

# City of Woodland

300 First Street  
Woodland, CA 95695

## Meeting Agenda City Council

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Tuesday, May 13, 2014

6:00 PM

Council Chambers

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### A M E N D E D CITY COUNCIL SPECIAL MEETING AGENDA

CLOSED SESSION AGENDA  
MAY 13, 2014  
5:30 P.M.

- A. CALL TO ORDER
- B. CLOSED SESSION
- B.1 CONFERENCE WITH LABOR NEGOTIATORS, PURSUANT TO  
GOVERNMENT  
CODE SECTION 54957.6  
Agency Designated Representatives: Paul Navazio, Sheila McShane,  
Kimberly McKinney and Dania Torres Wong  
Employee Organization(s): Mid-Management Association

JOINT CITY COUNCIL/WOODLAND FINANCE AUTHORITY  
MAY 13, 2014  
6:00 P.M.

- A. CALL TO ORDER
- B. ROLL CALL
- C. PLEDGE OF ALLEGIANCE
- D. COMMUNICATIONS-PUBLIC COMMENT

*This is an opportunity for the public to speak to the Council on any item other than those listed for public hearing on this agenda. Speakers are requested to use the microphone in front of the Council and to begin by stating their name, whether they reside in Woodland and the name of the organization they represent if any. The Mayor may impose a time limit on any speaker depending on the number of people wanting to speak and time available for the rest of the agenda. In the event comments are related to an item scheduled on the agenda, speakers may be required to wait to make their comments until that item is considered.*

**E. COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS**

*This is an opportunity for the Council Members and Staff to make comments and announcements, to express concerns, or to request Council's consideration of any items a Council Member would like to have discussed at a future Council meeting.*

**14-160**      SUBJECT:      Long Range Calendar

Recommendation for Action: Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

**Attachments:**      [Council Long Range Calendar](#)

**F. COMMITTEE REPORTS**

**1.      14-143**      SUBJECT:      Commission on Aging Meeting Minutes for March 13, 2014

Recommendation for Action: Staff recommends that the City Council receive the March 13, 2014 Commission on Aging Minutes that were approved on April 10, 2014.

**Attachments:**      [031314 Minutes](#)

**G. MINUTES**

**2.      14-117**      SUBJECT:      Council Meeting Minutes

Recommendation for Action: Staff recommends that the City Council adopt the minutes of the Joint Regular City Council/Woodland Finance Authority meetings of April 1, 2014 and April 15, 2014.

**Attachments:**      [04 01 14 DRAFT Meeting Minutes for approval](#)  
                                 [04 15 14 DRAFT Meeting Minutes for approval](#)

**H. PRESENTATIONS**

**3.      14-129**      SUBJECT:      Proclamation - Older Americans Month

Recommendation for Action: Staff recommends that the City Council adopt a Proclamation declaring May 2014 as Older Americans Month

**Attachments:**      [Proclamation Older American Month May 2014](#)

**4.      14-142**      SUBJECT:      Proclamation - Recognition of and Appreciation for National Police Week

Recommendation for Action: Staff recommends that the City Council approve and proclaim May 11-17, 2014, as National Police Week, and Thursday, May 15, 2014, as Peace Officers' Memorial Day in Woodland to honor the men and women whose diligence and professionalism keep our community and citizens safe.

Attachments: [Proclamation - National Police Week 2014](#)

5.      **14-149**      SUBJECT:      Proclamation - Public Works Week, May 18 - 24, 2014

Recommendation for Action: Staff recommends that the City Council proclaim May 18-24, 2014 as "Public Works Week" and present the proclamation to a Public Works representative.

Attachments: [PWW14Proclamation - GGM1](#)

6.      **14-158**      SUBJECT:      Proclamation - Appreciation and Recognition of Doug Baxter

Recommendation for Action: Staff recommends that the City Council recognize retiree Doug Baxter for his years of service to the City of Woodland and for his efforts as the Principal Civil Engineer overseeing the Utility Engineering Branch.

Attachments: [Doug Baxter Proclamation](#)

7.      **14-167**      SUBJECT:      Presentation - City's New Website

Recommendation for Action: Staff recommends that the City Council receive a report from Scott Sawin, Information Technology Manager regarding our new and improved City of Woodland website.

#### **I.      CONSENT CALENDAR**

8.      **14-122**      SUBJECT:      Public Works Quarterly Status Report for the period of December 2013 through February 2014

Recommendation for Action: Staff recommends that the City Council accept the Public Works Department's Quarterly Status Report for the period of December 2013 through February 2014.

Attachments: [PW - Qtrly for CM - Dec-Feb - GGM1](#)

9.      **14-156**      SUBJECT:      Vehicles for Volunteers in Policing (ViPs)

Recommendation for Action: Staff recommends that the City Council approve the addition of two vehicles, currently designated for auction, for use by volunteers at the Police Department.

10.     **14-162**      SUBJECT:      Exclusive Negotiating Agreement Extension with RCI Development for the reuse and renovation of the State Theatre

Recommendation for Action: Staff recommends the City Council approve Resolution No. \_\_\_\_\_ authorizing the City Manager to execute amendment to extend the time period to the Exclusive Negotiation Agreement with RCI Development for the reuse and renovation of the State Theatre.

**Attachments:**   [State Theatre ENA Extension Reso](#)  
[Executed State Theatre ENA](#)

11.     **14-169**     SUBJECT:     Support Letter - AB 1999 (Atkins) - Re: Tax Credit for Rehabilitation of Historic Structures

Recommendation for Action: Staff recommends that the City Council authorize the Mayor to forward a letter in support of AB 1999 (Atkins) that would expand tax credits for rehabilitation of certified historic structures.

**Attachments:**   AB 1999 Attachment.pdf

## **J.     PUBLIC HEARINGS**

12.     **14-053**     SUBJECT:     Industrial I-5/CR 102 Entryway Overlay Zone - Ordinance Amendment

Recommendation for Action: Staff recommends that the City Council take the following actions.

- 1) Conduct a public hearing;
- 2) Waive the first reading of Ordinance No. \_\_\_\_\_ to make the following amendment to Chapter 25 of the Woodland Municipal Code pertaining to Section 25-18-10 Industrial I-5/CR 102 Entryway Overlay Zone:
  - a) Zoning Amendment adding auto sales, new and used, including RV, trailer and motorcycles as an allowed use to the Industrial Land Use Table 3 and the Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table 3A in Section 25-18-10 of the Woodland Municipal Code. Tables shall specify that used auto sales shall be associated with a new auto dealership; and
- 3) Schedule the second reading and adoption of Ordinance No. \_\_\_\_\_ for the May 20, 2014 City Council meeting.

**Attachments:**   [Attachment 1\\_WOODLAND\\_Ordinance Amending EOZ to Permit Auto Sales](#)  
[Attachment 2\\_PC 14-028 Staff Report w Attachments](#)

## **K.     REPORTS OF THE CITY MANAGER**

13.     **14-151**     SUBJECT:     2014 Department of Justice - COPS Hiring Program Grant

Recommendation for Action: Staff recommends that the City Council Adopt Resolution No. \_\_\_\_\_, a Resolution of the City Council of the City of Woodland Authorizing the Appropriation of Funds for the Required Match and Retention Year for the COPS Hiring Program

Grant.

Attachments: [DOJ Reso](#)

14.      14-144      SUBJECT:      Approval of the Funding Agreements for Safe Drinking Water State Revolving Loan (SRF) to Fund the Design and Construction of the Woodland-Davis Clean Water Agency (WDCWA) Project Facilities

Recommendation for Action: Staff recommends that the City Council:

- 1) Adopt Resolution No. \_\_\_\_\_ to authorize the City Manager to sign the California Department of Public Health's (CDPH) Funding Agreement, amendments, and certifications for funding under the Safe Drinking Water State Revolving Fund; authorize the City Manager to approve claims for reimbursement, authorize City Manager or designee to execute budget and expenditure summary, authorize City Manager or designee to sign the Certification of Project Completion; and dedicate revenues from the City's water rates as the source of revenue to repay said loan.
- 2) Adopt Resolution No. \_\_\_\_\_ to authorize the WDCWA to sign their Funding Agreement for Woodland's share of the regional project.

Attachments: [Resolution Authorizing the Woodland Funding Agreement with CDPH](#)  
[Resolution Authorizing the WDCWA Funding Agreement with CDPH](#)  
[CDPH Funding Agreement with City of Woodland](#)  
[CDPH Funding Agreement with WDCWA](#)  
[Agreement for the Assumption of Obligations under WDCWA Funding Agreement](#)

## L.      ADJOURN

*I declare under penalty of perjury that the foregoing Special Meeting Agenda for the Joint City Council/Woodland Finance Authority Special Meeting of the City of Woodland scheduled for May 13, 2014 was posted on May 8, 2014 in the outside display case at City Hall, 300 First Street, Woodland, CA, and was available to the public during normal business hours.*

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*Ana B. Gonzalez, City Clerk*

**Upon request, agendas and documents in the agenda packet will be made available in appropriate alternative formats to persons with a disability, as required by law. Any such request must be made in writing to the Office of the City Clerk of the City of Woodland. Requests will be valid for the calendar year in which the request is received, and must be renewed prior to January 1st. Persons needing disability-related modifications or accommodations in order to participate in public meetings, including persons requiring auxiliary aids or services, may request such modifications or accommodations by calling the Office of the City Clerk (530-661-5806) at least 48 hours prior to the meeting.**



## Legislation Text

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**File #: 14-160, Version: 1**

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**TO: THE HONORABLE MAYOR AND CITY COUNCIL**

**DATE: May 13, 2014**

**SUBJECT: Long Range Calendar**

**Recommendation for Action** : Staff recommends that the City Council receive the Long Range Calendar for informational purposes only.

**Staff Contact**

Ana Gonzalez, City Clerk - (530) 661-5806, [ana.gonzalez@cityofwoodland.org](mailto:ana.gonzalez@cityofwoodland.org)

**Background**

This calendar is being provided for planning purposes only and is intended to keep the Council apprised of upcoming agenda items and better plan for upcoming Council items.

Prepared by: Ana Gonzalez, City Clerk



Paul Navazio, City Manager

Attachment

# **COUNCIL LONG RANGE CALENDAR**

## **Items subject to removal and/or rescheduling**

**Tuesday, May 20, 2014**

**Reports due 5/6**

**Regular Meeting**

### **Closed Session**

### **Presentations**

WUAC Annual Report

### **Consent**

Final Acceptance and Notice of Completion for Safe Routes to School, CIP 13-06

Water Quality Report

E Kentucky Ave Rehabilitation Project, CIP 10-07 - Approve Plans & Specifications, Authorize Bid

Advertisement & Authorize CM to Execute the Construction Contract and E. Kentucky Ave

Rehabilitation Project, CIP 10-07 - Approve Consultant Agreement

IEOZ Zoning Amendment Ordinance – 2<sup>nd</sup> reading

2014 Road Maintenance Proj, CIP 14-14; Approve Consultant Agreement for Construction Management

Approve Purchase and Sale Agreements for ROW Acquisitions, CIP 11-14 – Water Trans. Main-East

False Fire Alarm Ordinance – 2<sup>nd</sup> reading

### **Regular**

November Ballot Measure/District Elections Ordinance – 1<sup>st</sup> Reading

Presentation – FY 2014/15 Proposed Budget

Update on Climate Action Plan / AB32 GHG Reduction Targets

Banner Ordinance – 1<sup>st</sup> Reading

Public Safety Quarterly Report

SACOG Principles on Water Policy (*Stallard*)

City of Woodland Water Conservation Ordinance

## **FUTURE AGENDA ITEMS FOR:**

### **JUNE 3, 2014 and/or June 17, 2014**

November Ballot Measure/District Elections – 2<sup>nd</sup> reading  
Consideration of FY 2014/15 Budget  
Water Conservation Ordinance  
Drought Grant Program – 6/17  
GIS Planning Agreement  
Hotel BID Resolution of Intention  
Cell Tower – 1<sup>st</sup> Reading  
Banner Ordinance – 2<sup>nd</sup> Reading  
CDBG Action Plan – Public Hearing – 6/17  
Sycamore Point Apartments – City HOME Loans  
First Time Homebuyer Application  
Designation of Voting Delegates and Alts for LofCC Annual Conf (Council action required by 7/31)

### **JULY**

City Council Reorganization Meeting  
Updated Master-Tax Sharing Agreement with Yolo County  
Council Direction on Preferred General Plan Land Use Scenario

### **AUGUST**

Contract award - Solar Projects (TerraVerde RFP)

## **FUTURE AGENDA ITEMS – DATE TO BE DETERMINED:**

County food waste composting proposal  
Tow Ordinance  
Salary Ordinance/Salary Schedule  
Amend Home Occupation Ord. to Comply with CA Homemade Food Act – Public Hearing

## **FUTURE STUDY SESSIONS (TBD):**

Lower Cache Creek Flood Control Feasibility Study  
Update Economic Development Strategic Plan

Updated 5/8/14





# City of Woodland

300 First Street  
Woodland, CA 95695

## Legislation Text

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File #: 14-143, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Commission on Aging Meeting Minutes for March 13, 2014

Recommendation for Action : Staff recommends that the City Council receive the March 13, 2014 Commission on Aging Minutes that were approved on April 10, 2014.

### **Staff Contact**

Kris Bain, Community Services Program Manager, 661-2002, [krista.bain@cityofwoodland.org](mailto:krista.bain@cityofwoodland.org)

### **Conclusion**

Staff recommends that the City Council receive the March 13, 2014 Commission on Aging Minutes that were approved on April 10, 2014.

Prepared by: Kris Bain, Community Services Program Manager

A handwritten signature in blue ink, appearing to read "Paul Navazio".

Paul Navazio, City Manager

Enclosure: March 13, 2014 Commission on Aging Meeting Minutes



## Commission on Aging

Woodland Community & Senior Center, 2001 East Street, Woodland, CA 95776

### Regular Meeting Minutes

March 13, 2014

#### Call to Order

Meeting convened at 3:03 p.m. at the Community & Senior Center, 2001 East Street, Woodland, California; Chair Garman presiding.

#### Roll Call

Commissioners Present: Garman, Campbell, Overholt  
Absent: Wright  
Staff: Engel, Haynie and Bain  
Guest: Mayor Skip Davies

#### Pledge of Allegiance

#### Communications-Public Comment

#### Minutes

Commissioner Campbell made the motion to accept the minutes of February 13, 2014 as written, Commissioner Overholt seconded the motion. 3/0

#### Regular Calendar

##### Report of Measure J

Mayor Davies asks the COA for their endorsement for Measure J, extension of the ¼ cent sales tax. Explaining that Measure J focuses on Woodland's youth but passing Measure J will help everyone in our community. Measure J is accompanied by four advisory measures. Voting "yes" on Measure J in the June 3<sup>rd</sup> election will extend the current ¼ cent sales tax.

**Measure K – 60%-** Restore Parks/Recreation programs, reduce fees and re-open Hiddleson Pool.

**Measure L -20%-** Literacy programs for youth, technology assess & increased library hours.

**Measure M- 15%-** Public Safety=Crime Prevention, Neighborhood Watch and alternatives for at-risk youth & gang intervention strategies.

**Measure N-5%-** Rate payer assistance for Low income seniors and families- Water & Sewer bills.

Commissioner Campbell made the motion that the Commission on Aging endorses Measure J; Commissioner Overholt seconded the motion. 3/0

Commissioner Garman asked Mayor Davies about the Council's goals for seniors. Mayor Davies responded that the City cannot do it all and that partnerships like Meals on Wheels, Care Car, non-profits and faith based organization do a great job assisting with these issues. The biggest problems with seniors is the closed in seniors, we need more intergenerational activities.

#### Report of the Staff

##### Senior Center Report

Discussed article about the Senior Resource Fair for Around Town, Commissioner Campbell and Wright will edit and send to staff.



## Commission on Aging

Woodland Community & Senior Center, 2001 East Street, Woodland, CA 95776

### Facility Update

Engel reported on the progress in assessing the need for additional handicap parking to the Woodland Community & Senior Center.

Business Items for Next Meeting  
Commission/Council Coordination  
Senior Resource Fair  
2014 Workplan

Next Meeting Date April 10, 2014

Adjourn

Commissioner Campbell made the motion to adjourn the meeting at 3:39 p.m., Commissioner Overholt seconded the motion, and motion carried 3/0.

Respectfully submitted,

Cathy Haynie, Administrative Secretary  
Parks & Recreation Department





# City of Woodland

300 First Street  
Woodland, CA 95695

## Legislation Text

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File #: 14-117, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Council Meeting Minutes

Recommendation for Action : Staff recommends that the City Council adopt the minutes of the Joint Regular City Council/Woodland Finance Authority meetings of April 1, 2014 and April 15, 2014.

### **Staff Contact**

Ana Gonzalez, City Clerk - 530-661-5806, [ana.gonzalez@cityofwoodland.org](mailto:ana.gonzalez@cityofwoodland.org)

Prepared by: Ana Gonzalez, City Clerk

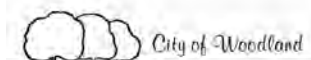
A handwritten signature in blue ink, appearing to read "Paul Navazio".

