RESOLUTION APPROVING THE REAPPOINTMENT OF BALVINO IRIZARRY AND JAMES BISHOP TO THE TUOLUMNE RIVER REGIONAL PARK CITIZEN'S ADVISORY COMMITTEE FOR A FOUR-YEAR TERM, WITH AN EXPIRATION DATE OF JANUARY 1, 2021

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

WHEREAS, Balvino Irizarry was originally appointed to the Tuolumne River
Regional Park Citizens Advisory Committee on July 14, 2015, mid-term, to fill an
existing vacancy and

WHEREAS, James Bishop was originally appointed to the Tuolumne River
Regional Park Citizens Advisory Committee on July 14, 2015, mid-term, to fill an
existing vacancy and

WHEREAS, both Balvino Irizarry and James Bishop have expressed an interest in
continuing to serve as a member of the Tuolumne River Regional Park Citizens Advisory
Committee,

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

1. Balvino Irizarry and James Bishop are hereby reappointed to the Tuolumne
River Regional Park Citizens Advisory Committee for an additional four-year term, with
a term expiration of January 1, 2021.

2. The City Clerk is hereby directed to transmit a copy of this resolution to the
reappointed member of the Tuolumne River Regional Park Citizens Advisory Committee
and the Secretary thereof.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]
STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]
ADAM U. LINDGREN, City Attorney
RESOLUTION APPROVING ENTERING INTO AN AGREEMENT WITH OPENGOV, INC. TO PROVIDE A PLATFORM TO DISPLAY OPEN DATA AND PERFORMANCE METRICS IN ACCORDANCE WITH THE AGREED UPON SCOPE OF WORK; AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, in an effort to support continued transparency on City expenditures and resources, the City Manager’s Office has undertaken an initiative to become a data-driven organization, and

WHEREAS, that initiative requires a citywide collaborative approach to data collection and presentation, making decisions based on that information and presenting the information in a way that is consumable by the public, and

WHEREAS, in researching best practices across the Country, staff came across a program called What Works Cities (WWC) which was launched by Bloomberg Philanthropies in 2015, and

WHEREAS, the Mayor and City Executive staff has met with representatives from WWC for an initial meeting to ensure that there is a fit between organizations and to determine a good partnership to further this effort, and

WHEREAS, WWC standards reflect a set of aspirations and activities that create a strong foundation for the effective use of data and evidence within city government, and

WHEREAS, there is no fiscal impact associated with working with WWC; they provide their service to the City (and governments throughout the Country) through Bloomberg Philanthropies which provides the resources to assist State and Local Governments, and
WHEREAS, the City needs a powerful, integrated technology platform to display information in a way that is both useful and beneficial, and

WHEREAS, the current cost for the financial transparency tool for the OpenGov is approximately $14,000, and

WHEREAS, to upgrade the system to a level needed to further the Open Data and Performance Management initiatives will increase the costs by an additional $50,000 annually with a one-time deployment assistance cost of $15,000, and

WHEREAS, this software will be placed in the IT Internal Service Fund (ISF) and will be distributed throughout the organization as this initiative will touch all areas of the organization, and

WHEREAS, the approximate General Fund cost, including the already procured financial transparency tool, is less than $30,000 annually.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves and authorizes the City Manager or his designee to prepare and execute an agreement with OpenGov, Inc., to provide the financial transparency tool, in a form approved by the City Attorney.
The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDEGREN, City Attorney
RESOLUTION APPROVING A SOLE SOURCE PURCHASE AGREEMENT WITH HSQ TECHNOLOGY, HAYWARD, CALIFORNIA, FOR FURNISHING MAINTENANCE/SUPPORT FOR THE SUPERVISORY CONTROL AND DATA ACQUISITION SYSTEM FOR A THREE (3) YEAR AGREEMENT, WITH TWO (2) ONE-YEAR EXTENSION OPTIONS AT THE SOLE DISCRETION OF THE CITY; FOR AN ESTIMATED ANNUAL COST OF $43,920, AND OVER FIVE (5) YEARS OF $222,900 AND AUTHORIZING THE DIRECTOR OF FINANCE, OR HER DESIGNEE, TO ISSUE THE PURCHASE AGREEMENT

WHEREAS, HSQ is the manufacturer and sole distributor for the City of Modesto SCADA System, they are uniquely qualified to provide maintenance and 24 hours a day/7 days a week software and hardware support for the system and,

WHEREAS, The Wastewater and Water Divisions operate the SCADA System to transmit and receive operational data from over 200 remotely located facilities such as wells, storage tanks, and lift stations and,

WHEREAS, The SCADA System provides for the remote control of equipment as well as real-time monitoring to ensure a rapid response to any abnormal system condition and,

WHEREAS, HSQ is the only vendor that provides HSQ SCADA maintenance and support, staff finds that the justification meets the City’s sole source criteria as identified under the Modesto Municipal Code 8-3.204(b) and

WHEREAS, funds are budgeted in Fiscal Year 2016-17, in Appropriation Units: 4210-44410-53300 (Wastewater Division) and 4100-45050-53300 (Water Division).

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the sole source agreement for furnishing SCADA maintenance and support to with HSQ Technology, Hayward, CA, for an estimated cost of $222,900;
BE IT FURTHER RESOLVED that the Purchasing Manager or his designee is authorized to issue a purchase order.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
RESOLUTION AMENDING THE FISCAL YEAR 2016-17 OPERATING BUDGET AND INCREASING THE CITY’S CONTRIBUTION TO THE TUOLUMNE RIVER REGIONAL PARK JOINT POWERS AUTHORITY BY AN ADDITIONAL $54,231 BRINGING THE CITY’S GENERAL FUND CONTRIBUTION TO $162,693

WHEREAS, the Tuolumne River Regional Park Joint Powers Authority (TRRP JPA) has identified a need for additional revenue to address deferred maintenance items such as tree trimming/removal, Legion Hall Improvements, Bellenita Park Renovation, Mancini Park Renovation and other various parking lot and park improvements, and

WHEREAS, the TRRP Commission has recommended an increase of 50% in the JPA partners’ contributions for Fiscal Year 2016-17, and

WHEREAS, Stanislaus County has adopted a budget for Fiscal Year 2016-17 that includes a 50% increase in their contribution to the TRRP JPA, and

WHEREAS, the City of Ceres has indicated they are not financially able to contribute any more than they have in the past, and

WHEREAS, the TRRP Commission has also recommended the funding be used for tree trimming, support of volunteer efforts and deferred maintenance items, and

WHEREAS, an additional $54,231 from the General Fund Reserves is required to increase the City of Modesto contribution to TRRP JPA by 50%.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves amending the Fiscal Year 2016-17 Annual Operating budget as shown in Exhibit A, which is attached hereto and incorporated by reference herein.

BE IT FURTHER RESOLVED that the Director of Finance, or her Designee, is hereby authorized to increase the City’s contribution to the Tuolumne River Regional
Park Joint Powers Authority by an additional $54,231 bringing the City’s General Fund contribution to $162,693.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Kenoyer, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: ________________________________
              STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ________________________________
       ADAM U. LINDGREN, City Attorney
### Exhibit A – Budget Adjustment

**TRRP Operating Budget**

<table>
<thead>
<tr>
<th>Revenues:</th>
<th>Increase/(Decrease)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6700-80300-42301</td>
<td>$64,837</td>
<td>Intergov – County Contribution/Reimbursement</td>
</tr>
<tr>
<td>6700-80300-43405</td>
<td>$57,231</td>
<td>Intergov – Local – City of Modesto Contribution</td>
</tr>
<tr>
<td>6700-80300-46002</td>
<td>$18,360</td>
<td>Lease of Land</td>
</tr>
<tr>
<td>6700-80300-46007</td>
<td>($2,000)</td>
<td>Ballfield Rental</td>
</tr>
<tr>
<td>6700-80300-46015</td>
<td>$1,500</td>
<td>Picnic Area Rental</td>
</tr>
<tr>
<td>6700-80300-47005</td>
<td>($15,000)</td>
<td>Miscellaneous Revenue</td>
</tr>
<tr>
<td>Total</td>
<td>$124,928</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6700-80300-52015</td>
<td>$750</td>
<td>Printing and Binding</td>
</tr>
<tr>
<td>6700-80300-52150</td>
<td>$700</td>
<td>Custodial and Cleaning Supplies</td>
</tr>
<tr>
<td>6700-80300-52300</td>
<td>$2,900</td>
<td>Tools and Field Supplies &lt;$5,000</td>
</tr>
<tr>
<td>6700-80300-53030</td>
<td>$931</td>
<td>Business Expenses</td>
</tr>
<tr>
<td>6700-80300-53040</td>
<td>$1,000</td>
<td>Electricity Utility Expenses</td>
</tr>
<tr>
<td>6700-80300-53042</td>
<td>($50)</td>
<td>Sewer Utility Expenses</td>
</tr>
<tr>
<td>6700-80300-53043</td>
<td>$3,500</td>
<td>Water Utility Expenses</td>
</tr>
<tr>
<td>6700-80300-53072</td>
<td>$1,000</td>
<td>Rental of Equipment</td>
</tr>
<tr>
<td>6700-80300-53110</td>
<td>$2,800</td>
<td>Repair &amp; Maintenance Services - Vandalism</td>
</tr>
<tr>
<td>6700-80300-53150</td>
<td>$4,000</td>
<td>Repair &amp; Maintenance Services - Real Property</td>
</tr>
<tr>
<td>6700-80300-53300</td>
<td>$79,294</td>
<td>Professional Services</td>
</tr>
<tr>
<td>6700-80300-54200</td>
<td>$6,000</td>
<td>Insurance Premiums</td>
</tr>
<tr>
<td>6700-80300-54500</td>
<td>$7,279</td>
<td>Services City Forces - Interfund</td>
</tr>
<tr>
<td>Total</td>
<td>$99,928</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transfers:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6700-80300-76710</td>
<td>$25,000</td>
<td>Transfer Out to Fund 6710</td>
</tr>
<tr>
<td>6710-80310-66700</td>
<td>$25,000</td>
<td>Transfer In from Fund 6700</td>
</tr>
</tbody>
</table>

**General Fund Contribution**

<table>
<thead>
<tr>
<th>Transfer:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>0100-31020-53504</td>
<td>$54,231</td>
<td>Intergovernmental Services - JPA</td>
</tr>
</tbody>
</table>
RESOLUTION APPROVING AN AMENDMENT CONTRACT WITH MYERS-RADOS, A JOINT VENTURE, OF SANTA ANA, CA, FOR THE NORTH VALLEY REGIONAL RECYCLED WATER PROGRAM PROJECT TO REFLECT THE NEW REQUIREMENTS FOR RECEIVING A CLEAN WATER STATE REVOLVING FUND LOAN

WHEREAS, the North Valley Regional Recycled Water Program (NVRRWP) includes construction of a regional water supply project to deliver recycled water produced by the cities of Modesto and Turlock to the Delta-Mendota Canal (DMC), a major component of the Central Valley Project owned by U.S. Bureau of Reclamation, and

WHEREAS, recycled water will be conveyed from Modesto and Turlock through pipelines from their wastewater treatment facilities, crossing under the San Joaquin River, ending at the DMC, and

WHEREAS, Water in the DMC would then be conveyed directly to Del Puerto Water District (DPWD) turnouts and its customers, and

WHEREAS, in order to achieve an expedited project completion by the December 2017 deadline, City staff selected the Design-Build (D-B) approach, which expedites the design and construction process by combining these services under a single entity, and

WHEREAS, on December 22, 2015, the City issued a Request for Qualifications (RFQ) to invite interested parties to submit their team’s D-B experience and qualifications to create a pre-qualified short-list of proposers, and

WHEREAS, on February 23, 2016, by Resolutions No. 2016-60, 61 and 63, the City Council approved the final short-list, authorized issuance of the Request for
Proposals (RFPs) and designated City Councilmember Bill Zoslocki as the Modesto representative to participate on the selection committee, and

WHEREAS, on August 3, 2016, the City Council approved the award of a D-B construction contract to Myers-Rados, a Joint Venture (MRJV), of Santa Ana to design and construct the NVRRWP project, and

WHEREAS, the final negotiated D-B contract price for the construction of the NVRRWP pipeline and pump station was $40,896,000, and

WHEREAS, on October 12, 2016, during the City’s implementation of the California Clean Water State Revolving Loan Fund (CWSRF) Final Budget Approval (FBA) process, it was determined that additional language was needed within the funding requirements section of the D-B construction contract; and

WHEREAS, the City now needs to amend the D-B construction contract with MRJV to include the additional language required by the State for CWSRF funds; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment to the D-B construction contract for Myers-Rados, a Joint Venture, of Santa Ana, CA for the North Valley Regional Recycled Water Program Project to comply with the State requirements for State Revolving Fund loans.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the contract amendment.
The foregoing resolution was introduced at a regular meeting of the Council of
the City of Modesto held on the 13th day of December, 2016, by Councilmember
Kenoyer, who moved its adoption, which motion being duly seconded by
Councilmember Ah You, was upon roll call carried and the resolution adopted by the
following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: Stephanie Lopez, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: Adam U. Lindgren, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2016-498

