	4	46	\$1,600	\$276	\$7,786
TASK-20.0 Replacement Well #4 Reporting and Closeout																				
20.1 Prepare Final Report and Record Drawings		4	8		14			14									46		\$276	\$7,196
20.2 Prepare CDPH Permit Application		2	4	20				6						4	8		42		\$252	\$6,122
20.3 Finalize CDPH Permit Application and Well #9 Report		2	4		5			2									13		\$78	\$2,243
SUBTOTAL TASK 20.0		6	16	20	19	0	0	22	0	0	0	0	0	10	8	0	101	\$0	\$606	\$15,561
TASK-21.0 Site, Building, Distribution Piping and Disinfection Design Well #4																				
21.1 Perform Site Topo Survey		1	1		1												7	\$13,224	\$42	\$14,216
21.2 Geotechnical Investigation		1	1		1			2									5	\$11,923	\$30	\$12,733
21.3 Background Info. Site Visit & Meetings		2	2				8			12							20		\$120	\$3,350
21.4 Prepare 95% Design (PS&E)		2	1	2			8						2	72	2	1	186		\$1,116	\$25,516
21.5 Prepare 100% Design (PS&E)		2	1	2			8						2	56	2	1	130		\$1,780	\$18,860
SUBTOTAL TASK 21.0		8	6	4	1	24	160	2	0	12	0	4	132	4	3	360	\$25,147	\$3,160	\$76,667	



GHDI Inc. - PROJECT FEE ESTIMATING SHEET

Project Name: Replacement Well #4 & New Well #9 Project
Prepared By: Kent O'Brien / Matt Kennedy
Job Number: 3411192

Client: City of Ukiah

Date: January 28, 2015

Task / Item		LABOR CATEGORY > RATE >	LABOR COSTS														FEE COMPUTATION			
			PD Matt \$180 /Hr	JM Kent \$195 /Hr	GEO Eliz/Jed \$155 /Hr	GEO Dave \$155 /Hr	Elec Eng. \$175 /Hr	Staff Eng. \$135 /Hr	GEO Crawford \$125 /Hr	Const. Mgmt. \$180 /Hr	Const. Insp. \$160 /Hr	Const. Engr /Hr	Proj. Coord. /Hr	CAD \$120 /Hr	WP \$95 /Hr	PA \$95 /Hr	TOTAL HOURS	Expenses And Subs	*OTHER DIRECT COSTS	TOTAL FEE
TASK- 22.0 Bid Phase and Construction Engineering Support Well #4																				
22.1 Bid Phase Services			1						4							1	6		\$36	\$851
22.2 Construction Engineering Support			4	2			4		16						4	1	31		\$186	\$4,731
SUBTOTAL TASK 22.0			5	2	0	0	0	0	20	0	0	0	0	4	0	2	37		\$222	\$5,582
TASK- 23.0 Construction Management and Inspection Services Well #4																				
23.1 Pre-Construction											2		4				8		\$48	\$1,298
23.2 Construction Management				2							20		4			2	44		\$284	\$7,294
23.3 Daily Observation												200					200		\$2,200	\$34,200
23.4 Project Closeout				1							2		4				18		\$108	\$2,693
SUBTOTAL TASK 23.0			0	3	0	0	0	0	0	24	208	11	18	4	0	2	270	\$0	\$2,620	\$45,485
TASK- 24.0 Well #4 Destruction																				
24.1 Well #4 Destruction Design				2													8		\$48	\$1,178
24.2 Casing and Well Seal Destruction				4			8		24								36	\$800	\$216	\$6,036
SUBTOTAL TASK 24.0			0	6	0	0	0	0	24	0	0	0	0	0	0	0	44	\$800	\$264	\$7,214
REPLACEMENT WELL #4 TASKS 14 THROUGH 24 TOTALS			28	73	43	141	28	192	207	24	220	11	22	187	39	16	1,231	\$ 30,247	\$ 9,650	\$ 222,232
Percentage Hours			2%	6%	3%	11%	2%	16%	17%	2%	18%	1%	2%	15%	3%	1%	100%			

*OTHER DIRECT COSTS include telephone, mileage, printing, photocopies and other miscellaneous direct expenses.



US WEST FEE SCHEDULE

(Effective July 2014)

Hourly Rates

Principal Professional	\$205 - 270
Senior Professional	\$160 - 205
Professional	\$ 90 - 160
Principal Technical Officer	\$140 - 170
Senior Technical Officer	\$115 - 140
Technical Officer / Drafting	\$ 75 - 115
Senior Administrative Officer	\$125 - 180
Administrative Officer	\$ 70 - 125
Senior Service Group Support	\$125 - 180
Service Group Support	\$ 70 - 125
Construction Manager	\$210 - 230
Senior Site Engineer	\$125 - 180
Site Engineer	\$ 85 - 125
Senior Inspector	\$125 - 180
Inspector	\$ 85 - 125
Survey	\$ 60 - 180

Employee time will be billed in accordance with the fees listed above. These rates are subject to change on a semi-annual basis. For other than professional employees, time spent over 8 hours per day, times spend on swing shifts, and time spent on Saturdays will be charged at 1.5 times the hourly billing rate. Work on Sundays will be charged at 2.0 times the hourly billing rate and holiday work will be charged at 2.5 times the hourly billing rate. All field personnel charges are portal to portal. Professional employees will not be charged out a premium charge rates for overtime work.

Expenses and other similar project related costs are billed out at cost plus 15%. The cost of using equipment and specialized supplies is billed on the basis of employee hours dedicated to projects. Our rates are:

Office Consumables	\$ 6.00/hr
Environmental Dept/Construction Inspection consumables	\$11.00/hr
Survey Field consumables	\$15.00/hr
Various Environmental, Construction and Land Survey Equipment	At market

Payment for work and expenses is due and payable upon receipt of our invoice. Amounts unpaid thirty (30) days after the issue date of our invoice shall be assess a service charge of one and one half (1.5) percent per month.

(*) These rates do not apply to forensic-related services, or to work for which Prevailing Wage obligations exist. It is the responsibility of the client to notify GHD Inc. in writing if Prevailing Wage obligations are applicable, in which case the fees will be adjusted proportionate to the increase in labor costs.