Paul Navazio, City Manager

Attachments: April 1, 2014 Council minutes  
April 15, 2014 Council minutes

# City of Woodland

*300 First Street  
Woodland, CA 95695*



## **Meeting Minutes - DRAFT - For Approval**

**Tuesday, April 1, 2014**

**6:00 PM**

**Council Chambers**

**City Council**

**CITY COUNCIL  
CLOSED SESSION AGENDA  
APRIL 1, 2014  
5:00 PM**

- A. CALL TO ORDER**
- B. CLOSED SESSION**
  - B.1 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
(Government Code section 54956.9(d)(1))  
Name of case: Norcal II Co-Brands, Inc. et al. v. City of Woodland, et al.,  
Yolo County Superior Court Case No. PT 13-1226
  - B.2 CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**  
(Government Code section 54956.9(d)(1))  
Name of case: California Clean Energy Committee v. City of Woodland, 3rd  
District Court of Appeal, Case No. C072033

**JOINT REGULAR CITY COUNCIL/WOODLAND FINANCE AUTHORITY  
APRIL 1, 2014  
6:00 P.M.**

- A. CALL TO ORDER**
- B. ROLL CALL**
  - Present:** 5 - Mayor Marlin Davies, Vice Mayor Tom Stallard, Council Member William  
Marble, Council Member Jim Hilliard and Council Member Sean Denny
- C. PLEDGE OF ALLEGIANCE**
  - Led by Steve Harris.
- D. COMMUNICATIONS-PUBLIC COMMENT**
- E. COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS**

Verbal updates provided by Council Members/Staff.

**14-123**                      **SUBJECT:**     Long Range Calendar

Recommendation for Action: Staff recommends that the City Council  
receive the Long Range Calendar for informational purposes only.

**F. COMMITTEE REPORTS**

Council received the Commission on Aging Meeting Minutes for February 13, 2-014 and the Parks & Recreation Commission Meeting Minutes for February 24, 2104.

**14-105**      SUBJECT:      Commission on Aging Meeting Minutes for February 13, 2014

Recommendation for Action: Staff recommends that the City Council receive the February 13, 2014 Commission on Aging Minutes that were approved on March 13, 2014.

**14-115**      SUBJECT:      Parks & Recreation Commission Meeting Minutes for February 24, 2014

Recommendation for Action: Staff recommends that the City Council receive the February 24, 2014 Parks & Recreation Commission Minutes that were approved on March 24, 2014.

**G. MINUTES**

**1. 14-116**      SUBJECT:      Council Meeting Minutes

Recommendation for Action: Staff recommends that the City Council adopt the minutes of the Joint Regular City Council/Woodland Finance Authority meeting of March 4, 2014 and the Joint Regular City Council/Woodland Finance Authority meeting of March 18, 2014 as presented.

**On a motion by Council Member Denny, seconded by Council Member Marble and carried unanimously, the City Council adopted the Joint Regular City Council/Woodland Finance Authority Meeting Minutes of March 4, 2014 and March 18, 2014.**

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council Member Hilliard and Council Member Denny

**H. PRESENTATIONS**

**2. 14-118**      SUBJECT:      Sacramento-Yolo Mosquito & Vector Control District Presentation

Recommendation for Action: Staff recommends that the City Council receive a presentation by Gary Goodman, District Manager for the Sacramento-Yolo Mosquito & Vector Control District to provide an update regarding mosquitoes, West Nile virus activity, new invasive mosquito species, threats to public health and services offered by the

Sacramento-Yolo Mosquito & Vector Control District.

**Received presentation by Gary Goodman, District Manager for the Sacramento-Yolo Mosquito & Vector Control District.**

3.      14-119      SUBJECT:      Healthy Yolo Community Health Assessment Project

Recommendation for Action: Staff recommends that the City Council receive a presentation by Mark Harlan, Health Program Coordinator with Yolo County Health Department on the Healthy Yolo project.

**Received a presentation by Mark Harlan, Health Program Coordinator with the Yolo County Health Department, Healthy Yolo.**

4.      14-120      SUBJECT:      Proclaim May 6, 2014 as BIG Day of Giving

Recommendation for Action: Staff recommends that the City Council adopt a Proclamation proclaiming May 6, 2014 as BIG Day of Giving.

**On a motion by Council Member Marble, seconded by Council Member Denny and carried unanimously, the Proclamation was approved.**

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council Member Hilliard and Council Member Denny

## I.      **CONSENT CALENDAR**

**On a motion by Council Member Hilliard, seconded by Council Member Denny and carried unanimously, the Council approved Consent Calendar Item No. 5 through 7.**

5.      14-096      SUBJECT:      2013/2014 ADA Improvement Project, CIP 14-05; Approve Plans and Specifications, Authorize Bid Advertisement, and Authorize the City Manager to Execute the Construction Contract

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_; 1) approving the plans and specifications for the 2013/2014 ADA Improvement Project (CIP 14-05), 2) authorizing bid advertisement, and 3) authorizing the City Manager to award the construction contract to the lowest responsive, responsible bidder up to \$113,000.

**Resolution No. 6218, "A Resolution of the City Council of the City of Woodland Approving the Plans and Specifications for the 2013/2014 ADA Improvement Project, Authorizing Bid Advertisement, and Authorizing the City Manager to Execute an Agreement following Bid Opening to the Lowest Responsive and Responsible Bidder Provided the Contract Amount does not Exceed \$113,000."**

6.      14-097      SUBJECT:      Ashley Gate Rehabilitation, CIP 14-12; Award Construction Contract, Approve Reallocation of \$85,000 of Water Enterprise Funds; and Amend Professional Services Agreement with Laugenour and Meikle

Recommendation for Action: Staff recommends that the City Council approve Resolution No. \_\_\_\_\_ authorizing the award of a construction contract in the amount of \$339,860 to Homen Root Construction for the Ashley Gate Rehabilitation, CIP 14-12; approving reallocation of \$85,000 of Water Enterprise Funds from First New Ground Level Tank, CIP 08-33 to Ashley Gate Rehabilitation, CIP 14-12; and Amending the Professional Services Agreement for Ashley Gate Rehabilitation Design with Laugenour and Meikle to increase the Agreement to \$58,870.

**Resolution No. 6219, "A Resolution of the City Council of the City of Woodland Approving an Agreement with Homen Root Construction for Removal and relocation of Existing Hydraulic Storm drain gate Control Utility box and Construction of a New Concrete Masonry building for electrical and Scada Control Systems, Reallocating \$85,000 of Water Enterprise Funds from the first New Ground Level Tank CIP 08-33 T Ashley Gate Rehabilitation, and Amending the professional Services Agreement with Laugenour and Meikle for Ashley Gate Rehabilitation Design."**

**7. 14-109**

SUBJECT: Settlement Agreement and Reallocation of Water Enterprise Funding for Well 28 Replacement Project (CIP 10-08)

Recommendation for Action: Staff recommends that the City Council approve the attached resolution authorizing the City Manager to execute the settlement agreement with Mascon, Inc. for the Well 28 Project (CIP 10-08) and approve the reallocation of \$215,000 from the Water System Maintenance and Repairs Project (CIP 09-23) to the Well 28 Project (CIP 10-08).

**Resolution No. 6220, "A Resolution of the City Council of the City of Woodland Approving a Settlement Agreement with Mascon, Inc."**

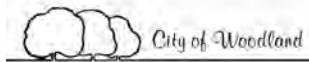
**J. ADJOURNED AT 6:52PM**

**Respectfully submitted,**

**Ana B. Gonzalez, City Clerk**

# City of Woodland

*300 First Street  
Woodland, CA 95695*



## **Meeting Minutes - DRAFT - For Approval**

**Tuesday, April 15, 2014**

**6:00 PM**

**Council Chambers**

**City Council**

**CITY COUNCIL  
CLOSED SESSION AGENDA  
APRIL 15, 2014  
5:00 P.M.**

**A. CALL TO ORDER**

**B. CLOSED SESSION**

**B.1 CONFERENCE WITH LABOR NEGOTIATORS, PURSUANT TO  
GOVERNMENT  
CODE SECTION 54957.6**

**Agency Designated Representatives: Paul Navazio, Sheila McShane,  
Kimberly McKinney and Dania Torres Wong  
Employee Organization(s): Mid-Management Association**

**B.2 CONFERENCE WITH REAL PROPERTY NEGOTIATORS, PURSUANT TO  
SECTION 54956.8**

**Property: 041-080-013**

**Agency Negotiator: City Manager**

**Negotiating Parties: Foundation for Excellence at Woodland Christian  
School**

**Under Negotiation: Price and Terms of Payment**

**Property: 042-010-053**

**Agency Negotiator: City Manager**

**Negotiating Parties: Woodland Joint Unified School District**

**Under Negotiation: Price and Terms of Payment**

**Property: 042-010-034**

**Agency Negotiator: City Manager**

**Negotiating Parties: Yuba Community College District**

**Under Negotiation: Price and Terms of Payment**

**B.3 CONFERENCE WITH REAL PROPERTY NEGOTIATORS, PURSUANT TO  
SECTION 54956.8**

**Properties:** Woodland Community and Senior Center / Sports Park, 2001  
East Street (APN: 041-080-001)

**Agency negotiators:** City Attorney and Community Development Director

**Negotiating parties:** Complete Wireless Consulting on behalf of Verizon  
Wireless

**Under negotiation:** Price and Terms of Payment

**JOINT REGULAR CITY COUNCIL/WOODLAND FINANCE AUTHORITY  
APRIL 15, 2014  
6:00 P.M.**

**A. CALL TO ORDER****C. PLEDGE OF ALLEGIANCE**

Led by Vice Mayor Stallard.

**B. ROLL CALL**

**Present:** 5 - Mayor Marlin Davies, Vice Mayor Tom Stallard, Council Member William  
Marble, Council Member Jim Hilliard and Council Member Sean Denny

**D. COMMUNICATIONS-PUBLIC COMMENT**

Meg Stallard

**E. COMMUNICATIONS-COUNCIL/STAFF STATEMENTS AND REQUESTS**

Verbal updates provided by Council Members/Staff.

**14-134**                      **SUBJECT:**     Long Range Calendar

Recommendation for Action: Staff recommends that the City Council  
receive the Long Range Calendar for informational purposes only.

**F. CONSENT CALENDAR**

On a motion by Vice Mayor Stallard, seconded by Council Member Hilliard, and  
carried unanimously, the Council approved Consent Calendar Item No. 1  
through 4.

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council  
Member Hilliard and Council Member Denny

**1.        14-121                      SUBJECT:**     Oak Avenue Sewer Rehabilitation CIP 14-21, approve

## Plans and Specifications, and Authorize Bid Advertisement

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_, to move \$220,000 from CIP 08-21 to CIP 14-21; approve the plans and specifications for the Oak Avenue Sewer Rehabilitation project, CIP 14-21, and authorize bid advertisement.

**RESOLUTION NO. 6221, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING THE PLANS AND SPECIFICATIONS FOR THE OAK AVENUE SEWER REPLACEMENT PROJECT (CIP 04-21), AND AUTHORIZING BID ADVERTISEMENT"**

2.      **14-114**      SUBJECT:      2014 Road Maintenance Project, CIP 14-14; Approve Plans and Specifications, Authorize Bid Advertisement, and Authorize the City Manager to Execute the Construction Contract

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_, to approve the project plans and specifications for the 2014 Road Maintenance Project, CIP 14-14; authorize bid advertisement; and authorize the City Manager to execute the construction contract to the lowest, responsive, responsible bidder up to \$900,000.

**RESOLUTION NO. 6222, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING THE PLANS AND SPECIFICATIONS FOR THE 2014 ROAD MAINTENANCE PROJECT, AUTHORIZING BID ADVERTISEMENT, AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT FOLLOWING BID OPENING TO THE LOWEST RESPONSIVE AND RESPONSIBLE BIDDER PROVIDED THE CONTRACT AMOUNT DOES NOT EXCEED \$900,000"**

3.      **14-111**      SUBJECT:      Final Acceptance and Notice of Completion for Clark Field Backstop Replacement Project, CIP 13-03

Recommendation for Action: Staff recommends City Council adopt Resolution No. \_\_\_\_\_ accepting the Clark Field Backstop Replacement Project, CIP 13-03 construction contract as complete and authorizing the City Clerk to file a Notice of Completion.

**RESOLUTION NO. 6223, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND TO ACCEPT THE CLARK FIELD BACKSTOP REPLACEMENT PROJECT AS COMPLETE AND AUTHORIZE THE CITY CLERK TO FILE A NOTICE OF COMPLETION"**

4.      **14-110**      SUBJECT:      Final Acceptance and Notice of Completion for Brooks Swim Center Renovation Project, CIP 12-18

Recommendation for Action: Staff recommends City Council adopt Resolution No. \_\_\_\_\_ accepting the Brooks Swim Center Renovation Project, CIP 12-18 construction contract as complete and authorizing the City Clerk to file a Notice of Completion.

RESOLUTION NO. 6224, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND ACCEPTING THE BROOKS SWIM CENTER RENOVATION PROJECT AS COMPLETE AND AUTHORIZING THE CITY CLERK TO FILE A NOTICE OF COMPLETION"

**G. PUBLIC HEARING - SUBJECT: Industrial I-5/CR 102 Entryway Overlay Zone - Ordinance Amentment - OPEN AND CONTINUE TO A DATE CERTAIN**

Public Hearing was Opened and Continued to May 13, 2014.

**H. REPORTS OF THE CITY MANAGER**

**5. 14-125 SUBJECT: Community Development Department's Quarterly Status Report**

Recommendation for Action: Staff recommends that the City Council receive the Community Development Department's Quarterly Status report.

**Council received the Community Development Department's Quarterly Status Report.**

**6. 14-133 SUBJECT: Federal Legislative Priorities for the City of Woodland / 2014 SacMetro Chamber of Commerce Cap-to-Cap Trip to Washington, DC**

Recommendation for Action: Staff recommends that the City Council receive an informational report on the City of Woodland's Federal Legislative priorities anticipated to be advanced as part of the upcoming SacMetro Chamber of Commerce's Cap-to-Cap trip to Washington, DC, taking place May 3-7, 2014.

**Council received an informational report on the City of Woodland's Federal legislative priorities anticipated to be advanced as part of the upcoming SacMetro Chamber of commerce's Cap-to-Cap trip to Washington, DC, taking place May 3-7, 2014.**

**7. 14-128 SUBJECT: Adopt Ordinance Governing False Fire Alarms**

Recommendation for Action: Staff recommends that the City Council adopt Ordinance No. \_\_\_\_\_ to establish standards and controls 1) to reduce the incidents of false fire alarm calls responded to by the Fire Department; 2) define what constitutes a nuisance alarm; and 3) establish the appropriate fee structure to offset the cost of false fire alarm response.

**On a motion by Council Member Marble, seconded by Council Member Denny, and carried unanimously, Council waived 1st reading and read by title only an Ordinance Governing False Fire Alarms.**

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council Member Hilliard and Council Member Denny

8.      **14-141**      **SUBJECT:**      Update on California Voting Rights Act (CVRA) and Timeline for Submitting November 2014 Ballot Measure to Transition to Council-District Elections

Recommendation for Action: Staff recommends that the City Council:

- 1) Receive an informational update on developments related to the California Voting Rights Act, and
- 2) Consider timeline for Council actions needed to place the proposed measure to transition to Council-district elections on the November 2014 ballot.

**No action was taken on this item.**

9.      **14-126**      **SUBJECT:**      Adopt the Westside Sacramento Integrated Regional Water Management Plan

Recommendation for Action: Staff recommends that City Council adopt Resolution No. adopting the Westside Integrated Regional Water Management Plan (IRWMP)

**On a motion by Council Member Hilliard, seconded by Council Member Denny and carried unanimously, the Council adopted RESOLUTION NO. 6225, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND FOR ADOPTION OF THE WESTSIDE INTEGRATED WATER MANAGEMENT PLAN DATED JUNE 2013".**

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council Member Hilliard and Council Member Denny

10.     **14-058**     **SUBJECT:**      Approve Plans & Specifications, and Authorize Bid Advertisement for Water Transmission Main East (CIP 11-14) and the Community Center/Sports Park Frontage (CIP 11-15)

Recommendation for Action: Staff recommends that the City Council (1) approve the plans and specifications; and (2) authorize bid advertisement for Water Transmission Main East (CIP 11-14) and the Community Center/Sports Park Frontage (CIP 11-15).

**On a motion by Council Member Hilliard, seconded by Council Member Denny and carried unanimously, the Council Approved Plans & Specifications, and Authorized Bid Advertisement for Water Transmission Main East (CIP 11-14) and the Community Center/Sports Park Frontage (CIP 11-15).**

**Ayes:** 5 - Mayor Davies, Vice Mayor Stallard, Council Member Marble, Council Member Hilliard and Council Member Denny

11.     **14-127**     **SUBJECT:**      Authorize City Manager to execute the Pipeline Crossing Agreement with Union Pacific Railroad

Recommendation for Action: Staff recommends that City Council adopt Resolution No. \_\_\_\_\_ authorizing the City Manager to execute the Pipeline Crossing Agreement (Agreement) with Union Pacific Railroad (UPRR) for the east transmission main crossing of the UPRR and the Right of Entry permit with Genesee & Wyoming Railroad Services, Inc.

On a motion by Council Member Hilliard, seconded by Council Member Denny and carried unanimously, Council adopted RESOLUTION NO. 6226, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING A PIPELINE CROSSING AGREEMENT WITH UNION PACIFIC RAILROAD FOR INSTALLATION OF THE TRANSMISSION MAIN ACROSS THE RAILROAD".

12.     **14-130**           SUBJECT:     Approve the Updated Measure E Spending Plan

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_ approving the updated Measure E (MSE) Spending Plan which alters the allocation of these resources among the various projects as described.

On a motion by Council Member Hilliard, seconded by Council Member Denny and carried unanimously, Council adopted RESOLUTION NO. 6227, "RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND APPROVING THE UPDATED MEASURE E SPENDING PLAN".