RESOLUTION ESTABLISHING A RESIDENTIAL PARKING PERMIT ZONE FOR THE 400 AND 500 BLOCK OF MYRTLE AVENUE BETWEEN COLDWELL AVENUE AND STODDARD AVENUE IN ACCORDANCE WITH MODESTO MUNICIPAL CODE SECTION 3-2.1900, AS AUTHORIZED BY CALIFORNIA VEHICLE CODE (CVC) SECTION 22507(a)

WHEREAS, California Vehicle Code Section 22507 (a) states that local authorities, by ordinance or resolution may establish residential parking permit (RPP) zones, and

WHEREAS, City staff received two separate petitions containing the valid signatures of at least sixty seven percent (67%) of the residents and owners of real property located in the College Area Neighborhood Association (CANA) to establish a RPP zone as shown in Exhibit A along the 400 and 500 block of Myrtle Avenue between Coldwell Avenue and Stoddard Avenue, and

WHEREAS, this RPP zone is referred to as MJC East #1, and

WHEREAS, City Council approved Resolution No 2015-480 establishing a RPP zone pilot program for the MJC East #1 zone in accordance with the Modesto Municipal Code Section 3-2.1900 and deferred the parking permit fees pending a comprehensive residential parking permit zone study for the Modesto Junior College neighborhood, and

WHEREAS, studies were conducted before and after implementation of the pilot program, and

WHEREAS both staff and residents concluded that the establishment of the Myrtle Avenue Residential Parking Permit Zone has resulted in a dramatic reduction of the non-resident vehicle impacts, and
WHEREAS, because the pilot program for MJC – East #1 was successful, staff recommends the establishment of the RPP zone, and

WHEREAS, representatives of the residents of MJC – East #1 have met with City staff and agreed to the conditions as described in Ordinance No.3665-C.S., with one exception that residents that were included in the pilot program would not have to pay the $40.00 initial permit fee due to their participation in the pilot program but would only pay the $25.00 annual renewal fee, and

WHEREAS, the days and hours of operation for the MJC East #1 RPP zone will be Monday through Friday from 8:00 AM to 6:00 PM, and

WHEREAS, residents can apply and purchase one (1) annual permit per registered vehicle with a maximum of two (2) permits per residential address and up to two (2) annual guest permits per residential address, and

WHEREAS, the City shall charge fees for the RPP zone as by Resolution, which fee amount may be adjusted by subsequent actions of the City Council, and,

WHEREAS, the Council held a public hearing at its regular meeting on December 13, 2016, to consider establishing a residential parking permit zone for the 400 and 500 block of Myrtle Avenue, between Coldwell Avenue and Stoddard Avenue also known as MJC East #1,
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that the following findings of necessity are made and declared as follows:

1. The area proposed for designation has unique residential parking problems due to the nature, location, frequency and duration of activities causing said problems, outweighs the needs of the general public for access to the area;

2. The boundaries of the residential parking permit zone shall be the 400 and 500 block of Myrtle Avenue between Coldwell Avenue and Stoddard Avenue as described in Exhibit A, attached hereto and hereinafter incorporated by reference.

BE IT FURTHER RESOLVED, that the establishment of a residential parking permit zone referred to as MJC – East #1 for the 400 and 500 block of Myrtle Avenue between Coldwell Avenue and Stoddard Avenue in accordance with Modesto Municipal Code Section 3-2.1900, as authorized by California Vehicle Code Section 22507(a) and all procedures and regulations relating to the RPP zone, as set forth in Modesto Municipal Code section 3-2.1900 et seq., shall apply to this RPP zone which shall be known as MJC East #1. This Resolution shall become effective upon the same effective date of Ordinance No.3665-C.S., which shall be December 13, 2016.
The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: 

ADAM U. LINDGREN, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2016-499

RESOLUTION ESTABLISHING A FEE SCHEDULE FOR ALL RESIDENTIAL PARKING PERMIT ZONES (RPP) WITHIN THE CITY LIMITS OF MODESTO AND RESCINDING RESOLUTION NO. 91-593 IN ITS ENTIRETY, RESOLUTION NO. 91-594 PARAGRAPH 7 AND RESOLUTION NO. 2014-182 SECTIONS #4 THROUGH #10 RELATED TO PARKING PERMIT ZONE FEES

WHEREAS, on September 17, 1991, the Council of the City of Modesto introduced and adopted Ordinance 2788-C.S., codified as Modesto Municipal Code Section 3-2.1900 et seq., permitting the creation of RPP zones within the City, and

WHEREAS, said ordinance provides that the Council may from time to time establish fees for residential parking permits required by residents in any Residential Parking Permit (RPP) Zone, and

WHEREAS, the basis of the fee is to recover a portion of the City’s costs for the permits and the administration costs of managing the (RPP) program, and

WHEREAS, Council adopted Resolution 91-594 (Amended in part by Resolution 91-622), which established an RPP zone in the area of Modesto High School and established a one time, ten dollar ($10) fee for residents in that RPP zone, and

WHEREAS, Council adopted Resolution 91-593, which established a one time, ten dollar ($10) fee for residents in any RPP zone, and

WHEREAS, Council adopted Resolution 2014-182, which established an RPP zone in the area of Downtown Zone #1 and Fee Schedule along the Front and Side Frontages of 1128 11th Street, and

WHEREAS, a time study was completed by staff to determine the appropriate fees for all the RPP zones, and
WHEREAS, the City Manager or his or her designee, has the discretion to apply any surplus revenues resulting from parking enforcement within the zone to be applied to the maintenance and administration of such zone and may include an (annual) credit to be applied towards the price of the Residential permit fees of those residents that participated in the program the previous 12 months, and

WHEREAS, the Council held a public hearing at its regular meeting on December 13, 2016, to consider establishing the recommended Fee Schedule for all RPP zones within the City of Modesto, which schedule is attached hereto as Exhibit “A” and incorporated herein by this reference,

NOW, THEREFORE, BE IT RESOLVED that the Council hereby adopts said Residential Parking Permit Fee Schedule.

BE IT FURTHER RESOLVED that Resolution No. 91-594, adopted on September 17, 1991, paragraph number 7 related to fees; Resolution No 91-593, adopted on September 17, 1991, in its entirety; and Resolution 2014-182, adopted on May 13, 2014 Sections #4 through #10 (Paragraph Six (6)) related to fees are hereby-rescinded and replaced by this new RPP Fee Schedule which shall become effective upon the same effective date of Ordinance No.3665-C.S., which shall be December 13, 2016,
The foregoing documents were introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST:  

SEAL

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
"Exhibit A"

<table>
<thead>
<tr>
<th>Residential Parking Permit Program Fee Schedule</th>
<th>Proposed Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Annual Residential Permit</td>
<td>$40.00</td>
</tr>
<tr>
<td>Renewal of Annual Residential Permit</td>
<td>$25.00</td>
</tr>
<tr>
<td>* Initial and Renewal includes 5 Daily Guest Permits</td>
<td></td>
</tr>
<tr>
<td>Annual Guest Permit</td>
<td>$25.00</td>
</tr>
<tr>
<td>Daily Guest Permit</td>
<td>$2.00</td>
</tr>
<tr>
<td>Permit Replacement - Lost, Stolen or Damaged</td>
<td>$25.00</td>
</tr>
<tr>
<td>Administrative Dismissal Fee (Failure to Display Permit)</td>
<td>$25.00</td>
</tr>
</tbody>
</table>
RESOLUTION AMENDING THE PARKING VIOLATION FINE SCHEDULE TO ESTABLISH A FINE AMOUNT FOR PERMIT MISUSE AND INCREASE AN EXISTING FINE AMOUNT FOR NO RESIDENTIAL PARKING PERMIT RELATED TO SECTION 3-2.1904 OF THE MUNICIPAL CODE, AND RESCINDING RESOLUTION NO. 2009-240

WHEREAS, the California Vehicle Code, Section 40203.5 provides that local Government bodies shall establish fines for parking law violations and amend them from time to time, and

WHEREAS, Resolution No 2009-240 related to Fine Schedule for Parking Violations was adopted by Council on June 02, 2009, and

WHEREAS, the Effective Government Committee met on October 25, 2016, and

WHEREAS, the Effective Government Committee directed staff to survey various surrounding cities that have Residential Parking Permit Programs, and

WHEREAS, the survey findings show the current penalty for a “No Parking Permit” fine is 20% less than the average city, and

WHEREAS, staff recommends that the current fine amount of $38.00 be increased by $12.00 for a new fine amount of $50.00, and

WHEREAS, staff also recommends establishing a fine amount for “Permit Misuse” such as counterfeiting, altering, displaying a permit on a vehicle that the permit is not intended, for the purpose of evading the parking regulations applicable in a residential area, and
WHEREAS, staff recommends that a fine of $500.00 be implemented for a Permit Misuse violation, and

WHEREAS, the intent of the fines is to deter drivers from parking in permitted zoned neighborhoods that already struggle with overpopulated streets from non-residents, and

WHEREAS, Council held a public hearing at its regular meeting on December 13, 2016, to consider establishing a new Fine Schedule attached hereto as “Parking Violations Exhibit E” and hereinafter incorporated by reference, related to Title 3, Chapter 2, Article 19 “Residential Parking Permit Zones,” of the Municipal Code as,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby adopts said Fine Schedule for Parking Violations within the City of Modesto, to establish a new fine amount of $500.00 for Permit Misuse and increase an existing fine amount to $50.00 for fines related to violations of Title 3, Chapter 2, Article 19 “Residential Parking Permit Zones,” of the Municipal Code, which become effective upon the same effective date of Ordinance No.3665-C.S., which shall be December 13, 2016.

BE IT FURTHER RESOLVED that Resolution No 2009-240, adopted by Council on June 2, 2009, is hereby rescinded in its entirety, effective upon the same effective date of Ordinance No. 3665-C.S., which shall be December 13, 2016.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ah You, who moved its adoption, which motion being duly seconded by Councilmember Zoslocki, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDGREN, City Attorney
## City of Modesto Parking Violation Fines

<table>
<thead>
<tr>
<th>Violation Description</th>
<th>Current Fines</th>
<th>Proposed Fines</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-2 819 Removal of Chalk Marks</td>
<td>$55.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 812 Obstructing Intersections and Crosswalks</td>
<td>$35.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 814 Leaving Unattended Vehicle</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1002 Use of Streets for Storage of Vehicles Prohibited (72 Hour Parking)</td>
<td>$108.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1004 Standing for Loading Only in Alleys (passengers 3 min and materials 20 min)</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1005A Parallel Parking Parked Wrong Way</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1005B Parallel Parking (16) inches</td>
<td>$32.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1005C Angle Parking (16) inches</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1006 Parking of Commercial Vehicles in Residential Districts</td>
<td>$36.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1007 Stopping or Parking Prohibited (Signs Required)</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1008 Emergency Signs - No Parking (a)</td>
<td>$32.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1008 Driving or Parking on Parks, Playgrounds and City Property (a,b)</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1010C Parking on Sidewalk</td>
<td>$45.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1011 Parked On Private Property without Consent Prohibited</td>
<td>$46.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1017 Parked in Fire Lane</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1101 (1), (2), (3),(4) Curb Markings - Zone Parking Red, Yellow, White, Green</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1101.5 No Stopping Parking Blue Zone</td>
<td>$358.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1130 Unauthorized Parking of Curb</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1131 Stopping, Standing for Loading or Unloading Only</td>
<td>$32.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1132 Stopping, Standing or Parking of Vehicles in Roadway</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1201 Parking Restricted or Prohibited</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1202 Overtime Parking Time Limited</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1263 Parking Prohibited at Certain Times on Certain Streets (a, b,c)</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1204 Parking Out of Space (on street)</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1235 Violen Obstruction - Parking Prohibited (Signs Required)</td>
<td>$56.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1301 Truck Routes (a,b)</td>
<td>$38.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1605 Method of Parking - Parked Behind into Metered Stall (on-street)</td>
<td>$63.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1604 Overtime Parking in Meter Zone (a,b)</td>
<td>$32.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1611 Parking Commercial Veh in Meter Zone</td>
<td>$56.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1605C Obstruction to Signs Posted</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1607 City Reserved Parking - Off Street Parking Lots</td>
<td>$33.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1608 Parking In Designated Spaces (off street)</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 1604 No Residential Parking Permit (a)</td>
<td>$36.00</td>
<td>$32.00</td>
</tr>
<tr>
<td>3-2 1604 Residential Parking Permit Mission (c, d, e)</td>
<td>None</td>
<td>$508.00</td>
</tr>
<tr>
<td>3-2 2006 Oversized Vehicles - Parking Prohibited</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 2007 Trailers-Parking Prohibited (a, b)</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
<tr>
<td>3-2 2008 Oversized Vehicles w Permit</td>
<td>$43.00</td>
<td>No Change</td>
</tr>
</tbody>
</table>