13.     **14-132**           SUBJECT:     Authorize the City Manager to request authorization from Caltrans to proceed with right of way acquisition, in advance of environmental approval, as required for the Kentucky Avenue Widening and Complete Streets Improvement Project CIP #04-07

Recommendation for Action: Staff recommends that the City Council adopt Resolution No. \_\_\_\_\_ authorizing the City Manager to request authorization from Caltrans to proceed with right of way acquisition, in advance of environmental approval, as required for the Kentucky Avenue Widening and Complete Streets Improvement Project CIP #04-07.

On a motion by Council Member Denny, seconded by Council Member Hilliard and carried unanimously, Council adopted RESOLUTION NO. 6228, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND DIRECTING THE CITY MANAGER TO REQUEST AUTHORIZATION FROM CALTRANS TO PROCEED WITH RIGHT OF WAY ACQUISITION, IN ADVANCE OF ENVIRONMENTAL APPROVAL, AS REQUIRED FOR THE KENTUCKY AVENUE WIDENING AND COMPLETE STREETS IMPROVEMENT PROJECT, CIP #04-07".

**I.       ADJOURNED AT 8:18PM**

**Respectfully submitted,**

**Ana B. Gonzalez**  
**City Clerk**

## Legislation Text

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File #: 14-129, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Proclamation - Older Americans Month

Recommendation for Action : Staff recommends that the City Council adopt a Proclamation declaring May 2014 as Older Americans Month

**Staff Contact**

Kris Bain, Community Services Program Manager, 661-2002, [krista.bain@cityofwoodland.org](mailto:krista.bain@cityofwoodland.org)

**Background**

In 1965, the President of the United States designated the month of May as Older Americans Month. May is a time to recognize and celebrate the contributions that older persons provide to our community. It has been a tradition for the City Council to issue a proclamation honoring older Americans during May of each year.

**Conclusion**

Staff recommends that the City Council adopt a Proclamation declaring May 2014 as Older Americans Month.

Prepared by: Kris Bain, Community Services Program Manager



Paul Navazio, City Manager

Attachment: Older Americans Month Proclamation

## **Proclamation**

### **Older Americans Month**

**Whereas**, in recognition of the national community in which we live, and in tribute to the elders of our families who represent the strength of our nation, the US Administration on Aging has selected as this year's theme, "Safe Today. Healthy Tomorrow" and

**Whereas**, Woodland is home to more than 6,700 citizens aged 60 years and older; and

**Whereas**, we recognize the value of injury prevention and safety awareness in helping older adults remain healthy and active; and

**Whereas**, Woodland Senior Center is committed to providing and supporting activities and services for the older populations such as the Chit Chat Café and Community Care Car; and

**Whereas**, the older adults in Woodland play an important role by celebrating their contributions to our community and our nation; and

**Whereas**, older citizens need the assistance of their communities to thrive, including the understanding and support from their friends and family; and

**Whereas**, our community can provide opportunities to allow older citizens to continue to flourish by:

- Emphasizing the need to take action to safeguard themselves for unintentional injuries where they live, work, and socialize
- Providing information and avoiding leading causes of injury for older adults – falls, motor vehicle-related incidents, suffocation, medical overdose, and fire-burns
- Helping older adults take control of their safety and wellbeing

**Now therefore**, that the City Council of the City of Woodland California do hereby proclaim May 2014 to be Older Americans Month. The Woodland City Council urges every citizen to take time this month to recognize older adults and the people who serve and support them as powerful and vital citizens who greatly contribute to the community.

Dated this 6<sup>th</sup> day of May, 2014

Tom Stallard, Vice-Mayor

Jim Hilliard, Council Member

William Marble, Council Member

Sean Denny, Council Member

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Marlin "Skip" Davies, Mayor

## Legislation Text

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File #: 14-142, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Proclamation - Recognition of and Appreciation for National Police Week

Recommendation for Action : Staff recommends that the City Council approve and proclaim May 11-17, 2014, as National Police Week, and Thursday, May 15, 2014, as Peace Officers' Memorial Day in Woodland to honor the men and women whose diligence and professionalism keep our community and citizens safe.

**Staff Contact**

Dan Bellini, Public Safety Chief - 661-7834, dan.bellini@cityofwoodland.org

**Fiscal Impact**

This action has no fiscal impact.

**Background**

In 1962, President John F. Kennedy signed Public Law 87-726 designating May 15<sup>th</sup> each year as Peace Officers' Memorial Day, in honor of the Federal, State, and Municipal officers who have been killed or disabled in the line of duty; and the week in which May 15<sup>th</sup> occurs as National Police Week, in recognition of the service given by the men and women who, night and day, stand guard in our midst to protect us through enforcement of our laws. The law was amended by the Violent Crime Control and Law Enforcement Act of 1994, Public Law 103-322, signed by President Bill Clinton, directing that the flag of the United States be displayed at half-staff on government buildings on May 15<sup>th</sup> each year. While the actual dates change from year to year, National Police Week is always the calendar week beginning on a Sunday, which includes May 15<sup>th</sup>.

Though enacted in 1962, it was not until May 15, 1982, that the first National Peace Officers' Memorial Day service was held. The Joint Resolution was enacted in recognition of the police officers of our country who work devotedly and selflessly on behalf of the people of the United States, regardless of the peril to themselves. These officers safeguard the lives and property of their fellow Americans by the enforcement of our laws. By their patriotic service and dedicated efforts, these men and women deserve, and have earned, the gratitude of the Nation.

**Conclusion**

Staff recommends the City Council issue a Proclamation declaring May 11-17, 2014, as National Police Week, and Thursday, May 15, 2014, as Peace Officers' Memorial Day.

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File #: 14-142, Version: 1

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Prepared by: Bonnie Sylva, Administrative Secretary

Reviewed by: Dan Bellini, Public Safety Chief

A handwritten signature in dark ink, appearing to read "Paul Navazio", is positioned above the printed name.

Paul Navazio, City Manager

Attachment: Proclamation

# CITY OF WOODLAND PROCLAMATION OF RECOGNITION OF AND APPRECIATION FOR NATIONAL POLICE WEEK

- WHEREAS,** the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day and the week in which May 15 occurs as National Police Week; and
- WHEREAS,** the members of the Woodland Police Department play an essential role in safeguarding the rights and freedoms of the community of Woodland; and
- WHEREAS,** it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people by safeguarding life and property, protecting them against violence and disorder; and by protecting the innocent against deception and the weak against oppression; and
- WHEREAS,** the men and women of the Woodland Police Department unceasingly provide a vital public service; and
- NOW THEREFORE,** be it resolved the City Council of the City of Woodland hereby adopts this Proclamation of Recognition and Appreciation and calls upon all citizens of Woodland and upon all patriotic, civic, and educational organizations to observe the week of May 11-17, 2014, as National Police Week with observances in which all of our citizens may join in commemorating law enforcement officers, past and present, who, by their faithful and loyal devotion to their responsibilities have provided a dedicated service to their community. In so doing, they have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. The City Council further calls upon citizens of Woodland to observe May 15, 2014, as Peace Officers' Memorial Day in honor of those law enforcement officers, who, through their courageous deeds, have made the ultimate sacrifice in service to their community or have become disabled in the performance of duty; and let us recognize and offer our respect to the survivors of our fallen heroes.

PASSED AND ADOPTED this 6<sup>th</sup> day of May, 2014

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Marlin "Skip" Davies, Mayor

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Tom Stallard, Vice Mayor

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William Marble, Council Member

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Sean Denny, Council Member

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Jim Hilliard, Council Member



## Legislation Text

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File #: 14-149, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Proclamation - Public Works Week, May 18 - 24, 2014

Recommendation for Action : Staff recommends that the City Council proclaim May 18-24, 2014 as “Public Works Week” and present the proclamation to a Public Works representative.

**Staff Contact**

Mark Severeid, Laboratory/Pretreatment Supervisor - 661-2065, mark.severeid@cityofwoodland.org

**Fiscal Impact**

None

**Background**

Woodland’s Public Works Department plays a key role in planning, building, and maintaining infrastructure and facilities that will allow current and future generations to enjoy a higher quality of life. Since 1960, the American Public Works Association (APWA) has sponsored National Public Works Week. Across the country, more than 28,000 member agencies use this week to educate the public on the critical contributions of public works to their daily lives.

The 2014 National Public Works Week theme, "Building for Today, Planning for Tomorrow" recognizes that the work we do today is vital to creating a vibrant tomorrow.

**Discussion**

The mission of the Woodland’s Public Works Department is “ *To provide and maintain public works infrastructure, facilities and services in a cost-effective manner in order to meet the current and projected needs of the City.*”

Public Works Week presents an opportunity to convey to both the community and to our own staff a greater understanding of how our services benefit the City of Woodland. Woodland public works employees enhance public health and safety and create a resilient community by providing a wide variety of services, including:

- 1 Potable water production and distribution;
- 2 Stormwater and drainage management;
- 3 Wastewater collection and treatment;
- 4 State-certified water quality testing and industrial pretreatment programs;

- 5 Operation and maintenance of streets and roads;
- 6 Street lighting, traffic signals, street signs and road markings;
- 7 Urban forestry and tree maintenance;
- 8 Environmental resource management;
- 9 Management of solid waste collection and recycling;
- 10 Park maintenance; and
- 11 Operation and maintenance of Woodland's fleet and facilities.

In recent years, the City's growth, reductions in resources, aging infrastructure, and an increasingly restrictive regulatory environment have challenged our ability to provide these services in the most efficient and cost-effective manner possible. However, one of the great satisfactions of working in the public works profession is that, regardless of the resource environment, Public Works staff has consistently provided quality services that directly impact quality of life in our community and create a sustainable future for Woodland.

### **Conclusion**

Staff recommends that the City Council proclaim May 18-24, 2014 as "Public Works Week" and present the proclamation to a Public Works representative.

Prepared by: Mark Severeid, Laboratory/Pretreatment Supervisor

Reviewed by: Gregor Meyer, Public Works Director



Paul Navazio, City Manager

Attachment: Public Works Week Proclamation

# PROCLAMATION PUBLIC WORKS WEEK 2014



**WHEREAS**, Public Works services are an integral part of our community and the everyday lives of our citizens; and

**WHEREAS**, public infrastructure and facilities such as water systems, sewers, streets, traffic signals, street lights, parks and the wastewater treatment facility are operated and maintained by the Public Works Department, providing services enjoyed and demanded by our community on a 24/7 basis; and

**WHEREAS**, programs such as fleet & facilities maintenance, water conservation, and waste reduction/recycling are administered by Public Works' professionals; and

**WHEREAS**, the services provided by our Public Works Department contribute to the health, safety, and comfort of our community members, and to the beauty and cleanliness of our City; and

**WHEREAS**, the quality and sustainability of our infrastructure, facilities, programs, and services are vitally dependent upon the expertise and dedicated efforts of Public Works employees; and

**WHEREAS**, the efficiency of these Public Works employees is influenced by the community's attitude, support, and understanding of the work they perform;

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Woodland does hereby proclaim the week of May 18-24, 2014 as **PUBLIC WORKS WEEK** in Woodland, and calls upon all citizens and civic organizations to acquaint themselves with the issues involved in providing public works services and to recognize the contributions that Woodland's Public Works employees make everyday to our health, safety, and comfort.

**IN WITNESS WHEREOF**, I have hereunto set my hand and caused the seal of the City of Woodland to be affixed.

**DATED:** May 13, 2014

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**MARLIN H. "SKIP" DAVIES, Mayor**  
TOM STALLARD, Vice-Mayor

WILLIAM L. MARBLE, Council Member  
JIM HILLIARD, Council Member  
SEAN DENNY, Council Member



## Legislation Text

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File #: 14-158, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Proclamation - Appreciation and Recognition of Doug Baxter

Recommendation for Action : Staff recommends that the City Council recognize retiree Doug Baxter for his years of service to the City of Woodland and for his efforts as the Principal Civil Engineer overseeing the Utility Engineering Branch.

**Staff Contact**

Jennifer Robinson, Secretary to the City Manager - (530) 661-5800, [jennifer.robinson@cityofwoodland.org](mailto:jennifer.robinson@cityofwoodland.org)

**Background**

Doug Baxter started working for the City of Woodland in 2003 and has since worked in Public Works and Community Development Departments. Doug oversaw the development of the Urban Water Management Plan, Water Focus Study, Water System Optimization Study, and other crucial studies needed for regulatory compliance and grant funding requirements. Doug also spearheaded the Surface Water Project which will convey high-quality treated Sacramento River water to the communities of Woodland, Davis and UC Davis. Doug officially retired from the City of Woodland in April 2014.

**Conclusion**

Staff recommends that the City Council recognize retiree Doug Baxter for his years of service to the City of Woodland and for his efforts as the Principal Civil Engineer overseeing the Utility Engineering Branch.

Prepared by: Jennifer Robinson, Secretary to the City Manager

Reviewed by: Ana B. Gonzalez, City Clerk

A handwritten signature in blue ink, appearing to read "Paul Navazio".

Paul Navazio, City Manager

Attachment: Proclamation

# City of Woodland

## PROCLAMATION RECOGNIZING DOUG BAXTER FOR HIS WORK AS THE PRINCIPAL CIVIL ENGINEER OVERSEEING THE UTILITY ENGINEERING BRANCH

WHEREAS, Doug worked at the City since 2003 in both the Public Works and Community Development Departments; and,

WHEREAS, during his tenure with the City, brought about the replacement of a 400,000 gallons elevated storage tank to increase water pressure city-wide; and,

WHEREAS, Doug oversaw the development of the Urban Water Management Plan, Water Focus Study, Water System Optimization Study, and other crucial studies needed for regulatory compliance and meet grant funding requirements; and,

WHEREAS, Doug, using his talent and expertise, spearheaded the Surface Water Project, a multi-million dollar regional water supply project which will convey high-quality treated Sacramento River water to the communities of Woodland, Davis, and UC Davis by 2016; and,

WHEREAS, Doug managed and implemented numerous water projects that improved the water system, secured millions of dollars in grant funding for improvements and played a key role in establishing water rates needed to sustain the water infrastructure in the years to come; and,

WHEREAS, Doug has also engaged in community service such as organizing and laboring with city staff and the community to rebuild Ferns Park's playground structure after a fire destroyed the structure; and,

WHEREAS, the City of Woodland's water planning and infrastructure is now on a solid, regulatory compliant and financially feasible path, in part due to Doug Baxter's commitment, expertise, expert planning and his motto, "do the right thing, the right way."

NOW, THEREFORE, be it resolved that the City Council of the City of Woodland does hereby recognize and express appreciation to Doug Baxter for his dedicated service to the City of Woodland.

Dated: May 13, 2014

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Marlin H. Davies, Mayor

Tom Stallard, Vice Mayor  
Sean Denny, Council Member

William L. Marble, Council Member  
Jim Hilliard, Council Member



# City of Woodland

300 First Street  
Woodland, CA 95695

## Legislation Text

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File #: 14-167, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Presentation - City's New Website

Recommendation for Action : Staff recommends that the City Council receive a report from Scott Sawin, Information Technology Manager regarding our new and improved City of Woodland website.

A handwritten signature in blue ink, appearing to read "Paul Navazio".

Paul Navazio, City Manager



## Legislation Text

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File #: 14-122, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Public Works Quarterly Status Report for the period of December 2013 through February 2014

Recommendation for Action : Staff recommends that the City Council accept the Public Works Department's Quarterly Status Report for the period of December 2013 through February 2014.

**Staff Contact**

Johanna Currie - Senior Management Analyst - 530-661-5902  
johanna.currie@cityofwoodland.org

**Fiscal Impact**

None - for information only.

**Background**

This quarterly status report covers the period of December, 2013 through February 2014. The Report presents a summary of Service Requests and Work Orders completed and also contains a narrative description of major work performed and/or notable Department highlights.

**Conclusion**

Staff recommends that Council receive the Report and advise staff if they have any questions.

Prepared by: Johanna Currie  
Senior Management Analyst

Reviewed by: Gregor G. Meyer  
Public Works Director



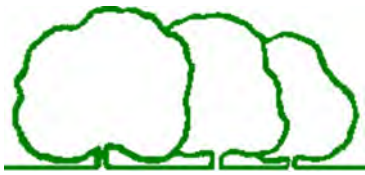
Paul Navazio, City Manager

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File #: 14-122, Version: 1

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Attachment: Public Works Quarterly Status Report for the period of December 2013 through February 2014



## Public Works Department.

### Quarterly Status Report

December 2013 through February 2014

| For the Months of Dec 2013-Feb 2014 |                  |              |
|-------------------------------------|------------------|--------------|
| Division                            | Service Requests | Work Orders  |
| Administration                      | 849              | -            |
| Electrical                          | 85               | 107          |
| Environmental Services              | 513              | 0            |
| Facilities                          | 108              | 164          |
| Fleet                               | -                | 440          |
| Parks                               | 14               | 290          |
| Pretreatment                        | 234              | 241          |
| Sewer                               | 73               | 424          |
| Signs & Markings                    | 9                | 139          |
| Storm Drain                         | 8                | 32           |
| Streets                             | 66               | 222          |
| Urban Forestry                      | 31               | 99           |
| WPCF                                | -                | 61           |
| Water                               | 1,212            | 416          |
| <b>Grand Total</b>                  | <b>3,202</b>     | <b>2,635</b> |

**Service Requests** – Every time a request for Public Works services is made by phone call, written request, emailed request, or an actual one-on-one request to a PW employee, a **'Service Request'** is generated. This builds a computerized record of all requests made.

**Work Orders** – A **'Work Order'** is created each time a work crew or individual is assigned a task as a result of either service requests, pre-planned maintenance projects, or by other situations as they arise. This produces a database of work accomplished and the time and materials it took to do the work.

| Total for <u>Calendar</u> Year 2014<br>Through 2/28/14 |                             |
|--------------------------------------------------------|-----------------------------|
| Service Requests<br><b>2,503</b>                       | Work Orders<br><b>2,024</b> |

62 Working Days This Quarter = **52 Requests for Service per Day**

## **Environmental Services Division**

The Environmental Services staff addressed an average of 150 complaints and inquiries per month this quarter related to water waste and water conservation assistance; solid waste, recycling, and street sweeping services; and rebates, particularly for rain barrels. Following were major projects:

### **Solar project**

- Initiated preparation of the RFP for solar installations at five sites with TerraVerde, presented the project to the Planning Commission and Yolo Climate Compact, and completed CEQA biological resources documentation. (*The RFP was released on April 28<sup>th</sup>, with responses due on June 9<sup>th</sup>*).

### **Electric vehicle charging stations**

- Researched electrical, locational, cost, planning, and enforcement issues for EV charging stations and worked with Yolo County on ongoing grant funding requests.

### **Commute alternative incentives**

- Launched the YoloCommute program through Yolo Transportation Management Association to promote staff vehicle trip reductions.

### **Water conservation**

- Prepared the draft update of Municipal Code provisions on water conservation and water shortage declarations, distributed public outreach items on drought awareness and water-use reduction through various media; and provided water supply updates at City Council and Water Utility Advisory Committee meetings.

Other continuing efforts included coordinating with other City departments and Public Works divisions to meet first-year compliance requirements for the MS4 (municipal stormwater system) permit; progressing the draft climate action plan toward completion; contacting business owners about commercial recycling requirements; and coordinating construction and demolition debris recycling activities (49 permits opened and 17 closed this quarter).

## **Fleet & Facilities Division**

### **Fleet**

Fleet has completed the replacement of 9 patrol vehicles. As a result, there will be a 30% increase in patrol vehicle availability for field activities.

### **Facilities**

The Library's elevator hydraulic cylinder and related piping were replaced and the elevator was placed back in service.

The Police Department Chiller is on order and due to be installed by mid-May. Once installed, the Chiller is expected to reduce Police's water consumption by 25% per year.

## **Right of Way/Parks Division**

### **Electrical**

#### **Traffic Signal Operations**

- New Battery Backup Systems (BBS's) were installed at five signalized intersections over the last quarter. These units will allow for the continued operation of the signals during power outages for up to 8 hours, depending on the size and complexity of the signals.

When tied into our Supervisory Control and Data Acquisition (SCADA) traffic signal system, staff can be alerted remotely of power outages and informed of the remaining run times on the system's batteries.

Furthermore, these BBS's are designed to easily swap out the batteries while the system is under load, thus allowing for unlimited and continuous operation with minimal on-site field crew intervention. Currently, 60 of our 67 signalized intersections have this system installed; the following are the intersections that were recently upgraded;

- a. First St & Main St
- b. Second St & Main St
- c. Third St & Main St
- d. Pioneer Ave & Gibson Rd
- e. Pioneer Ave & County Road 102

#### Arc Flash Mitigation

- Staff has install fused disconnects between the secondary side of the main breaker and the motor starter at six well sites. This work was recommended by an engineering company (Industrial Training University) that performed a detailed Arc Flash Analyses of our City's facilities. Arc Flash Mitigation has to do with acceptable safety boundaries and personal protective equipment (PPE) that staff must adhere to in order to safely work electrical systems as directed by the National Fire Protection Agency's (NFPA) 70e requirements. This work was needed to keep the sites at a lower level arc flash category that will reduce staff exposure to electrical safety concerns.

#### Manual Transfer Switches (MTS)

- The Electrical staff has installed MTS at selected well sites throughout the City. This equipment will allow staff the flexibility to provide generator power to critical well sites during sustained power outages in a reduced amount of time. These devices will be critical when we need to meet minimum flow requirements during a citywide power outage.

#### Signs and Markings

##### Overhead Sign Replacement

- The Signs and Markings Group is in the process of replacing selected overhead street name signs. This project is necessary due to the loss of reflectivity value of the designated sign areas. Once this project is complete, the entire City's overhead sign inventory will meet the current Manual on Unified Traffic Control Devices (MUTCD) reflectivity standards. This project has been underway as of December 2013 and has a targeted completion date of mid-March 2014.

##### Reflectivity Program

- Traffic signs provide important information to drivers at all times, both day and night. To be effective, their visibility must be maintained and regulated. The MUTCD mandates that agencies establish and implement a method to maintain minimum levels of sign retro-reflectivity. To meet these standards, staff is currently testing the reflectivity of 50% of our regulatory signs, 30% of our warning signs, and 20% of our guide signs from selected areas of the City. This testing will provide the baseline for scheduling maintenance, as well as budgetary needs.

#### Streets

##### Sidewalk Trip Reduction

- The Street group put together a sidewalk trip hazard reduction project this past quarter. This project was contracted out to Precision Concrete Cutting due to their proprietary and patented cutting technology to repair trip hazards. The requirements of this project were to repair all hazards between ¼" and 2" high, not to exceed \$50,000, and GPS all locations repaired.

During this 13 day project, the City of Woodland was able to eliminate 759 trip hazards, totaling approximately 18,975 square feet, at an average cost of \$55.00 per hazard. By deciding to address trip hazards within the City by utilizing concrete shaving versus removal and replacement, we saved approximately \$178K on this project alone.

##### Crack Sealing

- The recent purchase a new crack sealing machine has not only allowed the Street Group to be more efficient, but has also boosted their production in terms of linear feet sealed. Weather permitting, staff now has the opportunity to seal year round. This is due to a change in philosophy and having a piece of equipment that has more road time versus shop/downtime.

In typical years past, the Street group would use about 20 pallets of material a year; this year we are on track to use 40 pallets. This treatment is a proven methodology of extending the life of our roadways.

## Urban Forestry

### Cyclical Pruning

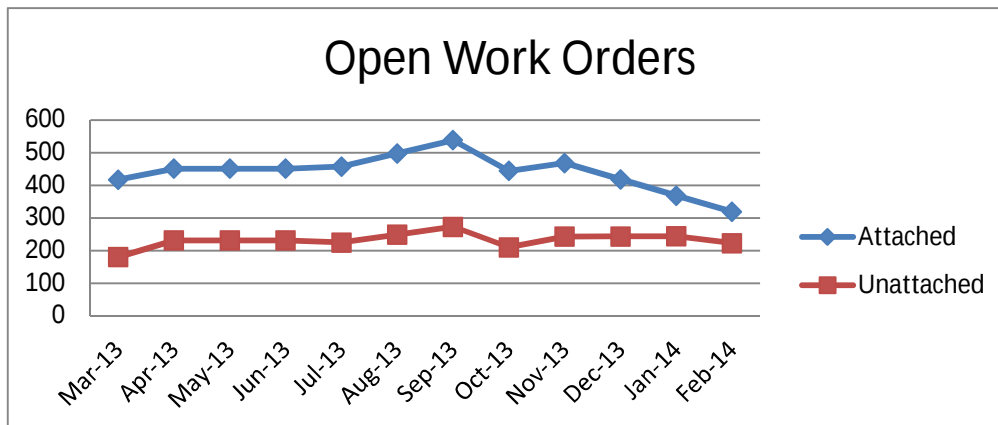
- With the onetime \$100K that Council approved in the FY14 Urban Forestry budget, staff was able to address some much need cyclical pruning in our old growth areas this last quarter.

### Maintenance

- Currently there are 319 attached and 223 unattached work orders that are open and waiting to be processed. This is a total of 542 pending tasks that are currently on the books waiting to be addressed.

This backlog can be directly related to our current shortage of staff and underfunding of the Urban Forestry Program over the last several years. Although our backlog continues to be significant, the numbers began to decline in September with the addition of Sean Potvin, our Tree Trimmer II.

Below is a graph depicting the volume of work orders over the past year:



Attached work orders are tasks that are service call generated (e.g., hazards, requests for prunings and removals, tree evaluations and plantings, etc.) while unattached work orders are tasks that are internally created (e.g., stump and tree removals, small tree care and insecticide treatments).

## Parks

### User Groups

- Staff followed through with our commitment to construct a new 100 sq. ft. storage building for Girls Fast Pitch at Ralph Harris Field. This facility will house their equipment that was previously stored in the ball field restrooms, thus eliminating ADA concerns.

Additionally, the storage shed was designed with an 8' rollup door so the group can sell non-heated snacks from inside the shed during games to help offset operating costs.

### Maintenance

- Unfortunately there is a significant backlog of maintenance in our General Fund parks (GFP). With 18 GFP and only one fulltime employee to oversee the daily needs, it has become apparent that our previous reductions of staff have undermined our capabilities to maintain our parks infrastructure at a level that our community requires. Even though we contract out our landscaping services, we are still left with ongoing safety inspections, equipment repairs, facility maintenance, contract management and public service requests that must be addressed. The current volume of work that is pending cannot feasibly be completed with only one FTE and a few seasonal temporary workers.

While we have been able to “band-aid” our infrastructure over the last several years, it is finally at a point where we have to start performing some much needed, reoccurring maintenance and repairs before we completely lose what quality equipment and infrastructure we have left.

Below is a nonexclusive list of tasks or projects that need to be addressed:

- a. Resurfacing of basketball courts
- b. Resurfacing of tennis courts
- c. Updating restrooms to meet ADA standards
- d. Updating picnic areas to meet ADA standards
- e. Replacing all barbecue pits that have rusted out.
- f. Continuous painting of all picnic stations and restroom facilities/shops.
- g. Continuous maintenance of 15 playgrounds.
- h. Continuous maintenance of fencing/gates at all parks
- i. Roofing at all facilities as needed
- j. Changing all old wood picnic tables and benches to current standards (concrete or steel) to reduce yearly maintenance.

Regrettably, the majority of these tasks will remain unaddressed by the City's one park maintenance employee assigned to the 18 parks and 4 ball-fields in his areas of responsibility.

## **Utilities - Sewer and Storm Division**

### Sanitary Sewer Overflows/Orangeburg Sewer Laterals

- Over the last quarter, the Sewer Group has responded to 20 sanitary sewer overflows. Half of these spills were caused by structurally deteriorated Orangeburg sewer pipes and all ten have been replaced by in-house staff. (Orangeburg pipe is tightly wrapped tarpaper that was cheap to manufacture but was found, over the years, to deteriorate structurally.) Since the beginning of this fiscal year, staff has replaced an additional 33 laterals, wherein 25 were failing Orangeburg pipe. Currently, Utilities and CDD Engineering are developing a plan to fully locate and replace the remaining Orangeburg laterals. It is estimated that there are approximately 800 Orangeburg laterals lingering in various locations around the city.

### Maintenance Hole (Man-Hole) Installations

- Staff identified two areas in the collection system that would benefit from the installation of additional maintenance access points. The first area created improved access to an improper pipe connection that was repaired by placing a man-hole over the two different sized pipes; and the second area allowed for the inter-connection of two distinct collection system basins. Each will provide for improved maintenance, system operation, and minimize the potential for sanitary sewer overflows. Utilizing in-house staff to perform these construction projects reduced the overall cost to the City by approximately \$30,000.

### Storm Drain Replacement

- City staff replaced a storm drain inlet adjacent to a commercial driveway that was destroyed by excessive heavy truck strikes. This situation had become a safety concern for motorists as well as pedestrians. The Santa Rosa type drain inlet (an open curb-face drain inlet) was replaced with a grated type inlet that was field modified to accommodate the heavy traffic loads, provide maintenance access, and minimize further damage.

## **Utilities - Water Production and Distribution**

### Production

#### Elevated Tank Cleaning:

- The internal area of the elevated water tank has been cleaned and inspected by the use of certified divers. This proved to be a very effective process as we were able to complete this work while the

tank remained online. The entire process was completed in less than a day and no problems/issues were found other than the expected sediment/sand, which has been removed. The entire process was captured on video. (It should be noted that the divers went through a complete disinfection process before entering the tank)

#### Well 28 Aquifer Storage and Recovery (ASR) Project:

- In conjunction with CDD, Lawrence Livermore National Laboratory, and West Yost and Associates, we have begun testing our new ASR Well in Freeman Park. To date, our monitoring wells surrounding the well site have established that the target aquifer, which is a 50-foot thick sand and gravel layer about 400 feet underground, has received and contained the injected water (10 million gallons) within its boundaries; we are currently attempting to recover all of that water over the next few weeks. The results so far are very favorable.
- On another note: Well 28 won the 2013 Sustainability Engineering Project of the Year Award from the American Society of Civil Engineers (ASCE), Sacramento Section. The ASCE selected our project based on its contribution to the well-being of our people and community by expanding the water supply options; utilizing resourcefulness in planning and solving design challenges; pioneering the use of materials and methods at the forefront of regulatory permitting for an emerging water sustainability trend; using innovations in construction methodologies; creating positive impacts on our physical environment by improving the water quality; and providing water supply flexibility along with aesthetic value for our community. This is a very prestigious award and the City of Woodland staff, the Woodland Davis Clean Water Agency, and West Yost Associates are justifiably proud of receiving the honor.

#### Distribution

##### Water Main Breaks

- Over the last quarter, Distribution staff has responded to and repaired 40 water mainline breaks. These breaks can, and do, occur at any time on any day, and must be repaired as soon as possible by appropriately certified staff. When making these repairs we make every possible effort to maintain our customers' water service.

##### Crew Structure

- Recently, the water group created 6 new critical positions: 1 - Chief Water System Operator, 1 - Senior Water Systems Operator, 2 - Senior Utility Maintenance Workers, and 2 - Utility Maintenance Worker III's. We are in the process of filling these new positions with existing staff, which will bring us into compliance with State certification requirements and provide additional scheduling flexibility.

#### **Wastewater Operations Division**

In the first quarter of 2014, staff from the City's Water Pollution Control Facility (WPCF) processed over 350 million gallons of wastewater from Woodland's domestic, commercial, and industrial customers. Treated wastewater must meet stringent State and Federal clean water requirements prior to discharge back into the environment.

In order to demonstrate compliance with water quality regulations, Wastewater Operations Laboratory staff performed over 4,000 water quality tests on all phases of the treatment process. Staff from the City's Industrial Pretreatment Program worked closely with commercial and industrial customers to help these important user groups avoid discharging excess pollutants into the City's sewer system and, subsequently, to the WPCF.

In addition to these core activities, during December 2013 through January 2014 the following tasks were performed:

- Design work on the aeration system upgrade project was finalized and went out to bid. The aeration system upgrade, along with enhancements to several other systems included in the project, will optimize treatment capacity, improve operability of the plant, and enhance our capability to meet environmental regulations. Construction on the project is slated to begin later this year.

- The treatment plant, laboratory, and pretreatment program were audited by USEPA and the Regional Board. There were no significant findings or deficiencies noted during any of these routine annual inspections.
- WPCF staff met with permit writers from the Regional Board to kick-off work on our 2014 NPDES Wastewater Permit, which will be the successor to our current (2009) Permit. We expect the new Permit to be completed later this year and we will continue to work closely with the Board on this critical project.



## Legislation Text

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File #: 14-156, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Vehicles for Volunteers in Policing (ViPs)

Recommendation for Action : Staff recommends that the City Council approve the addition of two vehicles, currently designated for auction, for use by volunteers at the Police Department.

**Staff Contact**

Dan Bellini, Public Safety Chief, [dan.bellini@cityofwoodland.org](mailto:dan.bellini@cityofwoodland.org)

**Council Goal**

This recommendation is consistent with the City's goal of 1) maintaining Woodland's quality of life by ensuring the highest level of public safety through the development of a volunteer program at the Police Department; and 2) fiscal responsibility by the creative utilization of volunteers to assist in community outreach.

**Fiscal Impact**

Addition of the vehicles to the Police Fleet will cost \$3,900 per vehicle to cover operation and maintenance cost including fuel, car washes, repairs and preventive maintenance. The total fiscal impact will be \$7,800 per year.

**Background**

The Police Department, in an effort to increase its community presence and outreach activities, is recruiting volunteers to build its Volunteers in Policing (ViP) program. With recruitment in progress, the Department is also working on having the proper structure in place to support the activities that are planned for these incoming volunteers. Having vehicles with official graphics identifying the volunteers as ViPs will be beneficial in establishing their role and presence in the community. The vehicles will also be beneficial in allowing volunteers to coordinate and participate in Neighborhood Watch meetings, assist in patrolling "PredPol" boxes, marking abandoned vehicles, locating graffiti for removal, and assisting in traffic control during planned events.

**Discussion**

In the course of planning the establishment of the ViP program, Police staff identified two vehicles that were just replaced this fiscal year (vehicle #s 674 and 709) that are in good condition to function as volunteer

vehicles. Per City Fleet policy, these vehicles are originally planned to be auctioned.

Police staff consulted with the Fleet manager as to the cost of keeping these two vehicles and adding them to the Police Fleet. The annual cost of fuel, repair and maintenance (including car washes) is estimated at \$3900 per vehicle. The Police Department will design new graphics for these vehicles to ensure that they are distinguishable from the patrol vehicles. These ViP vehicles will be easily identifiable as volunteer vehicles equipped with only a traffic advisor arrow stick light bar in the rear window so they can be used for traffic control during planned events.

#### Fleet Services Review

Fleet Services certifies that there are no excess vehicles in the Fleet that can meet the requirements of the ViP program. Retaining two older Patrol vehicles is the most cost effective means to fill the needs of the program. If approved, vehicles will be assigned to the following Allowance Numbers: Allowance #14-001 for Vehicle #674 and Allowance #14-002 for Vehicle #709.