### Violation Descriptions

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Fines</th>
</tr>
</thead>
<tbody>
<tr>
<td>5200 (a) Display of License Plates</td>
<td>$197.00</td>
</tr>
<tr>
<td>5200 (b) License Plates</td>
<td>$197.00</td>
</tr>
<tr>
<td>5201 (a) Allowed License Plate Displayed</td>
<td>$253.00</td>
</tr>
<tr>
<td>5202 (a) Period of Display of License Plates Specified</td>
<td>$197.00</td>
</tr>
<tr>
<td>5204 (a) Registration Tabs</td>
<td>$198.00</td>
</tr>
<tr>
<td>21711 (a) Bike Lane</td>
<td>$48.00</td>
</tr>
<tr>
<td>4600 (a) Registration Required</td>
<td>$285.00</td>
</tr>
<tr>
<td>4602 (b) Unlawful Evidence of Registration</td>
<td>$197.00</td>
</tr>
<tr>
<td>4484 (a) Alterred License Plate Displayed</td>
<td>$197.00</td>
</tr>
<tr>
<td>22500 (a) Blocking Driveway</td>
<td>$48.00</td>
</tr>
<tr>
<td>22501 (a) Lowered Curb  Wheelchair Access</td>
<td>$283.00</td>
</tr>
<tr>
<td>22502 (a) Parking within an Intersection</td>
<td>$198.00</td>
</tr>
<tr>
<td>22505 (a) Parked in Bus Zone</td>
<td>$283.00</td>
</tr>
<tr>
<td>21116 (a) Parked on Levee or Canal</td>
<td>$48.00</td>
</tr>
<tr>
<td>22503 (a) Double Parked</td>
<td>$53.00</td>
</tr>
<tr>
<td>22511 (a) (b) Parked in Charging Electric Vehicle Space</td>
<td>$113.00</td>
</tr>
<tr>
<td>22514 (a) Fire Hydrant</td>
<td>$43.00</td>
</tr>
<tr>
<td>22507 (a-d) Violation of Disabled Parking Provisions</td>
<td>$208.00</td>
</tr>
<tr>
<td>22502 (a) Parked Near Sidewalk Access for Disabled</td>
<td>$358.00</td>
</tr>
</tbody>
</table>
RESOLUTION APPROVING A CAPITAL FACILITIES FEES EXEMPTION AGREEMENT BETWEEN THE CITY OF MODESTO AND STANISLAUS COUNTY AFFORDABLE HOUSING CORPORATION FOR FOUR (4) ONE-BEDROOM PERMANENT SUPPORTIVE UNITS FOR PERSONS WITH SERIOUS MENTAL ILLNESS WHO ARE HOMELESS OR AT RISK OF HOMELESSNESS, IN A FORM APPROVED BY THE CITY ATTORNEY, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE AGREEMENT

WHEREAS, the City of Modesto Capital Facilities Fees (CFF) Program was established in 1989, and

WHEREAS, the current CFF Policies and Procedures state, with respect to very low and low income housing exemptions, the total number of housing exemptions granted are not to exceed two percent (2%) of the cumulative total CFF program housing units, and

WHEREAS, the CFF Policies and Procedures also allow a Community Housing and Development Organization (CHDO) to submit an application and request CFF be waived on new affordable units for households earning sixty (60%) or less of the Area Median Income, and

WHEREAS, since 1989, a total of 13,913 residential building permits have been issued of which 678 were granted CFF exemptions, and

WHEREAS, when the CFF Program was established, it was assumed the total number of residential units programmed to be constructed at build-out would be 129,163, and

WHEREAS, when considering the total number of units to be constructed at build-out, only 0.52% of the programmed units have received exemptions.
WHEREAS, on September 13, 2016, Stanislaus County Affordable Housing Corporation (STANCO) submitted a CFF Exemption Application for its project located at 522 E. Granger Avenue, Modesto (Project),

WHEREAS, the Project will provide four one-bedroom permanent supportive units (approximately 706 sq. ft./ea.) for persons with serious mental illness who are homeless or at risk of homelessness, and

WHEREAS, the Project will be affordable to low and very low income households and will have a fifty-five year affordability covenant, and

WHEREAS, staff reviewed STANCO’s CFF Exemption Application and found it complies with the CFF Policies & Procedures as all four units will be affordable to very low and low income households, and

WHEREAS, staff has confirmed STANCO is an approved CHDO.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the use of a Capital Facilities Fees exemption Agreement between the City of Modesto and Stanislaus County Affordable Housing Corporation for four (4) one-bedroom permanent supportive units for persons with serious mental illness who are homeless or at risk of homelessness and authorizes staff and the City Attorney’s office to prepare the Agreement.

BE IT FURTHER RESOLVED that the City Manager, or his designee, is hereby authorized to execute the Agreement in a form approved by the City Attorney.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Ah You, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDGREN, City Attorney
RESOLUTION APPROVING A WATER CAPACITY FEE STUDY PREPARED BY BARTLE WELLS ASSOCIATES AND ADOPTING WATER CAPACITY FEES, EFFECTIVE MARCH 1, 2017

WHEREAS, the City of Modesto provides water service to over 73,000 accounts consisting of residential, multi-family, commercial, and industrial customers located within the City of Modesto as well as Salida, Empire, Grayson, Del Rio, and portions of Ceres and Turlock; and

WHEREAS, the City’s water utility is a self-supporting utility enterprise primarily funded by customer revenues such as water service rates and water connection fees and capacity charges; and

WHEREAS, Section 11-1.03 of the Modesto Municipal Code authorizes the City Council to establish, by resolution, charges for connecting a property to the City’s water system to fund a proportionate share of the cost of constructing and maintaining the City water system to ensure the availability of service for new connections; and

WHEREAS, water capacity charges (also called capacity fees or connection fees) are a one-time charge levied on new and expanded residential and commercial developments seeking to connect to the City’s water system that account for the costs associated of expanding capacity to serve new development, as well as existing development seeking to connect to City water service for the first time; and

WHEREAS, water capacity charges must be adopted pursuant to the Mitigation Fee Act (“the Act,” Gov. Code § 66000 et seq.) which authorizes public agencies to impose capacity fees on development projects to defray some, or all, of the costs of public improvements related to those projects; and
WHEREAS, the City engaged Bartle Wells Associates ("BWA"), to prepare a study calculating updated capacity fees in compliance with the Act and based upon the estimated costs of providing existing and new capacity to serve new development and new connections by existing development to the water system; and

WHEREAS, on December 13, 2016, the City Council held a lawfully noticed public hearing to consider the proposed water capacity charges.

FINDINGS

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Modesto hereby finds as follows:

(A) The foregoing recitals are true and correct and made a part of this Resolution.

(B) The City of Modesto Water Capacity Fee Study, prepared by BWA, dated November 2016 (Exhibit A) ("Study"), is approved by Council and is incorporated by reference as part of this Resolution, as if set forth fully herein.

(C) The documents and other material constituting the record for these proceedings are located and available during regular business hours at the City of Modesto, Utilities Division, 1010 10th Street, Modesto, California.

(D) The water capacity fee set forth in this Resolution, is a "capacity charge" as that term is defined in Government Code Section 66013(b)(3), the purpose of which is to finance the repair and replacement of existing water facilities to provide water service to new development and new connections to the water system by existing development; to upgrade and construct new water facilities to expand capacity to accommodate impacts caused by and ensure adequate water services to new development in the City and new
connections by existing development; and to pay for the costs of creating existing water capacity available to serve new development and new connections by existing development.

(E) The water capacity charges set forth in this Resolution, as demonstrated in the Study, do not exceed the estimated reasonable cost of ensuring the availability of adequate water supply to new development and existing development connecting to the service for the first time. There is a reasonable relationship between the use of the water capacity charges set forth in this Resolution and the type of development projects on which such charges are imposed in that all development in the City—both residential and non-residential—generates or contributes to the need for the water facilities and improvements listed in the Study. There is a reasonable relationship between the need for the facilities and improvements listed in the Study and the type of development projects on which the water capacity charges set forth in this Resolution are imposed in that new development in the City—both residential and non-residential—will generate persons who live, work and/or shop in the City and who generate or contribute to the need for the facilities and improvements listed in the Study.

(F) Collection, management, and expenditure of the water capacity charge will comply with the requirements of Government Code section 66013, because as demonstrated in this Resolution, the charge and any interest accrued will be deposited in a separate fund, and the City will annually report on the monies collected and expended.

(G) In adopting and imposing the water capacity charge, the City has complied with the procedures for adoption described in Government Code sections 66016, 66017, and 66018, because the City held a lawfully noticed public hearing on December 13,
2016, at which oral and written presentations could be made, the proposed water capacity charge is to be adopted by Resolution, and the proposed water capacity charge will not become effective until March 1, 2017, which is more than sixty (60) days from the date of the public hearing

BE IT FURTHER RESOLVED, by the Council of the City of Modesto as follows:

1. **DEFINITIONS.** For the purposes of this Resolution the definitions set forth below shall apply, except as provided herein or as context requires a different meaning.

   (A) Capacity Charge or Capacity Fee shall mean a one-time charge to be paid by or on behalf of a prospective user of the City’s water service for new or modified facilities existing in or planned to be added to the City Water System and existing facilities in the City Water System that have water capacity available for new development and for existing development connecting to the City Water System for the first time, minus Deficiencies. Capacity Fee and Capacity Charge are used interchangeably in this Resolution and the Study.

   (B) City Water System shall mean the City’s physical assets dedicated to the provision of water to the public for human consumption, including assets for the collection, treatment, pumping, storage and distribution of water under the control of the City’s operator.

   (C) Connection shall mean the attachment of a meter and pipe facilities to the City Water System for one or more water service uses.
(D) Deficiencies shall mean water facilities required by law, or recommended by generally recognized authority, as being necessary to the provision of a modern, safe, adequate water system of the City’s size, with prudent reserves of quantity, pressure and transmission infrastructure to meet reasonably foreseeable contingencies that are absent from the City Water System at any particular point in time.

(E) Director shall mean the City officer(s) or designee(s) in charge of utilities.

(F) Facilities shall mean those facilities that are described in the Study and that are necessitated in whole or in part by new connections to the water system or expansions of existing connections. “Facilities” shall also include comparable alternative facilities should later changes in projections of development in the region necessitate construction of such alternative facilities; provided that the City Council later determines in accordance with applicable law (1) that the alternative facilities are comparable to the facilities listed in the Study, and (2) that revenue from fees charged pursuant to this Resolution will be used only to pay the fee payors’ fair and proportionate share of the alternative facilities.
2. **WATER CAPACITY CHARGE IMPOSED.** A Water Capacity Charge for all new development and all existing development connecting to water service for the first time is hereby imposed in the amounts set forth in the following table, based upon the meter size of the service:

<table>
<thead>
<tr>
<th>City of Modesto</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Capacity Charges</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Ratio</th>
<th>Capacity Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 inch</td>
<td>1.00</td>
<td>$2,202</td>
</tr>
<tr>
<td>1 inch</td>
<td>1.67</td>
<td>$3,671</td>
</tr>
<tr>
<td>1.5 inch</td>
<td>3.33</td>
<td>$7,341</td>
</tr>
<tr>
<td>2 inch</td>
<td>5.33</td>
<td>$11,746</td>
</tr>
<tr>
<td>3 inch</td>
<td>11.67</td>
<td>$25,695</td>
</tr>
<tr>
<td>4 inch</td>
<td>21.00</td>
<td>$46,250</td>
</tr>
<tr>
<td>6 inch</td>
<td>43.33</td>
<td>$95,437</td>
</tr>
<tr>
<td>8 inch</td>
<td>80.00</td>
<td>$176,191</td>
</tr>
<tr>
<td>10 inch</td>
<td>126.67</td>
<td>$278,970</td>
</tr>
<tr>
<td>12 inch</td>
<td>166.67</td>
<td>$367,065</td>
</tr>
</tbody>
</table>

3. **DIRECTOR AUTHORITY.** Because the Water Capacity Charges adopted by this Resolution are lower than the currently approved capacity fees, except for the Capacity Fee for a 10-inch meter, the Director is hereby authorized to charge the new Capacity Charges for all meter sizes other than a 10-inch meter between the adoption date of this Resolution and the date the fees are effective.

4. **PAYMENT OF CAPACITY CHARGE.** The Capacity Charge set forth above shall be paid at the time a building permit is issued for a building or structure making a new or increased connection to the City Water System. In those cases in which a building or structure already exists, the Capacity Charge shall be collected at the time at which a plumbing permit is issued to connect the building or structure to the City Water System.
System. The Council may, by resolutions adopted from time to time, establish conditions under which a capacity fee may be spread over time and paid in installments.

5. ADJUSTMENT OF WATER CAPACITY FEES FOR INFLATION. The Director shall have the authority, on an annual basis, effective July 1, 2018 and each July 1 thereafter, to adjust the Water Capacity Charges established by this Resolution by an amount not to exceed the annual percentage increase reported in the month of April in the Construction Cost Index found in the Engineering News Record for the San Francisco region.

6. ACCOUNTING. In accordance with Government Code Section 66013(c) the revenues raised by payment of the Water Capacity Charge shall be placed into a fund, which shall be a separate, interest bearing account to permit accounting for such revenues and the interest which those revenues generate. The City shall annually report to the public regarding Water Capacity Charge revenue as required by Government Code Section 66016(d). The information required pursuant to this section may be included in the City’s annual financial report.

7. USE OF WATER CAPACITY CHARGE REVENUE. Consistent with Government Code Section 66013(c), revenues from the Water Capacity Charges and interest thereon shall be used only for the purposes for which the Water Capacity Charge was collected, which are the following:

(a) To pay for acquisition of the Facilities;

(b) To pay for design, engineering, construction of and property acquisition for, and reasonable costs of outside consultant studies related to, the Facilities;
(c) To reimburse the City for the Facilities constructed by the City with funds from sources other than the revenues derived from the Water Capacity Charge including funds from other public entities, unless such funds were obtained from grants or gifts intended by the grantor to be used for the Facilities.

(d) To reimburse persons that have designed and constructed any of the Facilities with prior City approval and have entered into a related agreement with the City; and

(e) To pay for and/or reimburse costs of program development and ongoing administration of the Water Capacity Charge program, including, but not limited to, the cost of studies, legal costs, and other costs of adopting and updating the Water Capacity Charge.

8. EFFECT OF ADOPTION OF RESOLUTION. This Resolution shall supersede all previous resolutions adopting or amending water capacity charges, except that Section 10A of Resolution No. 2005-282, as amended and restated by Resolution No. 2005-492, shall continue in effect and apply to the administration of the Water Capacity Charges adopted by this Resolution.

9. EFFECTIVE DATE. This Resolution shall be effective immediately upon adoption. The Water Capacity Charges approved by this Resolution shall become effective on March 1, 2017.

10. SEVERABILITY. The fees, charges, and all portions of this Resolution are severable. Should any of the fees or any portion of this Resolution be adjudged to be invalid and unenforceable by a body of competent jurisdiction, the remaining rates, charges, or portions of this Resolution shall be and continue in full force and effect,
except as to those fees, charges, or portions of the Resolution that have been adjudged invalid. This City Council declares that it would have adopted this Resolution and each part of it irrespective of the invalidity of any particular portion thereof and intends that the invalid portions should be severed and the balance of this Resolution be enforced.

The foregoing Resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Kenoyer, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
City of Modesto
WATER CAPACITY FEE STUDY

Draft Report
November 15, 2016
TABLE OF CONTENTS

SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY ................................................................. 1
1.1 Background ............................................................................................................................... 1
1.2 Recommended Water Capacity Fee ......................................................................................... 3

SECTION 2: ALLOCATION OF FACILITIES .................................................................................. 4
2.1 Methodology ............................................................................................................................. 4
2.2 Capital Improvements Costs and Allocation ............................................................................. 4
2.3 Cost Recovery ............................................................................................................................ 5

SECTION 3: PROPOSED FEE ............................................................................................................. 7
3.1 Capacity Unit Costs ................................................................................................................... 7
3.2 Recommended Water Capacity Fees ....................................................................................... 8
3.3 Residential Capacity Fee Impacts ............................................................................................ 9
3.4 Non-residential Capacity Fee Impacts ................................................................................... 10

Appendix A: Detailed Capital Improvement Plan

LIST OF TABLES

Table 1-1: Current and Proposed Water Capacity Fees .................................................................. 3
Table 2-1: Capital Project Summary and Allocation ....................................................................... 6
Table 3-1: Cost of Capacity ........................................................................................................... 7
Table 3-2: Meter Equivalents ......................................................................................................... 8
Table 3-3: Proposed Capacity Fees .............................................................................................. 9

LIST OF FIGURES

Figure 1: Capacity Fee Study Process .......................................................................................... 2
Figure 2: Single Family Residential Water Capacity Fee Survey .................................................. 10
Figure 3: Non-residential Water Capacity Fee Survey ................................................................ 11
SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY

1.1 Background

The City of Modesto (City) currently provides water service to over 73,000 accounts throughout the City of Modesto, Salida, Empire, Grayson, Del Rio, and portions of Ceres (Walnut Manor) and Turlock. The City of Modesto’s water sources are groundwater and treated surface water purchased from the Modesto Irrigation District. In May of 2016, West Yost Associates completed the 2016 Water System Engineer’s Report for the City which identifies water system capital improvements over the next five years. The Engineer’s Report also allocates the benefit of each capital improvement project to existing customers and future development based on engineering professional judgment. Accompanying the Engineer’s Report, the City and West Yost Associates developed a longer-term capital plan, which provides capital funding needs through build-out in 2050. The long-term capital plan serves as the basis for the capacity fees calculated in this report.

The City of Modesto uses an average cost method to develop its monthly water rates and water system capacity fees. Monthly water rates are calculated to recover the costs of operations, maintenance, and capital improvements to correct deficiencies. Capacity fees, also called connection fees or development impact fees, recover the cost of providing capacity in water system infrastructure to new customers. The unit cost of capacity is the same for all new customers regardless of service area – i.e. a new 1 inch connection in the City of Modesto pays the same capacity fee as a new 1 inch connection in the Grayson service area, for example. This approach reflects how the City manages the water utility and conducts its master planning. The City’s administration, engineering, and master planning groups are shared functions provided out of the Modesto City offices. Furthermore, the City pools its capital improvement funding from all service areas into one account. This approach avoids a potential mismatch in timing between when capital projects need to be constructed and when the City collects capacity fee revenue. This approach allows the City to front the cost of capacity expansion projects and be paid back over time via capacity fees from all service areas.

The City of Modesto’s water system capacity costs consist of new capital improvement projects and a buy-in to existing infrastructure with capacity to serve new development. The buy-in cost includes a portion of the expense needed to rehabilitate existing water system assets. Over the next 34 years, the City intends to fund approximately $564 million in water system capital improvements (based on 2016 dollars). These improvements include projects throughout all City service areas. About 91% of the capital funding amount will be used to address existing deficiencies in the system, ensuring maintenance of service for existing users, and will be funded through water system rate revenues. The remaining 9% of the capital improvement projects are rehabilitation or expansion projects that will benefit new customers connecting to the system through build-out. Rehabilitation and expansion-related projects will be funded by the water capacity fees calculated in this report. The cost of those projects is therefore included in the calculation of the water capacity fees.
The recommended capacity fee includes a buy-in to the City's existing water infrastructure such as wells, pipelines, and the surface water treatment plant, because those elements of the system have capacity to serve new development. The City's investment in the Phase 2 expansion of the surface water treatment plant totals approximately $107 million, consisting of construction costs net of settlement revenues paid by the plant's construction manager. The City funded the expansion to provide long-term stable water supply to supplement the City's groundwater sources. 67% of the Phase 2 surface water treatment plant cost is allocated for recovery from the water system capacity fee, representing new development's share of the cost of those improvements. As described above, under the average cost method, water system infrastructure costs across all service areas are included in capacity fee calculation.

A summary of the capacity fee study process is provided in Figure 1. As described above, the Engineer's Report established the cost of capital improvements benefitting new customers. Added to the projects is the value of existing capacity in the surface water treatment plant available for new development. To calculate the fee, the value of facilities allocated to growth (existing and planned) is divided by the capacity available for growth (existing and planned) resulting in a unit cost of capacity expressed as $/gallon per day of average day demand. The unit cost of capacity is then applied to the assumed demand of various meter sizes to calculate the recommended capacity fees for each meter size that the City offers to new development.

---

**Figure 1: Capacity Fee Study Process**

- **Step 1 - Determine the Cost of Facilities for Fee Recovery**
  - Determine the recoverable cost of facilities benefitting new development that will be recovered by the capacity fee

- **Step 2 - Determine the Capacity of Facilities**
  - Determine the capacity of facilities identified in Step 1

- **Step 3 - Calculate the Unit Costs of Capacity**
  - Calculate the unit cost of capacity for average day demand by dividing the costs identified for fee recovery in Step 1 by the capacity of those facilities identified in Step 2

- **Step 4 - Apply the Unit Costs to the Capacity Needs of New Development**
  - Apply the unit cost of capacity to the infrastructure capacity needs of new development to determine the maximum capacity fee that may be charged
1.2 Recommended Water Capacity Fee

The recommended water system capacity fees are provided in Table 1-1, shown below. For new residential customers, the City-standard connection is a 1 inch meter. The typical residential, 1 inch meter, capacity fee is proposed to be reduced from $5,702 (current) to $3,671 (recommended). All other meter sizes except the 10 inch meter are also proposed to receive fee decreases. The decreases vary from -3% to -36% based on meter size. The 10 inch meter fee is proposed to increase by 6%. The variability in the fee changes is due to how the fees are scaled based on meter size, with the proposed fees representing no more than the estimated reasonable cost of providing new development with water capacity. The proposed fees calculated in this report are scaled based on the maximum demand of each meter size based on American Water Works Association estimates.

It should be noted that the City no longer offers 3/4 inch meters to new connections. Existing customers who have 3/4 inch meters will continue to be charged for monthly water service consistent with the City’s rate schedule.

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Current Capacity Fee</th>
<th>Proposed Capacity Fee</th>
<th>Change ($)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 inch</td>
<td>$2,282</td>
<td>$2,202</td>
<td>($80)</td>
<td>-3%</td>
</tr>
<tr>
<td>1 inch</td>
<td>$5,702</td>
<td>$3,671</td>
<td>($2,031)</td>
<td>-36%</td>
</tr>
<tr>
<td>1.5 inch</td>
<td>$11,406</td>
<td>$7,341</td>
<td>($4,065)</td>
<td>-36%</td>
</tr>
<tr>
<td>2 inch</td>
<td>$18,247</td>
<td>$11,746</td>
<td>($6,501)</td>
<td>-36%</td>
</tr>
<tr>
<td>3 inch</td>
<td>$36,494</td>
<td>$25,695</td>
<td>($10,799)</td>
<td>-30%</td>
</tr>
<tr>
<td>4 inch</td>
<td>$57,023</td>
<td>$46,250</td>
<td>($10,773)</td>
<td>-19%</td>
</tr>
<tr>
<td>6 inch</td>
<td>$114,044</td>
<td>$95,437</td>
<td>($18,607)</td>
<td>-16%</td>
</tr>
<tr>
<td>8 inch</td>
<td>$182,470</td>
<td>$176,191</td>
<td>($6,279)</td>
<td>-3%</td>
</tr>
<tr>
<td>10 inch</td>
<td>$262,301</td>
<td>$278,970</td>
<td>$16,669</td>
<td>6%</td>
</tr>
<tr>
<td>12 inch</td>
<td>$490,389</td>
<td>$367,065</td>
<td>($123,324)</td>
<td>-25%</td>
</tr>
</tbody>
</table>
SECTION 2: ALLOCATION OF FACILITIES

Bartle Wells Associates worked closely with City staff and West Yost Associates to review water system improvement capital costs and to determine an appropriate methodology for the calculation of the water capacity fee.

2.1 Methodology

In developing the Engineer’s Report, West Yost Associates identified capital improvement projects to rehabilitate existing infrastructure and to expand capacity to serve growth. The Engineer’s Report also identified specific projects to correct deficiencies—such as strengthening and replacing existing water mains—that will solely benefit current customers. Rehabilitation projects improve existing infrastructure so that facilities can continue to provide service through build-out and serve both existing and future customers. An example rehabilitation project is the City-side downstream improvements to the Phase 2 surface water treatment plant. The project will improve current low pressure conditions and distribute additional treated surface water to new customers. Capacity expansion projects are triggered by the increased demands of new development. These projects would not be needed absent growth and are allocated 100% to future customers. Based on the categorization of capital improvement projects, BWA recommends the incremental approach for calculation of the water capacity fee.

Incremental Approach (Buy-in + Expansion): Under this approach, new connections buy-in for the remaining share of capacity in existing facilities available to serve growth, plus pay for future expansion-related improvements needed to meet the capacity needs of growth through projected build-out.

- **Cost of Existing and New Capacity (Numerator):** The cost of the estimated percentage of existing facilities available to serve growth (including a share of rehabilitation expenses) plus the cost of anticipated expansion-related capital improvements (in current dollars).

- **Capacity of Existing and New Facilities (Denominator):** Capacity in existing facilities available for growth plus additional capacity from the completion of expansion projects.

The proposed methodology recovers all capacity costs related to growth and avoids charging new development for existing system capacity costs that benefit existing users. The buy-in portion of the fee recovers new customers’ share of the existing water infrastructure, including rehabilitation costs and the surface water treatment plants, and the expansion portion of the fee recovers the cost of future projects needed to serve growth.

2.2 Capital Improvements Costs and Allocation

The 2016 Water System Engineer’s Report provides a five-year capital improvement plan for the City of Modesto’s water utility. In developing the report, the City also conducted long-term master planning through build-out in the year 2050. The long-term capital improvement costs and allocation to existing and future customers are provided in Table 2-1. The table represents planned construction costs in 2016.
dollars through 2050 (estimated as of June 16, 2016\textsuperscript{1}) plus the value of improvements to the surface water treatment plant, a portion of which are necessary to provide water service to new development. More detailed project information is available in Appendix A. For more information regarding the surface water treatment plant’s capacity available for growth, please see the 2016 Draft Water Master Plan. The total value of water system facilities used as the basis of the capacity fee is $671.2 million, of which about $123.8 million or 18% is allocated to growth.