#### Conclusion

Staff recommends that the City Council approve the addition of two vehicles, currently designated for auction, for use by volunteers at the Police Department.

Prepared by: Elle Murphy, Senior Management Analyst

Reviewed by: Dan Bellini, Public Safety Chief  
Greg Meyer, Public Works Director  
Troy Thompson, Fleet and Facilities Manager



Paul Navazio, City Manager

## Legislation Text

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File #: 14-162, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT : Exclusive Negotiating Agreement Extension with RCI Development for the reuse and renovation of the State Theatre

Recommendation for Action : Staff recommends the City Council approve Resolution No. \_\_\_\_\_ authorizing the City Manager to execute amendment to extend the time period to the Exclusive Negotiation Agreement with RCI Development for the reuse and renovation of the State Theatre.

**Staff Contact**

Ken Hiatt, Community Development Director, (530)661-5930, ken.hiatt@cityofwoodland.org

**Fiscal Impact**

Extension of the ENA will result in no fiscal impact to the City. The FY 2013/14 budget included \$100,000 to cover costs associated with the city's ownership during the budget year included needed repairs, maintenance, and utility expenses necessary to stabilize the building. The city has expended approximately \$60,000 of these funds, the majority associated with removal of the marquee and roof repairs. The balance will be rolled over to FY14/15 to cover costs to maintain stabilization of the building. With exception of these expenses and staff time, the ENA obligated the developer to cover all costs during the negotiating period.

**Background**

At their October 14<sup>th</sup> meeting, the City approved entering into an exclusive negotiating agreement with RCI Development for the reuse and renovation of the State Theatre. The ENA was executed on October 16, 2013 with a negotiated period of 180 days with the provision for a 90 day extension at City Council discretion.

RCI Development has performed in good faith under the terms of the agreement providing status reports at the prescribed timeframes followed by conceptual plans for several alternative reuse and renovation plans for the building. Staff has provided preliminary evaluation and feedback on the plans consisting primarily of code compliance assessment and general comments on the configuration of the building and its uses to maximize potential for financial viability of the project. RCI Development is preparing revisions to the concept plans that will then be used to produce a final operating and financing plan(s) for city review.

The initial 180 day term for the agreement expired in April. Staff is recommending the City Council approve an extension to the ENA to allow RCI Development time to complete this work and staff sufficient time to evaluate the final materials prior to presenting it to City Council for consideration of a Disposition and Development Agreement for the project. The extension, if granted, would extend the terms of the prior agreement to July 1, 2014 or approximately 45 days from the date of the City Council's approval of the

extension.

**Conclusion**

Staff recommends the City Council approve Resolution No. \_\_\_\_\_ authorizing the City Manager to execute amendment to extend the time period to the Exclusive Negotiation Agreement with RCI Development for the reuse and renovation of the State Theatre.

Prepared by: Ken Hiatt, Community Development Director

A handwritten signature in dark ink, appearing to read "Paul Navazio", is positioned above the printed name.

Paul Navazio, City Manager

Attachments: Resolution  
Exclusive Negotiating Agreement

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE CITY OF WOODLAND EXTENDING THE  
EXCLUSIVE NEGOTIATING AGREEMENT BETWEEN THE CITY OF  
WOODLAND AND RCI DEVELOPMENT, INC. FOR THE REUSE AND  
RENOVATION OF THE STATE THEATRE**

**WHEREAS**, the City of Woodland owns the State Theatre located at 322 Main Street in downtown Woodland; and

**WHEREAS**, on October 16, 2013, the City of Woodland and RCI Development entered into an Agreement attached hereto as Exhibit A, which provides for the terms and conditions under which the parties will negotiate the disposition and development of the State Theatre; and

**WHEREAS**, the City of Woodland and RCI Development have been working in good faith and in conformance to the terms of the Agreement to further the efforts of the project; and

**WHEREAS**, Exclusive Negotiating Agreement provided for an initial 180 day negotiation period with an option for an extension of up to 90 days with City Council approval; and

**WHEREAS**, the initial 180 day term of the agreement expired on April 14, 2014; and

**WHEREAS**, the City of Woodland wishes to continue negotiations with RCI Development to allow for adequate analysis of options for the reuse and renovation of the State Theatre with the goal of reaching agreement on terms for the disposition and development State Theatre to RCI Development in order to complete the project.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND AS FOLLOWS:**

Section 1: The City Council hereby authorizes the City Manager to execute an Amendment to the existing Exclusive Negotiating Agreement with RCI Development, Inc. extending the Agreement to July 1, 2014.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_ 2014, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Marlin “Skip” Davies, Mayor

ATTEST:

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Ana B. Gonzalez, City Clerk

## **AGREEMENT TO NEGOTIATE EXCLUSIVELY** **(State Theatre / RCI Development)**

**THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY** (the "Agreement") is entered into this 16<sup>th</sup> day of October, 2013, by and between the City of Woodland (the "City"), a municipal corporation, and RCI Development, a California corporation (the "Developer"), on the basis of the following facts, understandings and intentions of the parties:

### **RECITALS**

A. The property that is the subject of this Agreement (the "Property") is the State Theatre described in Exhibit A attached hereto and incorporated herein. The Property is owned by the City and located within the Downtown Woodland Specific Plan.

B. The City and the Developer desire to enter into exclusive negotiations for the disposition and development of the Property in accordance with the terms and conditions of this Agreement.

**THEREFORE**, the City and the Developer agree as follows:

### **Section 1. Exclusive Negotiations**

(a) **Good Faith Negotiations.** The Developer and the City agree to negotiate diligently and exclusively and in good faith for the Negotiation Period set forth in subsection (b) below to prepare a Disposition and Development Agreement (the "DDA") to be considered for execution between the Developer and the City concerning the disposition by the City to the Developer of the Property and construction thereon by the Developer of renovations to the Property necessary to support its reuse as a viable entertainment venue with supporting retail and/or restaurant space.

(b) **Negotiation Period.** The negotiation period shall begin upon execution of this Agreement by both parties and shall continue for one hundred eighty (180) days from the date of execution of this Agreement by both parties unless earlier terminated pursuant to sections 2 (b) or (c), or 3 (d) or (e) (the "Negotiation Period"). If upon expiration of the Negotiation Period, a mutually satisfactory DDA has not been negotiated by the Developer and City staff, then this Agreement shall automatically terminate at the end of such period, unless mutually extended by the City and Developer. The City Council may approve one 90-day extension of the Negotiation Period.

If a DDA is so executed and submitted by the Developer to the City on or before expiration of the Negotiation Period, or such extension thereof, this Agreement and the Negotiation Period herein shall be automatically extended without further action by the City or Developer for thirty (30) calendar days from the date of such submittal to enable the City to: (i) consider the terms and conditions of the proposed DDA; (ii) if appropriate, take the actions necessary to authorize the City to enter into the DDA; and (iii) execute the DDA.

If the City has not executed the DDA by such thirtieth (30<sup>th</sup>) day, then this Agreement shall automatically terminate unless the thirty (30)-day period has been mutually extended in writing by the City and Developer.

This Agreement shall terminate upon either (1) execution of the DDA by the Developer and the approval and execution of the DDA by the City, or (2) disapproval of the submitted DDA by the City Council in its policy discretion as more fully provided for in Section 5(c) below.

## **Section 2. Default and Expiration**

(a) **Developer Default.** In the event the Developer has not continued to negotiate diligently and in good faith, the City shall give written notice thereof to the Developer who shall then have ten (10) working days to commence negotiating in good faith. Following the receipt of such notice and the failure of the Developer to thereafter commence negotiating in good faith within such ten (10) working days, this Agreement may be terminated by the City. In the event of such termination by the City, neither party shall have any further rights against or liability to the other under this Agreement.

(b) **City Default.** In the event the City has not continued to negotiate diligently and in good faith, the Developer shall give written notice thereof to the City which shall then have ten (10) working days to commence negotiating in good faith. Following the receipt of such notice and the failure of the City to thereafter commence negotiating in good faith within such ten (10) working days, this Agreement may be terminated by the Developer. In the event of such termination by the Developer, neither party shall have any further rights against or liability to the other under this Agreement.

(c) **Expiration.** Upon termination of this Agreement at the expiration of the Negotiation Period or such extension thereof, neither party shall have any further rights against or liability to the other under this Agreement. If a DDA has been executed by the City and the Developer, the DDA shall thereafter govern the rights and obligations of the parties with respect to the development of the Property.

### Section 3. Conduct of Negotiations

(a) **Scope of Development.** Consistent with the Downtown Woodland Specific Plan, negotiations hereunder shall be based upon the mutual intent to reuse and rehabilitate the Property as a functioning and economically viable entertainment venue with supporting retail and/or restaurant spaces ("project"). The Property is a prominent building in downtown Woodland. The Developer is aware that the design, development and operation of the project must parallel the importance of the project to the community and its efforts to revitalize the downtown.

(b) **Determination Regarding Cinema Development.** Within thirty (30) days after execution of this Agreement, the City shall provide developer with a determination regarding the process required for a multiplex cinema to be entitled within the City.

(c) **Architectural Concept.** Within one hundred twenty (120) days after execution of this Agreement, the Developer shall develop and submit to the City conceptual drawings showing proposed site and floor plans, building elevations for the project, including a general description of the interior renovation improvements. These drawings and schedules are necessary for the development of the Property, and any adjacent properties proposed to be incorporated into the project, to the mutual satisfaction of both parties, in order for the parties to evaluate the design and economic aspects of the proposed project and to conduct negotiations of a satisfactory DDA. City shall respond to Developer within ten (10) business days of receipt of the materials with any questions or clarifications pertaining to the information provided. Developer shall have ten (10) business days from receipt of City's request for supplemental information to respond to the City's request.

(d) **Developer's Findings, Determinations, Studies, Reports, Financial Statements, and Preliminary Development Schedule.** Within one hundred fifty (150) days after execution of this Agreement, the Developer shall submit to the City the Developer's findings and determinations regarding the viability of the project supported by market studies, development budgets, financing plans, letters of intent or interest from prospective tenants, site acquisition costs, off-site improvement cost estimates, and pro forma operating statements in order to enable the parties to evaluate the economic aspects of the proposed development and to conduct negotiations of a satisfactory DDA. Developer shall also submit a "preliminary development schedule" of timelines and completion dates for the project. All such submissions shall remain the property of the Developer.

(e) **Early Terminations.** If the Developer has not submitted conceptual drawings and development feasibility information as required by subsections (c) and

(d) above within the specified times, the City may so notify Developer in writing. If Developer fails to submit such conceptual drawings and development feasibility information within ten (10) business days of such written notice, the City may terminate this Agreement by written notice to Developer.

**(f) Progress Reports.** Sixty (60) days after execution of this Agreement, and every sixty (60) days thereafter, the Developer agrees to make oral and/or written progress reports to the City Manager advising the City of the status of all matters pertaining to the development schedule. Failure to make substantial progress in meeting the timelines listed in the development schedule shall allow the City to enforce the provisions of Section 3(e) above.

**(g) Costs to Be Incurred.** Other than the cost of the City staff working on the project which shall be the City's cost, the Developer is solely responsible for all of its costs during the Negotiation Period including all costs associated with preparation and submission of required information and documents as set forth in Sections 3(c), 3(d), and 3(f).

**(h) Purchase Price and/or Other Consideration.** The purchase price and/or other consideration to be paid by the Developer for the Property or portion thereof under the DDA will be established by the City after negotiation with the Developer. Such purchase price and/or other consideration will be based upon such factors as market conditions, density of development, cost of development, risks of the City, risks of the Developer, estimated or actual Developer profit, public purpose and/or fair market value for the uses permitted to be developed and financial requirements of the City, and will be subject to approval by the City Council of the City after a public hearing as required by law. Mere failure by the parties to agree to economic terms of the DDA shall not constitute negotiating in bad faith by either party hereunder.

#### **Section 4. The Developer**

**(a) Nature of the Developer.** The developer is a California Corporation.

**(b) Office of the Developer.** The principal office of the Developer is:

RCI Development, Inc.  
1207 Cleveland Street  
Woodland, CA 95695

**(c) Employees and Consultants of the Developer.** The Developer has designated the following person(s) who will negotiate the DDA with the City and who will engage in the activities necessary to determine the feasibility of the development:

Ron Caceres, President

(d) **Full Disclosure and Approval.** Prior to entering into the DDA, the Developer shall make full disclosure to the City of its principals, officers, stockholders, partners, joint venturers, employees, other associates and all other pertinent information concerning the Developer and its associates. At the same time, the Developer shall also make full disclosure to the City of the methods of financing to be used in developing the Property. The Developer's negotiators, development manager, consultants, professionals and directly-involved employees in the proposed redevelopment project are subject to the reasonable approval of the City.

## **Section 5. City Responsibilities**

(a) **City Assistance and Cooperation.** The City shall cooperate fully in providing the Developer with all reports, studies and information in its possession regarding the Property, and shall also cooperate and provide its assistance in the review of the Property and negotiation of the DDA. The City shall provide Developer, and its contractors and consultants, access to the Property throughout the Negotiation Period for the purpose of performing independent assessment of the Property.

(b) **City Negotiations.** The City acknowledges that the Developer will be expending significant amounts of money during the Negotiation Period to analyze and present the proposed project to the City. In consideration therefor, City agrees, during the Negotiation Period, not to continue to offer the Property for redevelopment, not to provide tours of the Property to other potential developers, not to accept back-up offers or back up negotiation proposals, not to offer due diligence materials to interested third-party developers, and not to engage in negotiations with any other party for the lease, purchase or redevelopment of the Property. During the Negotiation Period, the City also agrees to inform the Developer about any other competing multiplex cinema proposals in the area that come to the attention of the City staff.

(c) **Redevelopment Bond Proceeds.** City agrees during the Negotiation Period not to negotiate the commitment of its Redevelopment Bond Proceeds with any other private development entity interested in developing an entertainment venue, including but not limited to a multiplex cinema. Within sixty (60) days after the execution of this Agreement, City shall provide Developer determination as to the process and timing for receiving approval of the use of Redevelopment Bond Proceeds from the State Department of Finance.

(d) **City Council Public Hearing.** It is expressly understood and acknowledged by the Developer that a DDA resulting from the negotiations hereunder shall become effective only after and if the DDA has been considered and approved by the City Council of the City, in their policy discretion, at a public hearing called for such purpose in accordance with applicable law.

(e) **Maintenance and Repair.** During the Negotiation Period, the City agrees to continue to maintain the building in its present condition and perform repairs to the roof to prevent further water damage in the building. As part of this work, the City may elect to remove the front metal mansard sign façade.

## **Section 6. Limitations**

By its execution of this Agreement the City is not committing itself to or agreeing to undertake: (a) disposition of land to the Developer; or (b) any other acts or activities requiring the subsequent independent exercise of discretion by the City, or any agency or department therefor.

This Agreement does not constitute a disposition of property or exercise of control over property by the City. Execution of this Agreement by the City is merely an agreement to enter into a period of exclusive negotiations according to the term hereof, reserving final discretion and approval by the City as to any DDA and all proceedings and decisions in connections therewith.

## **Section 7. Miscellaneous Provisions**

### **(a) Commissions.**

The City shall not be liable for any real estate commissions or brokerage fees which may arise herefrom. The City represents that it has engaged no broker, agent or finder in connection with this transaction, and the Developer agrees to hold the City harmless from any claim by any broker, agent or finder retained by the Developer.

(b) **Notices.** Formal written notices, demands, correspondence and communications between the City and the Developer shall be deemed sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the office of the City and the Developer indicated below. Such written notices, demands, correspondence and communications may be sent in the same manner to such other persons and addresses as either party may from time-to-time designate by mail as provided in this subsection.

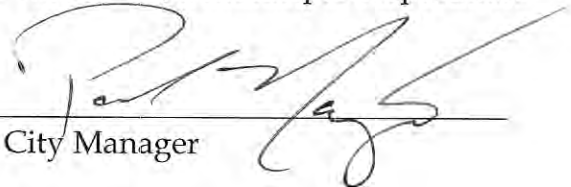
|                         |                                                            |
|-------------------------|------------------------------------------------------------|
| <b>Notices to City:</b> | City of Woodland<br>300 First Street<br>Woodland, CA 95695 |
|-------------------------|------------------------------------------------------------|

|                              |                                                                      |
|------------------------------|----------------------------------------------------------------------|
| <b>Notices to Developer:</b> | RCI Development, Inc.<br>1207 Cleveland Street<br>Woodland, CA 95695 |
|------------------------------|----------------------------------------------------------------------|

(c) **Attorneys' Fees.** If any dispute between Developer and the City should result in litigation, the prevailing party shall be reimbursed for all reasonable costs incurred in connection with such litigation, including, without limitation, all reasonable attorneys' fees.

IN WITNESS WHEREOF this Agreement has been executed in duplicate, by the parties hereto on the day and year first above written.

City of Woodland, a municipal corporation

By:   
City Manager

RCI Development, Inc.

By:   
Ron Caceres,  
President



## Legislation Text

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File #: 14-169, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Support Letter - AB 1999 (Atkins) - Re: Tax Credit for Rehabilitation of Historic Structures

Recommendation for Action : Staff recommends that the City Council authorize the Mayor to forward a letter in support of AB 1999 (Atkins) that would expand tax credits for rehabilitation of certified historic structures.

**Staff Contact**Ana Gonzalez, City Clerk - (530) 661-5806, [ana.gonzalez@cityofwoodland.org](mailto:ana.gonzalez@cityofwoodland.org)**Background**

AB 1999 (Atkins) would allow a credit against personal or corporate income taxes, for a five-year period from 2015 through 2020, of up to 30%, for rehabilitation of certified historic structures.