2.3 Cost Recovery

The capital improvement costs allocated to existing customers will be funded via rate revenues from current customers, existing water enterprise cash reserves, miscellaneous non-rate revenues, and new debt. The costs allocated to future customers, including expansion costs and a portion of rehabilitation costs, will be recovered from capacity fees paid by new customers as they connect to the water system. In anticipation of new development, the City intends to construct projects to expand capacity for new customers and rates are calculated including the cost of those projects. The City would initially fund these projects via capital reserves and/or municipal debt. As new customers connect to the water system and pay their capacity fees, the City will utilize the fee revenue to replenish its capital reserve and/or make debt service payments. To the extent feasible, capacity expansion projects are funded from capacity fee revenue over time, using expansion project reserves or fees collected as new customers connect.

The City’s practice is to separately account for capacity expansion projects and capacity fee revenue. In the event that capacity expansion reserves funds are insufficient for capacity expansion projects, the City’s practice is to use other water enterprise reserve funds or debt financing for those projects. When it uses other water enterprise funds to finance capacity expansion projects, the City uses capacity fees collected to repay the account that advances the funds.

\textsuperscript{1} The final draft of the 2016 Water System Engineer’s Report water published May 2016. The capital improvement costs shown in this report were further revised and are current as of June 16, 2016.
Table 2-1: Capital Project Summary and Allocation
City of Modesto
Water Capacity Fee Study

<table>
<thead>
<tr>
<th>Project</th>
<th>Project Cost</th>
<th>Existing User Benefit %</th>
<th>Future User Benefit %</th>
<th>Existing Benefit $</th>
<th>Future Benefit $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surface Water Treatment Plant - Phase 2 Expansion</td>
<td>$106,708,000</td>
<td>33.3%</td>
<td>66.7%</td>
<td>$35,569,000</td>
<td>$71,139,000</td>
</tr>
<tr>
<td>Category 2: City-Side Downstream Improvements to MRWTP Phase Two Expansion</td>
<td>$21,206,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$15,905,000</td>
<td>$5,302,000</td>
</tr>
<tr>
<td>Category 3: Improvements for South Modesto</td>
<td>$13,202,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$9,902,000</td>
<td>$3,301,000</td>
</tr>
<tr>
<td>Category 4: Water Quality Related Studies</td>
<td>$1,030,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$1,030,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 5: SCADA System Upgrades</td>
<td>$5,276,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$5,276,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 6: New Corporation Yard</td>
<td>$9,864,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,864,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 7: Existing Tank Improvements</td>
<td>$9,375,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,375,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 8: Extend Water Mains</td>
<td>$18,979,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$18,979,000</td>
</tr>
<tr>
<td>Category 9: Strengthen and Replace Water System</td>
<td>$250,211,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$250,211,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 10: Install New Wells</td>
<td>$51,558,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$38,669,000</td>
<td>$12,890,000</td>
</tr>
<tr>
<td>Category 11: Wellhead Treatment</td>
<td>$50,210,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$50,210,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 12: Purchase &amp; Install New Generators</td>
<td>$3,814,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,814,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 13: Water System Security Enhancements</td>
<td>$2,062,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$2,062,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 14: Groundwater Management Program</td>
<td>$2,642,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,982,000</td>
<td>$661,000</td>
</tr>
<tr>
<td>Category 15: Urban Water Management Plan</td>
<td>$709,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$532,000</td>
<td>$177,000</td>
</tr>
<tr>
<td>Category 16: Water Master Plan</td>
<td>$10,591,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$7,943,000</td>
<td>$2,648,000</td>
</tr>
<tr>
<td>Category 17: Water System Evaluation</td>
<td>$5,147,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$3,860,000</td>
<td>$1,287,000</td>
</tr>
<tr>
<td>Category 18: New Water Tanks</td>
<td>$20,700,000</td>
<td>64.0%</td>
<td>36.0%</td>
<td>$13,248,000</td>
<td>$7,452,000</td>
</tr>
<tr>
<td>Category 19: Water Meters</td>
<td>$69,047,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$69,047,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 21: New or Replacement Pumps</td>
<td>$15,439,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$15,439,000</td>
<td>$0</td>
</tr>
<tr>
<td>Category 22: Utility Cuts</td>
<td>$3,431,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,431,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Total Planned Capital Project Costs (Current Dollars)</strong></td>
<td><strong>$671,201,000</strong></td>
<td></td>
<td></td>
<td><strong>$547,370,000</strong></td>
<td><strong>$123,836,000</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>82%</td>
<td>18%</td>
</tr>
</tbody>
</table>
SECTION 3: PROPOSED FEE

3.1 Capacity Unit Costs

Table 3-1 develops the unit cost of water system capacity for new connections based on the value of capital improvements allocated to growth (developed in the previous section) and the capacity available for future connections. The 2016 Water System Engineer's Report determined that the water system will serve 89.3 million gallons per day (mgd) of average day demand at buildout in the year 2050. The current capacity is 67.0 mgd and capacity that will be available for growth after the completion of capital improvements described in the 2016 Water System Engineer's Report is 22.3 mgd. The expansion related capital improvement value of $123.8 million divided by 22.3 mgd results in a unit cost of $5.55 per gallon per day of average day demand.

<table>
<thead>
<tr>
<th>Current Capacity of Water System [1]</th>
<th>67.0  mgd</th>
<th>75%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capacity Available for Growth</td>
<td>22.3  mgd</td>
<td>25%</td>
</tr>
<tr>
<td>System Buildout Capacity [1]</td>
<td>89.3  mgd</td>
<td></td>
</tr>
<tr>
<td>Expansion Related Capital Improvements</td>
<td>$123,836,000</td>
<td></td>
</tr>
<tr>
<td>Cost of Capacity</td>
<td>$5.55 per gpd</td>
<td></td>
</tr>
</tbody>
</table>

Single Family Residential Capacity Fee Calculation

<table>
<thead>
<tr>
<th>Average Day Demand</th>
<th>661     gpd</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Capacity</td>
<td>$5.55 per gpd</td>
</tr>
<tr>
<td>Total Capacity Fee per Dwelling</td>
<td>$3,671</td>
</tr>
</tbody>
</table>

1 – from 2016 Water System Engineer's Report; buildout in 2050
mgd - million gallons per day
gpd - gallons per day

For planning purposes, the City uses an average day demand of 661 gallons per day per single family residential connection. The City's 2015 Urban Water Management Plan developed a water use target of 228 gallons per capita per day for the year 2020 to comply with Senate Bill X7-7. Per City planning standards, the typical single family home in the City of Modesto is assumed to house 2.9 people. The per capita demand multiplied by the number of people per house results in an average day demand of about 661 gallons per residence. This demand represents a long-term design standard for the City of Modesto. Actual water use per customer may vary based on occupancy, family size, and weather conditions. However, an average day demand of 661 gallons per single family dwelling represents the
standard that the City will use to plan, engineer, and design the water system into the future. Based on the unit cost of capacity developed in Table 3-1, the typical single family water capacity fee is calculated as $3,671.

### 3.2 Recommended Water Capacity Fees

As described in the Water Rate and Fee Study dated May 26, 2016, system capacity and demand related costs are allocated to customers based on meter equivalents. The American Water Works Association (AWWA) developed meter equivalents or meter capacity ratios based on the maximum flow rate of various meter sizes. Maximum flow rate is used as a proxy for demand or capacity that the service connection occupies. The City’s smallest meter size, the 5/8 inch, is one meter equivalent and larger meter sizes are scaled to the capacity of the 5/8 inch meter. AWWA meter equivalents are provided in Table 3-2. The City no longer offers 3/4 inch meters to new customers. 3/4 inch meter capacity fees are not included in this report.

<table>
<thead>
<tr>
<th>Table 3-2: Meter Equivalents</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Modesto</td>
</tr>
<tr>
<td>Water Capacity Fee Study</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Maximum Flow (gallons per minute)</th>
<th>Equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 inch</td>
<td>30</td>
<td>1.00</td>
</tr>
<tr>
<td>1 inch</td>
<td>50</td>
<td>1.67</td>
</tr>
<tr>
<td>1.5 inch</td>
<td>100</td>
<td>3.33</td>
</tr>
<tr>
<td>2 inch</td>
<td>160</td>
<td>5.33</td>
</tr>
<tr>
<td>3 inch</td>
<td>350</td>
<td>11.67</td>
</tr>
<tr>
<td>4 inch</td>
<td>630</td>
<td>21.00</td>
</tr>
<tr>
<td>6 inch</td>
<td>1,300</td>
<td>43.33</td>
</tr>
<tr>
<td>8 inch</td>
<td>2,400</td>
<td>80.00</td>
</tr>
<tr>
<td>10 inch</td>
<td>3,800</td>
<td>126.67</td>
</tr>
<tr>
<td>12 inch</td>
<td>5,000</td>
<td>166.67</td>
</tr>
</tbody>
</table>

The typical residential water capacity fee calculated in Table 3-1 is the appropriate fee for new 1-inch meter connections and represents an estimate of the reasonable cost of providing water system capacity to a typical new single-family residence. Per City policy, new single residential customers will be connected to the water system via 1 inch meters at minimum. The 1 inch meter size is needed to provide capacity for domestic use plus flow for fire sprinklers. The capacity fees for smaller and larger water meters are scaled based on AWWA meter capacity ratios and represent an estimate of the reasonable cost of providing water capacity for each size of meter relative to the estimated reasonable cost of providing water capacity for a 1 inch meter.
The proposed water capacity fees are shown in Table 3-3. The 1 inch meter fee is proposed to decrease from $5,702 (current) to $3,671 (recommended). Adjustments to the other capacity fees vary by meter size. The reason for this variability is likely due to the meter ratios used to calculate the fees. The recommended fees are based on AWWA meter ratios.

### Table 3-3: Proposed Capacity Fees
City of Modesto
Water Capacity Fee Study

<table>
<thead>
<tr>
<th>Meter Size</th>
<th>Meter Ratio</th>
<th>Proposed Capacity Fee</th>
<th>Current Capacity Fee</th>
<th>Change ($)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/8 inch</td>
<td>1.00</td>
<td>$2,202</td>
<td>$2,282</td>
<td>($80)</td>
<td>-3%</td>
</tr>
<tr>
<td>1 inch</td>
<td>1.67</td>
<td>$3,671</td>
<td>$5,702</td>
<td>($2,031)</td>
<td>-36%</td>
</tr>
<tr>
<td>1.5 inch</td>
<td>3.33</td>
<td>$7,341</td>
<td>$11,406</td>
<td>($4,065)</td>
<td>-36%</td>
</tr>
<tr>
<td>2 inch</td>
<td>5.33</td>
<td>$11,746</td>
<td>$18,247</td>
<td>($6,501)</td>
<td>-36%</td>
</tr>
<tr>
<td>3 inch</td>
<td>11.67</td>
<td>$25,695</td>
<td>$36,494</td>
<td>($10,799)</td>
<td>-30%</td>
</tr>
<tr>
<td>4 inch</td>
<td>21.00</td>
<td>$46,250</td>
<td>$57,023</td>
<td>($10,773)</td>
<td>-19%</td>
</tr>
<tr>
<td>6 inch</td>
<td>43.33</td>
<td>$95,437</td>
<td>$114,044</td>
<td>($18,607)</td>
<td>-16%</td>
</tr>
<tr>
<td>8 inch</td>
<td>80.00</td>
<td>$176,191</td>
<td>$182,470</td>
<td>($6,279)</td>
<td>-3%</td>
</tr>
<tr>
<td>10 inch</td>
<td>126.67</td>
<td>$278,970</td>
<td>$262,301</td>
<td>$16,669</td>
<td>6%</td>
</tr>
<tr>
<td>12 inch</td>
<td>166.67</td>
<td>$357,065</td>
<td>$490,389</td>
<td>($123,324)</td>
<td>-25%</td>
</tr>
</tbody>
</table>

### 3.3 Residential Capacity Fee Impacts

Figure 2 provides a survey of single family residential water capacity fees of local agencies. There are two common practices for assessing fees from residential connections: 1) fees are charged based on meter size or 2) fees are charged on a dwelling unit basis, regardless of meter size. Figure 2 provides two entries for agencies that charge fees based on meter size – one entry is the fee for the smallest meter size offered by the agency and the second entry is the fee for a 1 inch meter. Similar to the City of Modesto, many public agencies are adopting a 1 inch meter standards for new residential customers to accommodate demand from a fire sprinkler. However, some communities may allow smaller residential meter sizes if fire sprinklers are not present. To account for potential differences in policies across jurisdictions, fees for multiple meter sizes are presented in Figure 2.

The City of Modesto’s 1 inch water capacity fee is currently on the lower end of surveyed agency fees. With the proposed decrease, the City’s fee would be the lowest after the City of Sacramento’s residential fees.
Figure 2: Single Family Residential Water Capacity Fee Survey

3.4 Non-residential Capacity Fee Impacts

Figure 3 provides a survey of non-residential water capacity fees for an example office, restaurant, and warehouse. The City of Modesto's current non-residential fees are in the mid-range of the fees of surveyed agencies. The City of Modesto's proposed fees would be in the lower to mid-range of surveyed fees.
Figure 3: Non-residential Water Capacity Fee Survey

Water Capacity Fee Survey
2,000 square foot office served by a 1" meter

<table>
<thead>
<tr>
<th>City</th>
<th>Fee (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>River</td>
<td>2,000</td>
</tr>
<tr>
<td>Modesto</td>
<td>3,057</td>
</tr>
<tr>
<td>Modesto (proposed)</td>
<td>5,702</td>
</tr>
<tr>
<td>Turlock</td>
<td>5,102</td>
</tr>
<tr>
<td>Manteca</td>
<td>4,800</td>
</tr>
<tr>
<td>East Lathrop</td>
<td>3,900</td>
</tr>
<tr>
<td>Patterson</td>
<td>2,600</td>
</tr>
<tr>
<td>Waterford</td>
<td>1,472</td>
</tr>
</tbody>
</table>

* 1" meter or smaller; the total fee is comprised of a water grid fee plus a franchise fee (100 feet)

Water Capacity Fee Survey
3,000 square foot restaurant served by a 1.6" meter

<table>
<thead>
<tr>
<th>City</th>
<th>Fee (in $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>River</td>
<td>2,000</td>
</tr>
<tr>
<td>Modesto</td>
<td>7,341</td>
</tr>
<tr>
<td>Modesto (proposed)</td>
<td>11,016</td>
</tr>
<tr>
<td>Turlock</td>
<td>10,540</td>
</tr>
<tr>
<td>Manteca</td>
<td>9,000</td>
</tr>
<tr>
<td>East Lathrop</td>
<td>6,240</td>
</tr>
<tr>
<td>Patterson</td>
<td>4,900</td>
</tr>
<tr>
<td>Waterford</td>
<td>2,200</td>
</tr>
</tbody>
</table>

* The total fee is comprised of a water grid fee plus a franchise fee (100 feet)
Water Capacity Fee Survey
10,000 square foot warehouse served by a 4" meter

* The total fee is composed of a water grid fee plus a franchise fee (e.g., 300 feet)

City of Modesto - Water Capacity Fee Study 2016
# Appendix A: Detailed Capital Improvement Plan

<table>
<thead>
<tr>
<th>Category</th>
<th>Project Description</th>
<th>Project Cost</th>
<th>Existing User Benefit %</th>
<th>Future User Benefit %</th>
<th>Existing Benefit $</th>
<th>Future Benefit $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surface Water Treatment Plant</strong></td>
<td><strong>Phase 2 Expansion</strong></td>
<td>$106,708,000</td>
<td>33.3%</td>
<td>66.7%</td>
<td>$35,569,000</td>
<td>$71,139,000</td>
</tr>
<tr>
<td><strong>Category 2: City-Side Downstream Improvements to MRWTP Phase Two Expansion</strong></td>
<td><strong>4 MG Industrial Tank/12 mgd Booster Pump Station</strong></td>
<td>$10,924,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$8,193,000</td>
<td>$2,731,000</td>
</tr>
<tr>
<td></td>
<td><strong>Codoni Transmission Mains</strong></td>
<td>$2,100,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,575,000</td>
<td>$525,000</td>
</tr>
<tr>
<td></td>
<td><strong>Yosemite Transmission Mains (Lapham Drive to 7th &amp; B St)</strong></td>
<td>$8,182,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$6,137,000</td>
<td>$2,046,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$21,206,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$15,905,000</td>
<td>$5,302,000</td>
</tr>
<tr>
<td><strong>Category 3: Improvements for South Modesto</strong></td>
<td><strong>Downstream Improvements for South Modesto Tank</strong></td>
<td>$6,522,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$4,892,000</td>
<td>$1,631,000</td>
</tr>
<tr>
<td></td>
<td><strong>7th Street River Crossing to South Modesto</strong></td>
<td>$950,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$713,000</td>
<td>$238,000</td>
</tr>
<tr>
<td></td>
<td><strong>New Transmission and River Crossing for So Modesto Tank (Morgan Rd)</strong></td>
<td>$5,730,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$4,298,000</td>
<td>$1,433,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$13,202,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$9,903,000</td>
<td>$3,302,000</td>
</tr>
<tr>
<td><strong>Category 4: Water Quality Related Studies</strong></td>
<td><strong>Water Quality Studies</strong></td>
<td>$1,030,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$1,030,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$1,030,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$1,030,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Category 5: SCADA System Upgrades</strong></td>
<td><strong>SCADA System Upgrades</strong></td>
<td>$5,276,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$5,276,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$5,276,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$5,276,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Category 6: New Corporation Yard</strong></td>
<td><strong>On-site Improvements</strong></td>
<td>$9,864,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,864,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$9,864,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,864,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Category 7: Existing Tank Improvements</strong></td>
<td><strong>Interior &amp; Exterior Recoats, Structural Repairs</strong></td>
<td>$9,375,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,375,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$9,375,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,375,000</td>
<td>$0</td>
</tr>
<tr>
<td><strong>Category 8: Extend Water Mains</strong></td>
<td><strong>Kiernan Water Main (Sisk - Stoddard)</strong></td>
<td>$1,308,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,308,000</td>
</tr>
<tr>
<td></td>
<td><strong>Kiernan Ave (Stoddard to Dale)</strong></td>
<td>$1,964,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,964,000</td>
</tr>
<tr>
<td></td>
<td><strong>Litt Road (Grogan Park to New Corp Yard)</strong></td>
<td>$2,060,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$2,060,000</td>
</tr>
<tr>
<td></td>
<td><strong>Dale Rd to S. Kiernan</strong></td>
<td>$2,022,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$2,022,000</td>
</tr>
<tr>
<td></td>
<td><strong>Bangs Rd - Dale to Carver.</strong></td>
<td>$1,813,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,813,000</td>
</tr>
<tr>
<td></td>
<td><strong>Woodland Ave - Morse to Carpenter</strong></td>
<td>$1,600,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>Project</td>
<td>Project Cost</td>
<td>Existing User Benefit %</td>
<td>Future User Benefit %</td>
<td>Existing Benefit $</td>
<td>Future Benefit $</td>
<td></td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>--------------</td>
<td>--------------------------</td>
<td>-----------------------</td>
<td>--------------------</td>
<td>-----------------</td>
<td></td>
</tr>
<tr>
<td>Brinks Ave - Shoe-maker to North Ave</td>
<td>$1,800,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,800,000</td>
<td></td>
</tr>
<tr>
<td>Bangs Rd - Carver to North Tank</td>
<td>$1,200,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$1,200,000</td>
<td></td>
</tr>
<tr>
<td>Roselle - between Claribel to Claratina</td>
<td>$2,212,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$2,212,000</td>
<td></td>
</tr>
<tr>
<td>Buildout System Transmission Grid Pipeline Recommendations</td>
<td>$3,000,000</td>
<td>0.0%</td>
<td>100.0%</td>
<td>$0</td>
<td>$3,000,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$18,979,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 9: Strengthen and Replace Water System</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parklawn</td>
<td>$2,313,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$2,313,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Pike's Park</td>
<td>$3,900,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,900,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>La Loma Neighborhood El Vista to Riverside</td>
<td>$10,040,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$10,040,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Highway Village</td>
<td>$3,200,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,200,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Paradise/Ohio/Grimes</td>
<td>$5,018,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$5,018,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>La Loma Phase 2 and 3</td>
<td>$9,474,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$9,474,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>South Modesto Phase 3</td>
<td>$2,898,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$2,898,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>South 9th Street Industrial Area Phase 2</td>
<td>$3,225,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,225,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>SR 132 Water Main Replacement</td>
<td>$1,588,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$1,588,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Outlying Water System Improvements (Grayson)</td>
<td>$1,950,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$1,950,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Outlying Water System Improvements (Turlock)</td>
<td>$4,800,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$4,800,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Strengthen &amp; Replace Water System</td>
<td>$91,800,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$91,800,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Strengthen &amp; Replace Water System (Ops)</td>
<td>$110,005,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$110,005,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$250,211,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 10: Install New Wells</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grogan Park Well (Tivoli)</td>
<td>$1,509,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,132,000</td>
<td>$377,000</td>
<td></td>
</tr>
<tr>
<td>Del Rio Well w/ 1,000 gpm capacity</td>
<td>$2,346,500</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,760,000</td>
<td>$587,000</td>
<td></td>
</tr>
<tr>
<td>Grayson Well 274 w/ 400 gpm capacity</td>
<td>$1,000,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$750,000</td>
<td>$250,000</td>
<td></td>
</tr>
<tr>
<td>Del Rio Replacement Well (Well 271)</td>
<td>$2,464,500</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,848,000</td>
<td>$616,000</td>
<td></td>
</tr>
<tr>
<td>Well 226 Replacement Well</td>
<td>$2,369,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,777,000</td>
<td>$592,000</td>
<td></td>
</tr>
<tr>
<td>Test Holes for New/Replacement Wells</td>
<td>$4,856,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$3,642,000</td>
<td>$1,214,000</td>
<td></td>
</tr>
<tr>
<td>New/Replacement Wells</td>
<td>$37,013,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$27,760,000</td>
<td>$9,253,000</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$51,598,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 11: Wellhead Treatment</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chlorine and Nitrate Analyzers (Ops)</td>
<td>$2,577,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$2,577,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Blending Lines, Flush Lines &amp; Regulatory Driven Upgrades</td>
<td>$13,323,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$13,323,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td>Wellhead Treatment &amp; Well Rehabilitation</td>
<td>$34,310,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$34,310,000</td>
<td>$0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$50,210,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Category</td>
<td>Project</td>
<td>Project Cost</td>
<td>Existing User Benefit %</td>
<td>Future User Benefit %</td>
<td>Existing Benefit $</td>
<td>Future Benefit $</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------------------------------------------------</td>
<td>--------------</td>
<td>-------------------------</td>
<td>-----------------------</td>
<td>-------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td><strong>Category 12: Purchase &amp; Install New Generators</strong></td>
<td>Existing Contiguous Service Area System (Ops)</td>
<td>$3,814,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,814,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$3,814,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 13: Water System Security Enhancements</strong></td>
<td>Water System Security Enhancements</td>
<td>$2,662,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$2,662,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,662,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 14: Groundwater Management Program</strong></td>
<td>Groundwater Management Program</td>
<td>$2,642,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$1,982,000</td>
<td>$661,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,642,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 15: Urban Water Management Plan</strong></td>
<td>Urban Water Management Plan</td>
<td>$709,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$532,000</td>
<td>$177,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$709,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 16: Water Master Plan</strong></td>
<td>Water Master Plan</td>
<td>$10,591,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$7,943,000</td>
<td>$2,648,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$10,591,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 17: Water System Evaluation</strong></td>
<td>Water System Evaluation</td>
<td>$5,147,000</td>
<td>75.0%</td>
<td>25.0%</td>
<td>$3,860,000</td>
<td>$1,287,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$5,147,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 18: New Water Tanks</strong></td>
<td>Future Tank and Booster Station (South Modesto)</td>
<td>$15,188,000</td>
<td>64.0%</td>
<td>36.0%</td>
<td>$9,720,000</td>
<td>$5,468,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$5,512,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>New Tank and Booster Pump Station - Del Rio</td>
<td>$20,700,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$20,700,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 19: Water Meters</strong></td>
<td>Water Meters</td>
<td>$69,047,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$69,047,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$69,047,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 21: New or Replacement Pumps</strong></td>
<td></td>
<td>$15,439,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$15,439,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$15,439,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Category 22: Utility Cuts</strong></td>
<td></td>
<td>$3,431,000</td>
<td>100.0%</td>
<td>0.0%</td>
<td>$3,431,000</td>
<td>$0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$3,431,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Planned Capital Project Costs (Current Dollars)</strong></td>
<td></td>
<td>$671,201,000</td>
<td></td>
<td></td>
<td>$547,370,000</td>
<td>$123,836,000</td>
</tr>
</tbody>
</table>

City of Modesto – Water Capacity Fee Study 2016  
Appendix A
RESOLUTION APPROVING AN AGREEMENT FOR A TEN YEAR TERM BETWEEN THE CITY AND HWS BASEBALL IV, LLC, AKA THE MODESTO NUTS BASEBALL CLUB, FOR THE USE, OPERATION AND MANAGEMENT OF JOHN THURMAN FIELD LOCATED AT 601 NEECE DRIVE AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE AN AGREEMENT AS APPROVED TO FORM BY THE CITY ATTORNEY

WHEREAS, the City is the owner of the property, stadium and parking facilities that comprise John Thurman Field, and

WHEREAS, John Thurman Field is currently leased to the Modesto Nuts Baseball Club (CLUB) under a ten year License and Maintenance Agreement that expires December 31, 2016, and

WHEREAS, the Seattle Mariners purchased a majority share of the Nuts, and the teams entered into a player development contract making Modesto a Mariners affiliate, and

WHEREAS, the City and the CLUB desire to renegotiate terms of the prior agreement, and

WHEREAS, the new agreement provides that the CLUB operate, manage and maintain the facility while the City retains ownership and control of the asset, and