According to the author, this bill is intended to supplement the existing federal Historic Preservation Tax Incentive program, and while 35 states have enacted similar state tax credits or incentives, no such incentive exists in California.

The bill, if enacted, is expected to promote investment and economic development activity within the historic districts throughout the state, and would provide an effective tool to California communities who are adapting to the adverse impacts of the dissolution of redevelopment. The City of Woodland takes great pride in our historic heritage and ongoing preservation of historic resources within the downtown as well as throughout selected neighborhoods.

While the League of California Cities has yet to take a formal position on AB 1999, staff anticipates a support position emerging as the bill is consistent with League position on expanding tools that support private investment, particularly in areas that were previously included within redevelopment project areas.

According to the analysis prepared by the Assembly Committee on Revenue and Taxation, the bill is supported by the California Preservation Foundation, the American Institute of Architects California Council, and the Structural Engineers Association of California. There is no recorded opposition to this bill.

**Conclusion**

Staff recommends that the City Council authorize the Mayor to sign a letter addressed to the bill author and applicable members of the State Assembly and Senate expressing the City of Woodland's support for AB 1999 (Atkins).

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File #: 14-169, Version: 1

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Prepared by: Ana Gonzalez  
City Clerk

A handwritten signature in dark ink, appearing to read "Paul Navazio", is positioned above the printed name.

Paul Navazio, City Manager

Attachment: Text of AB 1999 (Atkins) - as amended, April 30, 2014

AMENDED IN ASSEMBLY APRIL 30, 2014

AMENDED IN ASSEMBLY APRIL 1, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

## ASSEMBLY BILL

No. 1999

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**Introduced by Assembly Member Atkins**

February 20, 2014

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An act to add and repeal Sections 38.9, 17053.86, and 23686 of the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1999, as amended, Atkins. Personal income and corporation ~~tax~~ taxes: credits: rehabilitation.

The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws.

This bill would allow a credit against those taxes for each taxable year beginning on or after January 1, 2015, and before January 1, ~~2026~~ 2021, in an amount, determined pursuant to a specified section of the Internal Revenue Code, that is paid or incurred during the taxable year for rehabilitation of certified historic structures. This bill would provide for a 25% credit, or 30% credit if the structure meets specified criteria, for rehabilitation of a certified historic structure within the state *to be allocated by the Governor's Office of Business and Economic Development in an aggregate amount of \$100,000,000 per calendar year, as specified. This bill would require the Legislative Analyst to, on an annual basis, collaborate with the Governor's Office of Business and Economic Development to review the tax credit, as provided.*

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. (a) *The Legislature finds and declares that*  
2     *California's historic buildings are an important asset to*  
3     *communities throughout the state, and that the preservation and*  
4     *restoration of these buildings is important to enhancing civic pride,*  
5     *increasing tourism, and maintaining vibrant neighborhoods.*

6     (b) *The Legislature further finds and declares all of the*  
7     *following:*

8         (1) *The federal Historic Preservation Tax Incentives program,*  
9         *currently available to California's income producing historic*  
10        *properties, has generated nearly \$1.5 billion in investment during*  
11        *the last 10 years.*

12       (2) *While 35 states have similar state tax credits or incentives*  
13       *for historic preservation, no such incentive exists in California.*

14       (3) *States that have partnered a state incentive with the federal*  
15       *Historic Preservation Tax Incentive have reaped significant*  
16       *economic development benefits, including construction and*  
17       *building industry job creation, increased state tax revenues through*  
18       *increased employment and wages, increased local property tax*  
19       *revenues through increased property values, and increased local*  
20       *tax revenues through sales taxes and heritage tourism.*

21       (4) *Over the last 10 years, California has had 129 projects*  
22       *qualify for the federal Historic Preservation Tax Incentives*  
23       *program. These projects have been located in 20 different counties.*

24       (5) *As California communities continue to adjust and adapt to*  
25       *the dissolution of redevelopment agencies, proven tools are still*  
26       *needed to incentivize economic development and revitalize*  
27       *economically distressed areas.*

28     SEC. 2. *Section 38.9 is added to the Revenue and Taxation*  
29     *Code, to read:*

30       38.9. (a) *The Legislative Analyst shall, on an annual basis*  
31       *beginning January 1, 2016, collaborate with the Governor's Office*  
32       *of Business and Economic Development to review the effectiveness*  
33       *of the tax credits allowed by Sections 17053.86 and 23686. The*  
34       *review shall include, but is not limited to, an analysis of the demand*  
35       *for the tax credit, the types and uses of projects receiving the tax*

1 *credit, the jobs created by the use of the tax credits, and the*  
2 *economic impact of the tax credits.*

3 *(b) This section shall remain in effect only until January 1, 2022,*  
4 *and as of that date is repealed, unless a later enacted statute, that*  
5 *is enacted before January 1, 2022, deletes or extends that date.*

6 ~~SECTION 1.~~

7 SEC. 3. Section 17053.86 is added to the Revenue and Taxation  
8 Code, to read:

9 17053.86. For each taxable year beginning on or after January  
10 1, 2015, and before January 1, ~~2026~~ 2021, there shall be allowed  
11 as a credit against the "net tax," as defined in Section 17039, an  
12 amount determined in accordance with Section 47 of the Internal  
13 Revenue Code, except as follows:

14 (a) (1) In lieu of the percentages specified in Section 47(a) of  
15 the Internal Revenue Code, except as provided in paragraph (2),  
16 the applicable percentage shall be 25 percent of the qualified  
17 rehabilitation expenditures with respect to a certified historic  
18 structure.

19 (2) The applicable percentage shall be 30 percent of the qualified  
20 rehabilitation expenditures with respect to a certified historic  
21 structure if that certified historic structure meets one of the  
22 following criteria:

23 (A) The structure is located on federal, state, or local surplus  
24 property.

25 ~~(B) The rehabilitated structure will contain a majority of~~  
26 ~~low-income housing units.~~

27 ~~(C) The structure is located in an economically distressed area.~~

28 ~~(D) The structure is located in a Base Realignment and Closure~~  
29 ~~Zone.~~

30 ~~(E) The structure is located in a Transit-Oriented Development~~  
31 ~~Area.~~

32 (B) *The rehabilitated structure includes affordable housing for*  
33 *lower-income households, as defined by Section 50079.5 of the*  
34 *Health and Safety Code.*

35 (C) *The structure is located in a designated census tract, as*  
36 *defined in paragraph (7) of subdivision (b) of Section 17053.73.*

37 (D) *The structure is a part of a military base reuse authority*  
38 *established pursuant to Title 7.86 (commencing with Section*  
39 *67800) of the Government Code.*

1     (E) *The structure is a transit-oriented development that is a*  
2 *higher-density, mixed-use development within a walking distance*  
3 *of one-half mile of a transit station.*

4     (b) For purposes of this section, a certified historic structure  
5 means a structure in this state that appears on either the National  
6 Register of Historic Places or the California Register of Historical  
7 Resources.

8     (c) A deduction shall not be allowed under this part for any  
9 expense for which a credit is allowed by this section.

10    (d) If a credit is allowed under this section with respect to any  
11 property, the basis of that property shall be reduced by the amount  
12 of the credit allowed.

13    (e) In the case where the credit allowed by this section exceeds  
14 the “net tax,” the excess may be carried over to reduce the “net  
15 tax” in the following year, and the seven succeeding years if  
16 necessary, until the credit is exhausted.

17    (f) *For purposes of this section, the Governor’s Office of*  
18 *Business and Economic Development shall do the following:*

19     (1) (A) *On and after January 1, 2015, and before January 1,*  
20 *2021, allocate tax credits to applicants.*

21     (B) *The credit shall be allocated to the partners of a partnership*  
22 *owning the project in accordance with the partnership agreement,*  
23 *regardless of how the federal historic rehabilitation tax credit with*  
24 *respect to the project is allocated to the partners, or whether the*  
25 *allocation of the credit under the terms of the agreement has*  
26 *substantial economic effect, within the meaning of Section 704(b)*  
27 *of the Internal Revenue Code.*

28     (2) *Establish a procedure for applicants to file with the*  
29 *Governor’s Office of Business and Economic Development a*  
30 *written application, on a form jointly prescribed by that office and*  
31 *the Office of Historic Preservation for the allocation of the tax*  
32 *credit.*

33     (3) *Establish criteria consistent with the requirements of this*  
34 *section, for allocating tax credits. Criteria shall include, but are*  
35 *not limited to, the following:*

36     (A) *The number of jobs created by the rehabilitation project,*  
37 *both during and after the rehabilitation of the structure.*

38     (B) *The expected increase in state and local tax revenues derived*  
39 *from the rehabilitation project, including those from increased*  
40 *wages and property taxes.*

1 (C) Any additional incentives or contributions included in the  
2 rehabilitation project from federal, state, or local governments.

3 (4) Determine and designate, in consultation with the Office of  
4 Historic Preservation, applicants that meet the requirements of  
5 this section to ensure that the rehabilitation project upholds  
6 historical values in terms of architectural and aesthetic standards.

7 (5) Process and approve, or reject, all applications.

8 (6) Subject to the annual cap established as provided in  
9 subdivision (g), allocate an aggregate amount of credits under  
10 this section and Section 17053.86, and allocate any carryover of  
11 unallocated credits from prior years.

12 (7) Certify tax credits allocated to taxpayers.

13 (g) The aggregate amount of credits that may be allocated in  
14 any calendar year pursuant to this section and Section 17053.86  
15 shall be an amount equal to the sum of all of the following:

16 (1) One hundred million dollars (\$100,000,000) in tax credits  
17 for the 2015 calendar year and each calendar year thereafter,  
18 through and including the 2020 calendar year.

19 (2) The unused allocation tax credit amount, if any, for the  
20 preceding calendar year.

21 ~~(f)~~

22 (h) This section shall remain in effect only until December 1,  
23 ~~2026~~ 2021, and as of that date is repealed.

24 ~~SEC. 2.~~

25 *SEC. 4.* Section 23686 is added to the Revenue and Taxation  
26 Code, to read:

27 23686. For each taxable year beginning on or after January 1,  
28 2015, and before January 1, ~~2026~~ 2021, there shall be allowed as  
29 a credit against the "tax," as defined in Section 23036, an amount  
30 determined in accordance with Section 47 of the Internal Revenue  
31 Code, except as follows:

32 (a) (1) In lieu of the percentages specified in Section 47(a) of  
33 the Internal Revenue Code, except as provided in paragraph (2),  
34 the applicable percentage shall be 25 percent of the qualified  
35 rehabilitation expenditures with respect to a certified historic  
36 structure.

37 (2) The applicable percentage shall be 30 percent of the qualified  
38 rehabilitation expenditures with respect to a certified historic  
39 structure if that historic structure meets one of the following  
40 criteria:

1 (A) The structure is located on federal, state, or local surplus  
2 property.

3 ~~(B) The rehabilitated structure will contain a majority of~~  
4 ~~low-income housing units.~~

5 ~~(C) The structure is located in an economically distressed area.~~

6 ~~(D) The structure is located in a Base Realignment and Closure~~  
7 ~~Zone.~~

8 ~~(E) The structure is located in a Transit-Oriented Development~~  
9 ~~Area.~~

10 (B) *The rehabilitated structure includes affordable housing for*  
11 *lower-income households, as defined by Section 50079.5 of the*  
12 *Health and Safety Code.*

13 (C) *The structure is located in a designated census tract, as*  
14 *defined in paragraph (7) of subdivision (b) of Section 17053.73.*

15 (D) *The structure is a part of a military base reuse authority*  
16 *established pursuant to Title 7.86 (commencing with Section*  
17 *67800) of the Government Code.*

18 (E) *The structure is a transit-oriented development that is a*  
19 *higher-density, mixed-use development within a walking distance*  
20 *of one-half mile of a transit station.*

21 (b) For purposes of this section, a certified historic structure  
22 means a structure in this state that appears on either the National  
23 Register of Historic Places or the California Register of Historical  
24 Resources.

25 (c) A deduction shall not be allowed under this part for any cost  
26 for which a credit is allowed by this section.

27 (d) If a credit is allowed under this section with respect to any  
28 property, the basis of that property shall be reduced by the amount  
29 of the credit allowed.

30 (e) In the case where the credit allowed by this section exceeds  
31 the “tax,” the excess may be carried over to reduce the “tax” in  
32 the following year, and the seven succeeding years if necessary,  
33 until the credit is exhausted.

34 (f) *For purposes of this section, the Governor’s Office of*  
35 *Business and Economic Development shall do the following:*

36 (1) (A) *On and after January 1, 2015, and before January 1,*  
37 *2021, allocate tax credits to applicants.*

38 (B) *The credit shall be allocated to the partners of a partnership*  
39 *owning the project in accordance with the partnership agreement,*  
40 *regardless of how the federal historic rehabilitation tax credit with*

1 *respect to the project is allocated to the partners, or whether the*  
2 *allocation of the credit under the terms of the agreement has*  
3 *substantial economic effect, within the meaning of Section 704(b)*  
4 *of the Internal Revenue Code.*

5 *(2) Establish a procedure for applicants to file with the*  
6 *Governor's Office of Business and Economic Development a*  
7 *written application, on a form jointly prescribed by that office and*  
8 *the Office of Historic Preservation for the allocation of the tax*  
9 *credit.*

10 *(3) Establish criteria consistent with the requirements of this*  
11 *section, for allocating tax credits. Criteria shall include, but are*  
12 *not limited to, the following:*

13 *(A) The number of jobs created by the rehabilitation project,*  
14 *both during and after the rehabilitation of the structure.*

15 *(B) The expected increase in state and local tax revenues derived*  
16 *from the rehabilitation project, including those from increased*  
17 *wages and property taxes.*

18 *(C) Any additional incentives or contributions included in the*  
19 *rehabilitation project from federal, state, or local governments.*

20 *(4) Determine and designate, in consultation with the Office of*  
21 *Historic Preservation, applicants that meet the requirements of*  
22 *this section to ensure that the rehabilitation project upholds*  
23 *historical values in terms of architectural and aesthetic standards.*

24 *(5) Process and approve, or reject, all applications.*

25 *(6) Subject to the annual cap established as provided in*  
26 *subdivision (g), allocate an aggregate amount of credits under*  
27 *this section and Section 17053.86, and allocate any carryover of*  
28 *unallocated credits from prior years.*

29 *(7) Certify tax credits allocated to taxpayers.*

30 *(g) The aggregate amount of credits that may be allocated in*  
31 *any calendar year pursuant to this section and Section 17053.86*  
32 *shall be an amount equal to the sum of all of the following:*

33 *(1) One hundred million dollars (\$100,000,000) in tax credits*  
34 *for the 2015 calendar year and each calendar year thereafter,*  
35 *through and including the 2020 calendar year.*

36 *(2) The unused allocation tax credit amount, if any, for the*  
37 *preceding calendar year.*

38 ~~*(f)*~~

39 *(h) This section shall remain in effect only until December 1,*  
40 *2026 2021, and as of that date is repealed.*

- 1     ~~SEC. 3.~~
- 2     *SEC. 5.* This act provides for a tax levy within the meaning of
- 3     Article IV of the Constitution and shall go into immediate effect.

## Legislation Text

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File #: 14-053, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Industrial I-5/CR 102 Entryway Overlay Zone - Ordinance Amendment

**Recommendation for Action:** Staff recommends that the City Council take the following actions.

- 1) Conduct a public hearing;
- 2) Waive the first reading of Ordinance No.\_\_\_\_\_ to make the following amendment to Chapter 25 of the Woodland Municipal Code pertaining to Section 25-18-10 Industrial I-5/CR 102 Entryway Overlay Zone:
  - a) Zoning Amendment adding auto sales, new and used, including RV, trailer and motorcycles as an allowed use to the Industrial Land Use Table 3 and the Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table 3A in Section 25-18-10 of the Woodland Municipal Code. Tables shall specify that used auto sales shall be associated with a new auto dealership; and
- 3) Schedule the second reading and adoption of Ordinance No.\_\_\_\_\_ for the May 20, 2014 City Council meeting.

**Staff Contact**

Cindy Norris, Principal Planner - (530) 661-5911, cindy.norris@cityofwoodland.org;

Erika Bumgardner, Associate Planner - (530) 661-5886, erika.bumgardner@cityofwoodland.org

**Fiscal Impact**

The City will incur a minor cost estimated at less than \$400 to publish a copy of Ordinance No.\_\_\_\_\_ after City Council adoption. If approved, the zoning amendment will provide for increased potential for new auto dealerships to locate within Woodland. Auto sales generate significant general fund revenues and are an important part of the city's strategy to maintain a diversified sales tax base.

**Background**

In February 1996, the City Council adopted the General Plan Policy Document including Policy 1.H.7 which states, in part: *The City shall allow mixed use projects (e.g. retail/office/food and service/industrial) in industrial designations as appropriate, particularly along East Main Street. A maximum of 80 percent commercial uses will be allowed in mixed use projects along heavily traveled arterials, and a maximum of 50 percent commercial within interior industrial areas.*

On July 23, 2002, the City Council adopted Ordinance 1347 rezoning the I-5/CR 102 interchange area with an Entryway Overlay Zone (EOZ) designation. The amended Industrial I-5/CR102 Entryway Overlay Zone

(I/EOZ) use table removed heavy industrial uses from the interchange area north of Interstate 5 and instead provided for business offices, personal service and mixed use opportunities. Specific design criteria for the I/EOZ area was approved in the Community Design Standards.