WHEREAS, the City currently outsources maintenance of much of its sporting fields and golf course turf areas and experience has proven that turf maintenance on a large specialized scale is best outsourced, when possible, and

WHEREAS, the agreement is for a ten year term with $70,000 per year of revenue to the City in the form of a license fee, and
WHEREAS, the agreement calls for the City to perform at least $120,000 of capital improvements and deferred maintenance annually, and

WHEREAS, the City has concluded that the agreement and the new operating structure will not result in arbitrage issues with the Internal Revenue Service or cause tax exempt debt used to construct improvements at John Thurman Field to be deemed taxable debt; consistent with IRS regulations, the payments by the Club to the City substantially offset, but do not exceed the operating and maintenance expenses of the City for the facility; and

WHEREAS, the City will benefit from sales tax collections garnered from games and events as well as the Transient Occupancy Tax from hotel room nights sold during games and events, and

WHEREAS, the Mayor’s 100 Day Committee had a recommendation to “Renegotiate its contract with the Modesto Nuts minor league baseball team to improve the financial situation for the City as well as the relationship between the City and the team,” and

WHEREAS, John Jacinto, CEO of Vis Tech, was selected by the Committee to assist City staff in the as a financial consultant and whose business expertise was extremely valuable to the negotiation process and was instrumental in achieving an agreement that greatly reduces the General Fund deficit.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it approves an agreement for a ten year term between the City and HWS Baseball IV, LLC, aka the Modesto Nuts Baseball Club, for the use, operation and management of
John Thurman Field located at 601 Neece Drive, and authorizes the City Manager, or his designee, to execute an agreement as approved to form by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Zoslocki, who moved its adoption, which motion being duly seconded by Councilmember Madrigal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ADAM U. LINDGRE, City Attorney
RESOLUTION ESTABLISHING THE NEW FUND ENTITLED “JOHN THURMAN FIELD CAPITAL IMPROVEMENTS FUND” IN FISCAL YEAR 2016-17 AND APPROVING AMOUNTS FROM ANY JOHN THURMAN FIELD OPERATING BUDGET SURPLUS TO BE TRANSFERRED INTO THE NEW FUND AT FISCAL YEAR END FOR THE LENGTH OF THE AGREEMENT

WHEREAS, the City of Modesto, has entered into a new agreement with HWS Baseball IV, LLC, aka the Modest Nuts Baseball Club, and

WHEREAS, the new agreement is for the term of ten years and includes the use, operation and management of John Thurman Field located at 601 Neece Drive, and

WHEREAS, terms of the agreement include the transfer of savings occurring during each fiscal year into a capital improvement fund to be used for future John Thurman Field capital needs, and

WHEREAS, the City of Modesto anticipates annual (calendar) savings of at least $120,000 to be used exclusively for capital needs and deferred maintenance and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby establishes the new fund titled, “John Thurman Field Capital Improvements Fund” with the intent that John Thurman Field operating budget surplus be transferred into the new fund at fiscal year-end for the length of the agreement.
The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto, held on the 13th day of December, 2016, by Council Member Zoslocki, who moved its adoption, which motion being duly seconded by Council Member Madrigal, was upon roll call carried and the resolution adopted by the following votes:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING WITH OPPORTUNITY STANISLAUS (STANISLAUS BUSINESS ALLIANCE) FOR FISCAL YEAR 2015-2016 THROUGH 2020-2021, AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO EXECUTE THE MEMORANDUM OF UNDERSTANDING

WHEREAS, since 2003, the City of Modesto and the former Stanislaus Economic Development and Workforce Alliance had a Memorandum of Understanding identifying the duties and responsibilities of the two agencies, and

WHEREAS, in 2016, the Stanislaus Economic Development and Workforce Alliance was dissolved and replaced with the Stanislaus Business Alliance, doing business as “Opportunity Stanislaus” and the Stanislaus County Workforce Development Board, and

WHEREAS, the proposed MOU serves as a guideline to identify and describe actions and responsibilities for both the City and Opportunity Stanislaus, including projects and objectives to be achieved during the term of the agreement, and

WHEREAS, Opportunity Stanislaus and City economic development staff will work together on business attraction, retention, and expansion efforts, and

WHEREAS, the annual cost of the MOU is $75,000 per fiscal year, for a total cost of $450,000 over six (6) years, and

WHEREAS, services were provided in Fiscal Year 15/16, however payment was not made as there was no signed agreement, and

WHEREAS, the first payment will be $150,000 for Fiscal Years 15/16 and 16/17, of which $64,000 has been allocated in the City Manager’s budget, and the remaining $86,000 will be funded through General Fund Reserves, and
WHEREAS, subsequent payments will be budgeted and made annually from the City Manager’s budget,

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the Memorandum of Understanding between the City and Opportunity Stanislaus (Stanislaus Business Alliance) and authorizes the City Manager, or his designee, to execute the Memorandum of Understanding, in a form approved by the City Attorney.

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDGREN, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2016-505A

RESOLUTION AMENDING THE FISCAL YEAR 2016-2017 OPERATING BUDGET TO APPROPRIATE AND TRANSFER $86,000 FROM GENERAL FUND RESERVES TO THE CITY MANAGER’S OPERATING BUDGET TO FUND THE 2015-2016 AND 2016-2017 PAYMENTS PER THE MEMORANDUM OF UNDERSTANDING WITH OPPORTUNITY STANISLAUS (STANISLAUS BUSINESS ALLIANCE)

WHEREAS, since 2003, the City of Modesto and the former Stanislaus Economic Development and Workforce Alliance had a Memorandum of Understanding identifying the collaborative duties and responsibilities of the two agencies, and

WHEREAS, in 2016, the Stanislaus Economic Development and Workforce Alliance was dissolved and replaced with the Stanislaus Business Alliance, doing business as “Opportunity Stanislaus” and the Stanislaus County Workforce Development Board, and

WHEREAS, on December 13, 2016, the City Council approved the 2016 Memorandum of Understanding with Opportunity Stanislaus, and

WHEREAS, the first payment will be $150,000 for Fiscal Years 15/16 (retroactive for services provided) and 16/17, and

WHEREAS, $64,000 has been budgeted in the City Manager’s Fiscal Year 16/17 budget, and

WHEREAS, the remaining $86,000 will be transferred from General Fund Reserves to the City Manager’s budget (0100-02010-53300),

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the transfer and appropriation of $86,000 from General Fund Reserves to the City Manager’s budget (0100-02010-53300), and
NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby approves the amendment of the Fiscal Year 2016-2017 Operating Budget to transfer $86,000 from the General Fund Reserves to City Manager’s budget.

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

The foregoing resolution was introduced at a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Madrigal, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDGREN, City Attorney
MODESTO CITY COUNCIL
RESOLUTION NO. 2016-506

RESOLUTION APPROVING A THIRD AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED JUNE 24TH, 2014 WITH ARATA, SWINGLE, & VAN EGMOND IN AN AMOUNT NOT TO EXCEED $50,000 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN TORT CASES

WHEREAS, the City Attorney’s Office is still in need of outside counsel services; and

WHEREAS, the City Council by Resolution No. 2014-241 had previously approved an agreement with Arata, Swingle, Sodhi and Van Egmond, in the amount of $200,000 to represent the City in the following types of cases: tort, trip and fall, sidewalk, road and other similar cases; and

WHEREAS, by Resolution No. 2015-198, City approved a First Amendment, with an increased budget of $30,000 for continued representation; and

WHEREAS, by Resolution No. 2016-289, City approved a Second Amendment, with an increased budget of $210,000 for continued representation; and

WHEREAS, the City Attorney’s Office desires to extend the agreement with Arata, Swingle, and Van Egmond; and

WHEREAS, the City Attorney’s office has drafted a Third Amendment to the Legal Services agreement with Arata, Swingle, and Van Egmond.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a Third Amendment to the Legal Services Agreement with Arata, Swingle, and Van Egmond, in an amount not to exceed $50,000 to continue representing the City of Modesto in tort matters, as provided in Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.
The foregoing resolution was introduced in a regular meeting of the Council of
the City of Modesto held on the 13th day of December, 2016, by Councilmember
Ridenour, who moved its adoption, which motion being duly seconded by
Councilmember Grewal, was upon roll call carried and the resolution adopted by the
following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: \[Signature\]

(STEPHANIE LOPEZ, City Clerk)

(SEAL)

APPROVED AS TO FORM:

By: \[Signature\]

ADAM U. LINDGREN, City Attorney
THIRD AMENDMENT TO LEGAL SERVICES AGREEMENT

This Third Amendment for Legal Services (this “Third Amendment”), is made and entered into on ____ day of _______ 2016 (“Effective Date”), by and between the CITY OF MODESTO, a California Municipal Corporation (“City”), and ARATA, SWINGLE, & VAN EGMOND, a Professional Corporation (“Attorney”), located at 912 11th Street, Modesto, California 95354. City and Attorney are hereinafter collectively referred to as the “Parties,” and singularly as “Party”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement (“Agreement”) to provide legal advice, representation and assistance to City in defense of tort claims, as assigned; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees to $490,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Arata, Swingle, and Van Edmond dated June 24th, 2014 authorized by Resolution No.2014-241, amended by Resolution No. 2015-198 and 2016-289 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

“The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of four hundred and ninety thousand dollars ($490,000).”

2. Entire Agreement. The parties to this Third Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated June 24th, 2014, remain in full force and effect to the extent they are not in conflict with this Third Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Third Amendment. No alteration to the terms of this Third Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.
3. **Authority.** The person signing this Third Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this Third Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the dates stated below.

**CITY OF MODESTO,**
A Municipal Corporation

By: __________________________

Print name: James N. Holgersson

Title: City Manager

APPROVED TO AS FORM:

Adam U. Lindgren, City Attorney

ATTEST:

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
ATTORNEY:
ARATA, SWINGLE, & VAN EGMOND,
a Professional Corporation

________________________________________

Federal I.D. No.

________________________________________

State I.D. No.

________________________________________


TYPE OF BUSINESS ENTITY (check one):

____ Individual/Sole Proprietor
____ Partnership
____ Corporation
____ Limited Liability Company
____ Other (please specify: ___________________)

________________________________________

Signature of Authorized Person

Title

________________________________________

Additional Signature (if required)

Title
RESOLUTION APPROVING A THIRD AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED JULY 3RD, 2014 WITH BORTON PETRINI, LLP IN AN AMOUNT NOT TO EXCEED $30,000 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN TORT CASES

WHEREAS, the City Attorney’s Office is still in need of outside counsel services; and

WHEREAS, the City entered into an agreement with Borton Petrini, LLP, in the amount $40,000 to represent the City in the following types of cases: tort, trip and fall, sidewalk, road and other similar cases; and

WHEREAS, by Resolution No. 2015-199, City approved a First Amendment, with an increased budget of $30,000 for continued representation; and

WHEREAS, by Resolution No. 2016-290, City approved a Second Amendment, with an increased budget of $95,000 for continued representation; and

WHEREAS, the City Attorney’s Office desires to extend the agreement with Borton Petrini, LLP; and

WHEREAS, the City Attorney’s office has drafted a Third Amendment to the Legal Services Agreement with Borton Petrini, LLP.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a Third Amendment to the Legal Services Agreement with Borton Petrini, LLP, in an amount not to exceed $30,000 to continue to represent the City of Modesto in tort matters, as provided in Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.
The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: 

(SEAL)

APPROVED AS TO FORM:

By: 

ADAM U. LINDGREN, City Attorney
THIRD AMENDMENT TO LEGAL SERVICES AGREEMENT

This Third Amendment for Legal Services (this “Third Amendment”), is made and entered into on _____ day of ________ 2016 (“Effective Date”), by and between the CITY OF MODESTO, a California Municipal Corporation (“City”), and BORTON PETRINI, LLP a Professional Corporation (“Attorney”), located at 201 Needham Street, Modesto, California 95354. City and Attorney are hereinafter collectively referred to as the “Parties,” and singularly as “Party”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement (“Agreement”) to provide legal advice, representation and assistance to City in defense of tort claims, as assigned; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees to $195,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Borton Petrini, LLP dated July 3rd, 2014, amended by Resolution No. 2015-199 and 2016-290 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

“The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of one hundred and ninety five thousand dollars ($195,000).”

2. Entire Agreement. The parties to this Third Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, remain in full force and effect to the extent they are not in conflict with this Third Amendment. This document, including all exhibits, contain the entire agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Third Amendment. No alteration to the terms of this Third Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.
3. Authority. The person signing this Third Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this Third Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: ________________________________

Print name: James N. Holgersson

Title: City Manager

APPROVED TO AS FORM:

_______________________________

Adam U. Lindgren, City Attorney

ATTEST:

_______________________________

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
RESOLUTION APPROVING A SECOND AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED JUNE, 24TH 2014 WITH BURKE, WILLIAMS & SORENSEN, LLP IN AN AMOUNT NOT TO EXCEED $20,000 TO FINALIZE BILLING ON THE REED V. CITY OF MODESTO CASE

WHEREAS, the City by Resolution 2014-242 had previously approved an agreement with Burke, Williams and Sorensen, LLP to represent the City of Modesto in the Reed v. City of Modesto case; and

WHEREAS, the City by Resolution 2015-200 had approved a First Amendment for an increased budget for continued representation; and

WHEREAS, the Reed v. City of Modesto case has closed; and

WHEREAS, the final billing has been totaled; and

WHEREAS, the City Attorney’s office has drafted a Second Amendment to the Legal Services Agreement with Burke, Williams and Sorensen, LLP to finalize billing.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a Second Amendment to the Legal Services Agreement with Burke, Williams and Sorensen, LLP in an amount not to exceed $20,000 to finalize billing on the Reed v. City of Modesto case, attached hereto and incorporated herein as Exhibit A, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.
The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion was seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
SECOND AMENDMENT TO LEGAL SERVICES AGREEMENT

This Second Amendment for Legal Services (this "Second Amendment"), is made and entered into on _____ day of _______ 2016 ("Effective Date"), by and between the CITY OF MODESTO, a California Municipal Corporation ("City"), and BURKE WILLIAMS & SORENSEN, a Professional Corporation ("Attorney"), located at 444 S. Flower Street, Suite 2400, Los Angeles, California 90071. City and Attorney are hereinafter collectively referred to as the "Parties," and singularly as "Party".

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement ("Agreement") to provide legal advice, representation and assistance to the City in defense of Reed v. City of Modesto; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement to finalize billing by increasing the previously approved amount of fees from $450,000 to $470,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Burke Williams & Sorensen dated June 24th, 2014 authorized by Resolution No.2014-242, and amended by Resolution No. 2015-200 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

"The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (thereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of four hundred and seventy thousand dollars ($470,000)."

2. Entire Agreement. The parties to this Second Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement remain in full force and effect to the extent they are not in conflict with this Second Amendment. This document, including all exhibits, contain the entire amendment to the agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this Second Amendment. No alteration to the terms of this Second Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.
3. **Authority.** The person signing this Second Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this Second Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Second Amendment as of the dates stated below.

**CITY OF MODESTO,**
A Municipal Corporation

By: ____________________________

Print name: James N. Holgersson

Title: City Manager

**APPROVED TO AS FORM:**

________________________________________
Adam U. Lindgren, City Attorney

**ATTEST:**

________________________________________
Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
Federal I.D. No.

State I.D. No.


TYPE OF BUSINESS ENTITY (check one):

_____ Individual/Sole Proprietor
_____ Partnership
_____ Corporation
_____ Limited Liability Company
_____ Other (please specify: ____________________)

Signature of Authorized Person

Title

Additional Signature (if required)

Title
RESOLUTION APPROVING A FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED AUGUST 25TH, 2016 WITH THE GALLAGHER GROUP IN AN AMOUNT NOT TO EXCEED $140,000 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN THE STANISLAUS COUNTY V. CITY OF MODESTO (GEER RD.) CASE

WHEREAS, The Gallagher Group is currently representing the City in the Stanislaus County v. City of Modesto (Geer Rd.) case; and

WHEREAS, the City Attorney’s Office desires to extend the agreement with The Gallagher Group; and

WHEREAS, the City Attorney’s office has drafted a First Amendment to the Legal Services agreement with The Gallagher Group to continue services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a First Amendment to the Legal Services Agreement with The Gallagher Group in an amount not to exceed $140,000 to continue representing the City of Modesto in the Stanislaus County v. City of Modesto (Geer Rd.) case, as provided in Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.
The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: ________________________________

STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ________________________________

ADAM U. LINDGREN, City Attorney
FIRST AMENDMENT TO LEGAL SERVICES AGREEMENT

This First Amendment for Legal Services (this “First Amendment”), is made and entered into on _____ day of ________ 2016 (“Effective Date”), by and between the CITY OF MODESTO, a California Municipal Corporation (“City”), and THE GALLAGHER LAW GROUP, P.C., (“Attorney”), located at 1875 Century Park East, Suite 1550, Los Angeles, California 90067. City and Attorney are hereinafter collectively referred to as the “Parties,” and singularly as “Party”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement (“Agreement”) for representation in the matter of Stanislaus County v. City of Modesto, et al. a case arising out of a contaminated landfill; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees from $45,000 to $185,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and The Gallagher Law Group, P.C. dated August 25th, 2016 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

“The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (thereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of one hundred and eighty five thousand dollars ($185,000).”

2. Entire Agreement. The parties to this First Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated August 25th, 2016, remain in full force and effect to the extent they are not in conflict with this First Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. No alteration to the terms of this First Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. Authority. The person signing this First Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this First Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.
IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: __________________________

Print name: Jim Holgersson

Title: City Manager

APPROVED TO AS FORM:

________________________________________

Adam U. Lindgren, City Attorney

ATTEST:

________________________________________

Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
Federal I.D. No.

State I.D. No.


**TYPE OF BUSINESS ENTITY (check one):**

- [ ] Individual/Sole Proprietor
- [ ] Partnership
- [ ] Corporation
- [ ] Limited Liability Company
- [ ] Other *(please specify: )*

**Signature of Authorized Person**

Title

**Additional Signature (if required)**

Title
RESOLUTION APPROVING A FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED AUGUST 8TH, 2016 WITH LIEBERT CASSIDY WHITMORE IN AN AMOUNT NOT TO EXCEED $110,000 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN LABOR AND EMPLOYMENT MATTERS

WHEREAS, the City Attorney’s Office is in need of outside counsel services that relate to labor and employment; and

WHEREAS, Liebert Cassidy Whitmore is currently assisting with one arbitration and one lawsuit; and

WHEREAS, the City Attorney’s Office desires to extend the agreement with Liebert Cassidy Whitmore; and

WHEREAS, the City Attorney’s office has drafted a First Amendment to the Legal Services agreement with Liebert Cassidy Whitmore to continue services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a First Amendment to the Legal Services Agreement with Liebert Cassidy Whitmore in an amount not to exceed $110,000 to continue representing the City of Modesto in labor and employment matters, as provided in Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.
The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: [Signature]

STEFANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: [Signature]

ADAM U. LINDGREN, City Attorney
FIRST AMENDMENT TO LEGAL SERVICES AGREEMENT

This First Amendment for Legal Services (this "First Amendment"), is made and entered into on _____ day of ________ 2016 ("Effective Date"), by and between the CITY OF MODESTO, a California Municipal Corporation ("City"), and LIEBERT CASSIDY WHITMORE, ("Attorney"), located at 5250 N. Palm Avenue, Suite 310, Fresno, California 93704. City and Attorney are hereinafter collectively referred to as the “Parties,” and singularly as “Party”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement ("Agreement") for services for legal advice, representation and assistance on matters involving labor and employment law; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees from $45,000 to $155,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Liebert Cassidy Whitmore, dated August 8th, 2016 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

   “The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (hereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of one hundred and fifty five thousand dollars ($155,000).”

2. Entire Agreement. The parties to this First Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated August 8th, 2016, remain in full force and effect to the extent they are not in conflict with this First Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. No alteration to the terms of this First Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. Authority. The person signing this First Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this First Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.
IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By: ________________________________

Print name: Jim Holgersson

Title: City Manager

APPROVED TO AS FORM:

__________________________________________
Adam U. Lindgren, City Attorney

ATTEST:

__________________________________________
Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
ATTORNEY: LIEBERT CASSIDY WHITMORE

__________________________
Federal I.D. No.

__________________________
State I.D. No.

__________________________

TYPE OF BUSINESS ENTITY (check one):

_____ Individual/Sole Proprietor
_____ Partnership
_____ Corporation
_____ Limited Liability Company
_____ Other (please specify: __________________)

__________________________
Signature of Authorized Person

__________________________
Title

__________________________
Additional Signature (if required)

__________________________
Title
RESOLUTION APPROVING A FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT DATED DECEMBER 16TH, 2014 WITH GOLDFARB & LIPMAN, LLP IN AN AMOUNT NOT TO EXCEED $95,000 TO CONTINUE REPRESENTING THE CITY OF MODESTO IN PREPARATION OF HOUSING PROJECTS AND OTHER GENERAL HOUSING RELATED SERVICES

WHEREAS, the City Attorney's Office is in need of outside counsel services that specialize in housing matters; and

WHEREAS, Goldfarb is currently assisting with projects receiving Community Development Block Grant (CDBG), Neighborhood Stabilization Preservation (NSP) and HOME Investment Partnerships Program (HOME) funds. These projects include:

- First Amendment to NSP Loan Agreement with Habitat for Humanity Stanislaus County (River Vista Project);
- HOME Community Housing Development Organization (CHDO) Operating Agreement with Stanislaus County Affordable Housing Corporation (STANCO);
- HOME Loan Agreement with STANCO (522 Granger Avenue);
- CDBG Agreement with STANCO (1317 Coffee Villa);
- HOME CHDO Operating Agreement with Great Valley Housing Development Corporation (GVHDC);
- HOME Loan Agreement with GVHDC (Glendale Veterans Quarters project);
- Disposition & Development Agreement and HOME Loan Agreement with EAH, Inc. (Archway Commons – Phase 2);

WHEREAS, the City Attorney's Office desires to extend the agreement with Goldfarb & Lipman, LLP; and
WHEREAS, the City Attorney’s office has drafted a First Amendment to the Legal Services agreement with Goldfarb & Lipman, LLP to continue services.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Modesto that it hereby authorizes the City of Modesto to execute a First Amendment to the Legal Services Agreement with Goldfarb & Lipman, LLP in an amount not to exceed $95,000 to continue representing the City of Modesto in preparation of housing projects and other general housing related services, as provided in Exhibit A attached hereto and incorporated herein, and further authorizes the City Attorney to execute such agreement in a form substantially similar to Exhibit A.

The foregoing resolution was introduced in a regular meeting of the Council of the City of Modesto held on the 13th day of December, 2016, by Councilmember Ridenour, who moved its adoption, which motion being duly seconded by Councilmember Grewal, was upon roll call carried and the resolution adopted by the following vote:

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

NOES: Councilmembers: None

ABSENT: Councilmembers: None

ATTEST: STEPHANIE LOPEZ, City Clerk

(SEAL)

APPROVED AS TO FORM:

By: ADAM U. LINDGREN, City Attorney
FIRST AMENDMENT TO LEGAL SERVICES AGREEMENT

This First Amendment for Legal Services (this “First Amendment”), is made and entered into on ______ day of _______ 2016 (“Effective Date”), by and between the CITY OF MODESTO, a California Municipal Corporation (“City”), and GOLDFARB & LIPMAN, LLP, a limited liability partnership (“Attorney”), located at 1300 Clay Street, 11th Floor, Oakland, California 94612. City and Attorney are hereinafter collectively referred to as the “Parties,” and singularly as “Party”.

RECITALS

WHEREAS, City and Attorney entered into a Legal Services Agreement (“Agreement”) to provide legal advice, representation and assistance to City with the preparation of housing projects and other general housing related services; and

WHEREAS, Attorney is specially trained, experienced and competent to perform such services; and

WHEREAS, the public interest, economy and general welfare will be served by the Agreement; and

WHEREAS, City and Attorney desire to amend the Agreement for further service by increasing the previously approved amount of fees from $35,000 to $130,000.

NOW, THEREFORE, it is hereby agreed that the Legal Services Agreement between the City of Modesto and Goldfarb & Lipman, LLP dated December 16th, 2014 is amended as follows:

1. Section 2(a) of Paragraph 2, “Fees and Costs,” Hourly Rates is amended to state as follows:

“The total of all fees paid to Attorney for the performance of all services set forth in Section 1 (thereafter the “Service”), and for all authorized Reimbursable Expenses (as defined hereafter), shall not exceed a total sum of one hundred and thirty thousand dollars ($130,000).”

2. Entire Agreement. The parties to this First Amendment understand and agree that except as stated herein all terms and conditions of the original Agreement, dated December 16th, 2014, remain in full force and effect to the extent they are not in conflict with this First Amendment. This document, including all exhibits, contain the entire amendment to the Agreement between the Parties and supersedes whatever oral or written understanding they may have had prior to the execution of this First Amendment. No alteration to the terms of this First Amendment shall be valid unless approved in writing by Attorney and by City, in accordance with applicable provision of the Modesto City Code.

3. Authority. The person signing this First Amendment for Attorney hereby represents and warrants that he/she is fully authorized to sign this First Amendment on behalf of Attorney and to bind Attorney to the performance of its obligations hereunder.
IN WITNESS WHEREOF, the Parties have executed this First Amendment as of the dates stated below.

CITY OF MODESTO,
A Municipal Corporation

By:______________________________

Print name: Jim Holgersson
Title: City Manager

APPROVED TO AS FORM:

_____________________________________
Adam U. Lindgren, City Attorney

ATTEST:

_____________________________________
Stephanie Lopez, City Clerk

[Signatures Continued on Next Page.]
Federal I.D. No.

State I.D. No.


TYPE OF BUSINESS ENTITY (check one):

_____ Individual/Sole Proprietor
______ Partnership
______ Corporation
______ Limited Liability Company
______ Other (please specify: ___________________

Signature of Authorized Person

Title

Additional Signature (if required)

Title