### **Discussion**

The General Plan designates land for and seeks to encourage infill, reuse and intensification within developed areas as long as it reflects or enhances the character of the surrounding neighborhood and does not result in significant negative effects. To this purpose, the General Plan has an adopted policy to allow mixed-use projects in industrial designations along East Main Street.

The proposed text amendment adds auto sales, including RV, trailer and motorcycles as an allowed use within the existing Industrial I-5/CR 102 Entryway Overlay Zone (I/EOZ). The addition of auto and related sales as a permitted use furthers the General Plan goals and policies for industrial development by allowing appropriate retail and commercial uses in the overlay zone and by providing additional economic and mixed-use development opportunities adjacent to the Interstate 5 corridor.

The Industrial I-5/CR 102 Entryway Overlay Zone currently identifies “truck and trailer sales” as an allowed use within the Industrial Land Uses Table 3. Table 3 also allows various auto, boat, RV, bus, and truck/trailer services as permitted or conditionally permitted uses within the I/EOZ. The addition of auto and related sales is consistent with the purpose of the overlay zone, which is to limit heavy industrial uses visible from prominent entryways to the city and rather encourage those uses that preserve and enhance the overall image of Woodland. Auto and related sales is of the same general character as that of the uses permitted in the I/EOZ including truck and trailer sales, service stations, and equipment rental. Uses permitted in the I/EOZ will remain subject to the City’s Community Design Standards.

The Zoning Ordinance (Section 25-18-10) allows for the interpretation of appropriate zoning for any land use not specifically listed in the Industrial and I/EOZ land use tables, based on a finding of consistency with the purpose of the zone and that the use is of the same general character as that of the uses permitted in that zone. However, to add clarity and greater certainty for future property owners and development partners, it is recommended that auto and related sales be added to the list of approved uses in Tables 3 (Industrial Land Use Table) and Table 3A (Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table).

### **Commission/Committee Recommendation**

The Planning Commission at its meeting on February 6, 2014 recommended approval on a 4-0 vote of the proposed changes to Section 25-18-10 of the Woodland Municipal Code, adding auto sales, new and used, including RV, trailers and motorcycles as a permitted use within the Industrial I-5/CR 102 Entryway Overlay Zone. The Planning Commission did not receive any public comments prior to or during the public hearing held at its February 6, 2014 meeting. The February 6<sup>th</sup> Planning Commission staff report is provided as an attachment (Attachment 2), as it provides detailed information on the staff analysis completed for this project.

### **Public Noticing**

Public notice for the public hearing on this project was prepared by the Community Development Department in accordance with notification procedures set forth in the City of Woodland’s Municipal Code and State Planning Law. Two methods of public notice were used:

- Legal notice was published in the Woodland Daily Democrat; and
- Notices were mailed to all property owners within 300 feet of the project site.

Copies of the factual staff report for the proposed project have been on file at City Hall since Thursday, February 27, 2014.

### **Conclusion**

Staff recommends that the City Council take the following actions:

- 1) Conduct a public hearing;
- 2) Waive the first reading of Ordinance No. \_\_\_\_\_ to make the following amendment to Chapter 25 of the Woodland Municipal Code pertaining to Section 25-18-10 Industrial I-5/CR 102 Entryway Overlay Zone:
  - a) Zoning Amendment adding auto sales, new and used, including RV, trailer and motorcycles as an allowed use to the Industrial Land Use Table 3 and the Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table 3A in Section 25-18-10 of the Woodland Municipal Code. Tables shall specify that used auto sales shall be associated with a new auto dealership; and
- 3) Schedule the second reading and adoption of Ordinance No. \_\_\_\_\_ for the May 20, 2014 City Council meeting.

Prepared by: Erika Bumgardner, Associate Planner

Reviewed by: Cindy Norris, Principal Planner  
Ken Hiatt, Community Development Director



Paul Navazio, City Manager

Attachments: Ordinance No. \_\_\_\_\_  
February 6, 2014 Planning Commission Staff Report

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOODLAND  
AMENDING TABLES 3 AND 3A IN SECTION 25-18-10 OF THE WOODLAND  
MUNICIPAL CODE TO INCLUDE AUTO AND RELATED SALES AS A PERMITTED  
INDUSTRIAL USE IN THE I-5/CR 102 ENTRYWAY OVERLAY ZONE**

**WHEREAS**, the City of Woodland's General Plan specifies goals and policies to expand the City's industrial base to provide for greater economic development and employment opportunities for Woodland residents, and to allow mixed-use projects in industrial designations, particularly along East Main Street; and

**WHEREAS**, General Plan Policy 1.H.7 provides that the City shall allow mixed use projects (including retail, office, food service, and industrial) in industrial designations, particularly along East Main Street, and further providing that a maximum of 80 percent commercial uses will be allowed in mixed use projects along heavily-traveled arterials; and

**WHEREAS**, pursuant to the California Environmental Quality Act ("CEQA"), the City Council of the City of Woodland adopted Resolution Number 3944 on February 27, 1996, certifying an Environmental Impact Report for the General Plan and subsequently adopted Resolution No. 4004 on December 17, 2002, approving a Mitigated Negative Declaration for an update to the General Plan; and

**WHEREAS**, on July 23, 2002; the City Council approved Ordinance No. 1347 amending the City's Zoning Ordinance to implement the Interstate 5 and County Road 102 Entryway Overlay Zone ("I/EOZ"), including the addition of permitted and conditionally permitted uses within the Industrial I-5/CR 102 Entryway Overlay Zone; and

**WHEREAS**, the addition of auto sales, new and used, including RV, trailer and motorcycles as an allowed use in the I/EOZ is consistent with the goals and policies of the General Plan regarding industrial development and is consistent with the purpose of the I/EOZ, is a use of the same general character as that of the uses permitted in the zone, and provides clarification as to the allowed uses within the zone; and

**WHEREAS**, the City of Woodland Planning Commission held a duly-noticed public hearing on February 6, 2014, during which it adopted Resolution No. PC14-01, recommending City Council approval of the proposed Ordinance to amend Tables 3 and 3A of Section 25-18-10 of the Woodland Municipal Code, to add to the list of permitted uses in the I/EOZ zone auto sales (new and used, including RV, trailers, and motorcycles); and

**WHEREAS**, the Woodland City Council at a regular meeting on March 4, 2014, held a duly noticed public hearing to review and consider this Ordinance amending Tables 3 and 3A of Section 25-18-10 of the City of Woodland Municipal Code; and

**WHEREAS**, pursuant to CEQA, the City previously prepared an Environmental Impact Report for the General Plan, a Mitigated Negative Declaration for an update to the General Plan, and a Mitigated Negative Declaration for a similar amendment to the Zoning Code, satisfying the requirements of CEQA Regulation 15183; and

**WHEREAS**, pursuant to CEQA Regulation 15061(b)(3), it can be seen with certainty that the proposed amendment to the Woodland Municipal Code/Zoning Ordinance will not have a significant effect on the environment and is therefore not subject to CEQA, and no further environmental review is necessary; and

**WHEREAS**, proper notice of this public hearing was given in all respects as required by law; and

**WHEREAS**, the Woodland City Council has reviewed all written evidence and oral testimony presented to date on this matter.

**NOW, THEREFORE**, the City Council of the City of Woodland, State of California, does hereby ordain as follows:

**Section 1.** Tables 3 and 3A of Section 25-18-10 of the Municipal Code of the City of Woodland is hereby amended to read, in full, as provided in Exhibit A, attached hereto and incorporated herein.

**Section 2. Authority.** The City of Woodland has authority to adopt this Ordinance pursuant to the general police power granted to cities by Article 11, Section 7 of the California Constitution.

**Section 3.** This Ordinance shall become effective thirty (30) days from and after its passage. Within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause this Ordinance to be published in a newspaper of general circulation

INTRODUCED at a public meeting of the City Council of the City of Woodland on May 13, 2014 and PASSED AND ADOPTED by the City Council of the City of Woodland, County of Yolo, State of California, at a regular meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_ 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

---

Marlin H. "Skip" Davies, Mayor

**ATTEST:**

---

Ana Gonzalez, City Clerk

**APPROVED AS TO FORM:**

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Kara K. Ueda, City Attorney

## EXHIBIT A

**Table 3**

### Industrial Land Uses

| Uses                                                                                                                                                       | I | EOZ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----|
| <b>A. ANIMAL AND FOOD PROCESSING</b>                                                                                                                       |   |     |
| 1. Animal slaughter                                                                                                                                        | a |     |
| 2. Bakery goods                                                                                                                                            | x |     |
| 3. Beverage bottling                                                                                                                                       | x |     |
| 4. Breweries                                                                                                                                               | a | a   |
| 5. Candy                                                                                                                                                   | x | x   |
| 6. Canneries                                                                                                                                               | a |     |
| 7. Dairy products, creameries                                                                                                                              | x | x   |
| 8. Food processing                                                                                                                                         | x |     |
| 9. Flour mills                                                                                                                                             | a |     |
| 10. Fruit and vegetable packing                                                                                                                            | c | c   |
| 11. Meat products                                                                                                                                          | x |     |
| 12. Nut processing                                                                                                                                         | c | c   |
| 13. Olive processing                                                                                                                                       | x | x   |
| 14. Sugar refineries                                                                                                                                       | a |     |
| 15. Tannery, hide curing                                                                                                                                   | a |     |
| 16. Wineries, distilleries                                                                                                                                 | a | a   |
| <b>B. ASSEMBLY, FABRICATION AND MANUFACTURING</b>                                                                                                          |   |     |
| 1. Agricultural equipment and machinery                                                                                                                    | c | a   |
| 2. Aircraft, auto, boat, bus, mobile home, motorcycle, RV, tractor, trailer, and truck                                                                     | c |     |
| 3. Brick and concrete plants                                                                                                                               | a |     |
| 4. Concrete and asphalt batch plants                                                                                                                       | a |     |
| 5. Electrical appliances, instruments, parts, and products                                                                                                 | x | x   |
| 6. Electrical equipment, instruments, parts and products                                                                                                   | x | x   |
| 7. Forges and foundries                                                                                                                                    | a |     |
| 8. Ice manufacture and storage                                                                                                                             | x |     |
| 9. Manufacturing, assembly, compounding or treatment of articles or treatment of articles or merchandise from the following previously prepared materials: |   |     |
| Canvas                                                                                                                                                     | x | x   |
| Chemicals                                                                                                                                                  | a |     |
| Clay                                                                                                                                                       | x | x   |
| Cloth                                                                                                                                                      | x | x   |

|                                                           |   |   |
|-----------------------------------------------------------|---|---|
| Cork                                                      | x | x |
| Feathers                                                  | x |   |
| Felt                                                      | x | x |
| Fiber                                                     | c |   |
| Fiberglass and resins                                     | a |   |
| Fur                                                       | x |   |
| Glass                                                     | x | x |
| Hair                                                      | x |   |
| Leather                                                   | x |   |
| Paper                                                     | c |   |
| Pharmaceuticals                                           | a | x |
| Precious or semi-precious stones or metals                | x | x |
| Plaster                                                   | x |   |
| Plastic                                                   | a |   |
| Rubber                                                    | a |   |
| Textiles                                                  | x | x |
| Wood                                                      | c |   |
| Yarn                                                      | x | x |
| 10. Metal fabrication                                     | a | x |
| 11. Millwork, planing mills, saw mills, wood products     | a |   |
| 12. Photographic equipment and materials, film processing | x | x |
| 13. Printing, lithography and book binding                | x | x |
| 14. Sign manufacture                                      | x | x |
| C. AUTO, BOAT, RV, BUS, TRUCK AND TRUCK TRAILER SERVICE   |   |   |
| 1. Agricultural equipment and machinery sales and service | c | c |
| 2. Auto electric and ignition                             | x | x |
| 3. Batteries                                              | a | a |
| 4. Brakes                                                 | x | x |
| 5. Glass                                                  | x | x |
| 6. Mufflers                                               | x | x |
| 7. Painting                                               | c | c |
| 8. Parts                                                  | b | b |
| 9. Radiators                                              | x | x |
| 10. Repair and overhaul                                   | c | c |
| 11. Service stations                                      | x | x |
| 12. Tire recapping and retreading                         | x | x |
| 13. Tire Sales                                            | x | x |
| 14. Truck and truck trailer sales and service             | x | x |

|                                                                                                                                     |   |   |
|-------------------------------------------------------------------------------------------------------------------------------------|---|---|
| 15. Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships) |   | x |
| 16. Transmissions                                                                                                                   | x | x |
| 17. Upholstery                                                                                                                      | x | x |
| D. INDUSTRIAL YARD USES                                                                                                             |   |   |
| 1. Agricultural equipment and machinery sales and service                                                                           | f | a |
| 2. Building materials and lumber sales yards                                                                                        | a |   |
| 3. Contractors storage yards                                                                                                        | a |   |
| 4. Feed yards                                                                                                                       | c |   |
| 5. Fuel yards, coal and wood                                                                                                        | x |   |
| 6. Grading stations                                                                                                                 | c |   |
| 7. Heavy equipment storage, service and repair yards                                                                                | a |   |
| 8. Heliports                                                                                                                        | a |   |
| 9. Junk, scrap, used materials and auto wrecking yards                                                                              | f |   |
| 10. Parking facilities, including truck and trailer parking, park and ride lots                                                     | x |   |
| 11. Pipe storage                                                                                                                    | x |   |
| 12. Plant nurseries, wholesale                                                                                                      | x | x |
| 13. Public scales                                                                                                                   | x |   |
| 14. Recycling facilities                                                                                                            | a |   |
| 15. RV, boat, auto, truck and trailer storage                                                                                       | x |   |
| 16. Truck terminals                                                                                                                 | c |   |
| E. REPAIR, SERVICE AND INCIDENTAL SALES                                                                                             |   |   |
| 1. Communication and public utility distribution and service facilities                                                             | c | c |
| 2. Delivery service                                                                                                                 | x | x |
| 3. Equipment rental                                                                                                                 | x | x |
| 4. Janitorial service                                                                                                               | x | x |
| 5. Laundry and dry cleaning plants                                                                                                  | x |   |
| 6. Pest control service                                                                                                             | a | a |
| 7. Shop uses:                                                                                                                       |   |   |
| Blacksmith                                                                                                                          | a | a |
| Cabinet, carpenter, woodworking                                                                                                     | c | c |
| Contractors                                                                                                                         | x | x |
| Electrical                                                                                                                          | x | x |
| Electric motor rebuilding                                                                                                           | x | x |
| Heating and air conditioning                                                                                                        | x | x |
| Hydraulic, well drilling equipment                                                                                                  | x |   |
| Machine                                                                                                                             | x | x |
| Pipe                                                                                                                                | x | x |

|                                                                                               |   |   |
|-----------------------------------------------------------------------------------------------|---|---|
| Plumbing                                                                                      | x | x |
| Pool service                                                                                  | x | x |
| Pumps, irrigation and sprinkler systems                                                       | x |   |
| Sheet metal                                                                                   | c |   |
| Upholstery                                                                                    | x | x |
| Welding                                                                                       | c | c |
| 8. Taxicab service and storage                                                                | x |   |
| 9. Trade schools                                                                              | c | c |
| 10. Tree service                                                                              | x | x |
| F. STORAGE AND WAREHOUSE USES                                                                 |   |   |
| 1. Agricultural chemical and fertilizer sales and storage                                     | a |   |
| 2. Bottled gas distribution and storage                                                       | c |   |
| 3. Cold storage plants, frozen food lockers                                                   | x | x |
| 4. Grain elevators, bean, feed, grain and seed processing and storage                         | a |   |
| 5. Mini-storage facilities                                                                    | x |   |
| 6. Petroleum distribution and storage                                                         | a |   |
| 7. Warehousing, including furniture and household goods                                       | x | x |
| 8. Wholesaling and distributing, excluding explosive, flammable and toxic materials           | x |   |
| 9. Wholesaling, distribution, storage and testing of explosive, flammable and toxic materials | a |   |
| G. MISCELLANEOUS USES                                                                         |   |   |
| 1. Accessory buildings and uses customarily appurtenant to a permitted use                    | x |   |
| 2. Agriculture, general                                                                       | x |   |
| 3. Auctions: 2/21/85 Interpretation by planning commission                                    | a |   |
| 4. Cafes and coffee shops, serving the industrial area                                        | x | x |
| 5. Micro-chip assembly                                                                        | a | x |
| 6. Mini marts serving the industrial area                                                     | a | x |
| 7. Mixed use developments                                                                     | a | x |
| 8. Offices                                                                                    | e | c |
| 9. Passenger terminals                                                                        | c | c |
| 10. Churches                                                                                  |   |   |
| 11. Public and quasi public buildings and uses appropriate to the area                        | c | a |
| 12. Research and development facilities                                                       | a | a |
| 13. Residence for a caretaker or watchman                                                     | b |   |
| 14. Temporary outdoor uses                                                                    | d |   |
| 15. Testing laboratories, excluding explosive, flammable and toxic materials                  | x | a |
| 16. Wells, gas and oil.                                                                       | a | a |

**Table 3A**

**Industrial Uses Within the I-5/CR 102**

**Entryway Overlay Zone**

|                                                                                 |
|---------------------------------------------------------------------------------|
| 1. Professional offices for the following:                                      |
| a. Accountants, bookkeepers, auditors                                           |
| b. Engineering                                                                  |
| c. Planners                                                                     |
| d. Architects and building designers                                            |
| e. Landscape architects                                                         |
| f. Contractors - all categories - offices only                                  |
| g. Consultants such as:                                                         |
| 1. Business consultants                                                         |
| 2. Agricultural consultants                                                     |
| 3. Building construction consultants                                            |
| 4. Building maintenance consultants                                             |
| 5. Chemical recycling consultants                                               |
| 6. Computer system consultants                                                  |
| 7. Freight traffic consultants                                                  |
| 8. Geophysical companies and consultants                                        |
| 9. Elevator consultants                                                         |
| 10. Legal consultants                                                           |
| h. Industrial designers for tool designers                                      |
| i. Geologists                                                                   |
| j. Arbitrators                                                                  |
| k. Auctioneer offices, but excluding auctioneer rooms                           |
| l. Clothing and fashion design studios                                          |
| m. Real estate appraisers                                                       |
| 2. Business offices and personal service functions consisting of the following: |
| a. Advertising agencies - billboard advertising                                 |
| b. Communications:                                                              |
| 1. Beeper and paging services                                                   |
| 2. Broadcasting stations (radio and TV)                                         |
| 3. Computing services                                                           |

|                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------|
| 4.Computerized billing service companies                                                                                   |
| 5.Calculating and statistical services                                                                                     |
| 6.Confidential records and destruction companies                                                                           |
| 7.Inventory service firms                                                                                                  |
| 8.Security patrols                                                                                                         |
| 9.Electronic data processing, tabulating and record keeping services                                                       |
| 10.Digital instrumentation systems, equipment and supply companies                                                         |
| 11.Office planning services                                                                                                |
| 12.Credit reporting and collection agencies                                                                                |
| 13.Pension and profit sharing plan management companies                                                                    |
| 14.Pest control companies                                                                                                  |
| c. Brokerage and investment firms such as:                                                                                 |
| 1.Real estate brokers including development and management, but excluding those that deal exclusively in residential sales |
| 2.Data processing time brokers                                                                                             |
| 3.Food, frozen food, fruit and vegetable brokers                                                                           |
| 4.Foreign exchange brokers                                                                                                 |
| 5.Custom house brokers                                                                                                     |
| 6.Grain and meat brokers                                                                                                   |
| 7.Oil and land lease brokers                                                                                               |
| 8.Lumber companies and brokers exclusive of project storage yard                                                           |
| 9.Exporters and importers (no retail sales)                                                                                |
| 10.Manufacturers sales representatives                                                                                     |
| 11.Gasoline and oil marketers and distributors                                                                             |
| 12.Logging and wood chipping companies exclusive of product storage yards                                                  |
| d. Publications, graphics and reproduction such as:                                                                        |
| 1.Publishers                                                                                                               |
| 2.Printing, engraving and stationery sales and services                                                                    |
| 3.Business, periodical and architectural illustrators                                                                      |
| 4.Display builders and designers                                                                                           |
| 5.Graphic designers                                                                                                        |
| 6.Drafting, blueprinting and photocopying services                                                                         |
| 7.Duplication and mimeographing services                                                                                   |
| 8.Photographers and artists catering to industrial clients                                                                 |
| 9.Record and microfilming service                                                                                          |
| e. Medical related, such as:                                                                                               |
| 1.Medical, dental, biological and x-ray laboratories which do not serve the public.                                        |
| 2.Veterinary clinics (excluding outside kennel)                                                                            |

|                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.Small animal grooming                                                                                                                                                                                                                                                                                      |
| f. Research and development, such as:                                                                                                                                                                                                                                                                        |
| 1.Agricultural laboratories, including testing and analysis                                                                                                                                                                                                                                                  |
| 2.Small animal laboratories, testing and research                                                                                                                                                                                                                                                            |
| 3.Economic research and development                                                                                                                                                                                                                                                                          |
| 4.Electronics research and development                                                                                                                                                                                                                                                                       |
| 5.Energy conservation research and development                                                                                                                                                                                                                                                               |
| 6.Oil and gas exploration and development excluding drilling for oil and gas                                                                                                                                                                                                                                 |
| 7.Patent development and marketing                                                                                                                                                                                                                                                                           |
| 8.Marketing analysis, research and consultation                                                                                                                                                                                                                                                              |
| g. Transportation, such as:                                                                                                                                                                                                                                                                                  |
| 1. <i>Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships)</i>                                                                                                                                                                    |
| 2. Freight forwarding and freight consolidating companies                                                                                                                                                                                                                                                    |
| 3. Freight inspection services                                                                                                                                                                                                                                                                               |
| 4. Package delivery                                                                                                                                                                                                                                                                                          |
| h. Government offices which do not provide direct public services except for those governmental agencies related to agricultural activities                                                                                                                                                                  |
| i. Surveyors, such as:                                                                                                                                                                                                                                                                                       |
| 1.Land surveyors                                                                                                                                                                                                                                                                                             |
| 2.Marine surveyors                                                                                                                                                                                                                                                                                           |
| j. Personal services                                                                                                                                                                                                                                                                                         |
| 1.Management and business organizations                                                                                                                                                                                                                                                                      |
| 2.Trade and labor organizations                                                                                                                                                                                                                                                                              |
| 3.Hotel and motel reservation center - phone service only                                                                                                                                                                                                                                                    |
| 4.Ambulance service                                                                                                                                                                                                                                                                                          |
| 5.Deli/retail for employees in area                                                                                                                                                                                                                                                                          |
| 6.Equipment rental - small, to be stored inside                                                                                                                                                                                                                                                              |
| 7.Minor farm supply                                                                                                                                                                                                                                                                                          |
| 8.Commercial recreational facilities (swimming, tennis, racquetball clubs, gymnastics, dancing, etc.)                                                                                                                                                                                                        |
| k. Technical and vocational schools for industrially related trades:                                                                                                                                                                                                                                         |
| 1.Industrial apprentice training schools                                                                                                                                                                                                                                                                     |
| 2.Computer schools                                                                                                                                                                                                                                                                                           |
| 3.Drafting                                                                                                                                                                                                                                                                                                   |
| l. Corporate and regional headquarters occupying related trades:                                                                                                                                                                                                                                             |
| 3.The following and similar uses from which noise, smoke, dust, odors, and other such offensive features are confined to the premises of each use and all such uses are completely confined within enclosed buildings excluding the storage or manufacturing of hazardous or flammable materials or liquids. |

|                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. Bookbinding, printing and lithography                                                                                                                                                                                                                                                                                                                                            |
| b. Cartography                                                                                                                                                                                                                                                                                                                                                                      |
| c. Communication equipment buildings                                                                                                                                                                                                                                                                                                                                                |
| d. Data processing and computer operation                                                                                                                                                                                                                                                                                                                                           |
| e. Editorial and design operations                                                                                                                                                                                                                                                                                                                                                  |
| f. Electrical products and appliance manufacturing                                                                                                                                                                                                                                                                                                                                  |
| g. Janitorial services                                                                                                                                                                                                                                                                                                                                                              |
| h. Material testing laboratory                                                                                                                                                                                                                                                                                                                                                      |
| i. Photographic and film processing operations                                                                                                                                                                                                                                                                                                                                      |
| j. Research institutes and laboratories                                                                                                                                                                                                                                                                                                                                             |
| k. Other uses which the planning commission finds to be consistent with the intent of the Industrial PD within the 1-5 CR 102 Entryway which are of the same general character as the uses set forth above, and not objectionable by reason of adverse external effects, such as odor, smoke, noise, glare, fumes, radiation or vibration, subject to first obtaining a use permit. |



## Legislation Text

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File #: 14-028, Version: 1

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**Industrial I-5/CR 102 Entryway Overlay Zoning Amendment;** the City of Woodland is recommending the addition of auto sales, including RV, trailer and motorcycles to the list of allowed uses within the existing Industrial I-5/CR 102 Entryway Overlay Zone (I/EOZ).

**Location:** The Industrial I-5/CR 102 Entryway Overlay Zone encompasses thirty-two (32) parcels, totaling approximately 92 acres, located north of Highway 5, south of East Main Street, extending approximately 0.5 miles to the east and west of County Road 102 (see Attachment 2).

**Applicant/Owner:** City of Woodland

**Environmental Report:** The proposed zoning ordinance amendment is exempt from CEQA (Regulations 15183 and 15061 (b)(3)). The proposed zoning ordinance amendment adds auto sales to the list of permitted uses within the Industrial I-5/CR 102 Entryway Overlay Zone. The proposed amendment is limited in scope and will not result in a use that is more intense, or would have more environmental impacts, than the currently permitted uses. The proposed amendment is consistent with the General Plan. See Attachment 4 for a more detailed discussion of the applicability of CEQA Regulations 15183 and 15061(b)(3).

**APNs:** 027-310-022, -023, -025, -026, -027, -033, -035, -040, -042, -045, -046, -047, -050, -052, -053, -055, -056, -057, -058 and 027-851-012, -013, -014, -015, -016, -017, -018, -019, -020, -021, -022, -023, -024.

**Project Planner:** Cindy A. Norris, Principal Planner; Erika Bumgardner, Associate Planner

**Staff Recommendation:** Recommend City Council Approval

**Report For:** Planning Commission Public Hearing - February 6, 2014

**General Plan Designation:** Industrial

**Current Zoning:** Industrial I-5/CR 102 Entryway Overlay (I/EOZ)

**Existing Land Uses:** Existing land uses include a mix of vacant, undeveloped parcels, light industrial uses and mixed commercial including Butterflied Electric, John Deere, Suburban Propane, Miller Paneling Specialists, and the Heidrick Ag History Museum. Approximately half of the parcels are developed; however many of those sites are underutilized consisting of warehouse and storage structures, truck and trailer storage and similar uses.

**Adjacent Land Uses & Zoning:**

| <b><u>DIRECTION</u></b> | <b><u>LAND USE</u></b>                                 | <b><u>ZONING</u></b> |
|-------------------------|--------------------------------------------------------|----------------------|
| North                   | East Main Street/Ag Industrial/Warehouses/Distribution | Industrial           |
| South                   | Interstate 5                                           | n/a                  |
| East*                   | Warehousing/Distribution/Walgreens Distribution        | Industrial           |
| West*                   | Wal-Mart/Home Depot                                    | C-2/P-D              |

\* Two pockets of Commercial-Highway zoning are located immediately east and west of County Road 102, just north of Interstate 5, and between the two larger I/EOZ zones. This Commercial-Highway area includes uses such as Hampton Inn and Suites, Holiday Inn Express, Fitness System gym, a Chevron service station, Jack in the Box, and a mid-sized strip center with various automotive and motorcycle related retail businesses.

**Flood Zone:** Under the currently applicable Flood Insurance Rate Map (FIRM) (City of Woodland, California, Yolo County, Map Number 0611300465H Map) the property is shown in Flood Zone AE which is identified as “Special Flood Hazard Areas Subject to Inundation by the 1% Annual Chance Flood Event”. The 1% annual chance flood (100-year flood), also known as the base flood, is a flood that has a 1% chance of being equaled or exceeded in any given year.

**Street Access:** Parcels zoned Industrial I-5/CR 102 Entryway Overlay are accessible from East Main Street, Hays Lane, and Freeway Drive.

**Pending/Potential Action**

Staff recommends that the Planning Commission take action on the following: 1) Receive the staff report; 2) Conduct the public hearing; and 3) Adopt Resolution recommending approval of the attached Ordinance amending Table 3 (Industrial Land Use Table) and Table 3A (Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone) in Section 25-18-10 of the Woodland Municipal Code to include auto sales, new and used, including RV, trailer and motorcycles as a permitted use in the Industrial I-5/CR 102 Entryway Overlay zone. Each table shall specify that used auto sales shall be associated with a new auto dealership.

### **Background**

In February 1996, the City Council adopted the General Plan Policy Document, including Policy 1.H.7 which states, in part: *The City shall allow mixed use projects (e.g. retail/office/food and service/industrial) in industrial designations as appropriate, particularly along East Main Street. A maximum of 80 percent commercial uses will be allowed in mixed use projects along heavily traveled arterials, and a maximum of 50 percent commercial within interior industrial areas.*

On July 23, 2002, the City Council adopted Ordinance 1347 rezoning the I-5 CR 102 interchange area with an Entryway Overlay Zone (I/EOZ) designation. The amended I/EOZ use table removed heavy industrial uses from the interchange area and instead provided for business offices and personal service functions. Specific design criteria for the I/EOZ area were approved in the Community Design Standards.

### **Project Proposal**

The City recommends the addition of auto sales, new and used, including RV, trailer and motorcycles to the list of permitted uses within the Industrial I-5/CR 102 Entryway Overlay Zone (I/EOZ) in the Woodland Municipal Code. Used autos sales shall be associated with a new auto dealership. The I/EOZ encompasses thirty-two (32) parcels, totaling approximately 92 acres just north of Interstate 5, located on the east and west side of County Road 102. The proposed use will be added to Table 3 (Industrial Land Uses Table) and Table 3A (Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table) located in the City's Zoning Ordinance (Attachment 3).

### **Public Notification**

Public notice for the public hearing on this project was prepared by the Community Development Department in accordance with notification procedures set forth in the City of Woodland's Municipal Code and State Planning Law. Two methods of public notice were used:

- Legal notice was published in the Woodland Daily Democrat on January 28, 2014.

- Notices were mailed to all property owners within 300 feet of the project site on January 27, 2014.

Copies of the factual staff report for the proposed project have been on file at City Hall since January 31, 2014.

### **Environmental Review**

The proposed zoning amendment is exempt from CEQA per Regulation 15183, which provides that projects that are consistent with the development density established by existing zoning or general plan policies for which an EIR was certified do not require additional environmental review, and Regulation 15061 (b)(3), which applies to projects that will not have a significant effect on the environment (See Attachment 4). General Plan Policy 1.H.7 permits additional commercial uses along East Main Street and heavily traveled arterials, such as the Interstate 5 freeway. The City Council certified an Environmental Impact Report (EIR) for the General Plan on February 27, 1996 (Resolution No. 3944), SCH # 95053061 and later approved a Mitigated Negative Declaration for an update to the General Plan on December 17, 2002 (Resolution No. 4004). The General Plan EIR evaluated the possibility of Industrial uses alone or in combination with up to 80 percent commercial based uses in the I/EOZ.

The City's Zoning Ordinance is consistent with the City's General Plan. On July 23, 2002, the City prepared a Zoning Amendment to approve the Entryway Overlay Zone, to implement General Plan policy 1.H.7. In the list of uses, Zoning Ordinance Table 3 in Section 25-18-10 provides a list of permitted and conditionally permitted uses. The City prepared a Mitigated Negative Declaration for that Zoning Amendment. The proposed zoning amendment adds a permitted use to the I/EOZ, auto sales, which is consistent with the nature and intent of other uses already permitted in the overlay zone. Staff analyzed the traffic generation associated with auto sales and concluded that traffic impacts are the same or similar as for truck sales, a use currently permitted in the I/EOZ.

No new or substantial environmental impacts are anticipated as a result of the proposed zoning amendment that have not been addressed in the certified General Plan EIR or subsequent environmental documents for the General Plan and zoning code amendments. The proposed zoning ordinance amendment is limited in scope and will not result in substantive regulatory changes that could result in environmental impacts.

### **Staff Analysis**

The proposed text amendment adds auto and related sales as an allowed use within the I/EOZ. The Industrial I-5 Entryway Overlay Zone currently identifies "truck and trailer sales" as an allowed use within the Industrial Land Uses Table 3. Table 3 also allows various auto, boat, RV, bus, truck and truck trailer services as permitted or conditionally permitted, uses within the I/EOZ. The addition of auto and related sales is consistent with the purpose of the overlay zone, which is to limit heavy industrial uses visible from prominent entryways to the city and, rather, encourage those uses that preserve and enhance the overall image of Woodland. Auto and related sales is of the same general character as that of the uses permitted in the I/EOZ zone including truck and trailer sales, service stations, and equipment rental. Uses permitted in the I/EOZ will remain subject to the

## City's Community Design Standards.

The Zoning Ordinance (Section 25-18-10) allows for the Planning Commission to interpret the appropriate zone for any land use not specifically listed in the Industrial and I/EOZ land use tables, based on a finding of consistency with the purpose of the zone and that the use is of the same general character as that of the uses permitted in that zone. However, to add clarity and greater certainty for future property owners and development partners, it is recommended that auto and related sales be added to the list of approved uses in Tables 3 (Industrial Land Use Table) and Table 3A (Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table).

### **General Plan Consistency**

The General Plan designates land for and seeks to encourage infill, reuse and intensification within developed areas, as long as it reflects or enhances the character of the surrounding neighborhood and does not result in significant negative effects. To this purpose, the General Plan has an adopted policy to allow mixed-use projects in industrial designations, along East Main Street. The addition of auto and related sales as a permitted use furthers the General Plan goals and policies for industrial development by allowing appropriate retail/commercial uses in the overlay zone and by providing additional economic and mixed-use development opportunities adjacent to the Interstate 5 corridor.

### **Amendments and Zone Changes**

Article 29 of the Zoning Code, commencing with Section 25-29-01, addresses zoning changes. The Planning Commission shall hold a public hearing on any such proposed rezoning. Notice of the time and place of said hearing including a general explanation of the matter to be considered and including a general description of the area affected shall be given at least ten (10) calendar days prior to the hearing. After the public hearing, the Planning Commission shall render its decision in the form of a written recommendation to the City Council. If, from the facts presented at the public hearing, the Commission is satisfied that the proposed change conforms to the General Plan, the Commission may recommend such change to the City Council.

### **Summary**

Staff recommends approval of the proposed zoning amendment to add auto sales, new and used, including RV, trailer and motorcycles to the list of allowed uses within the Industrial I-5/CR 102 Entryway Overlay Zone, as set forth in Tables 3 and 3A in Section 25-18-10 of the Woodland Municipal Code. Staff has analyzed the proposed project and concluded that it is exempt from CEQA (Regulations 15183 and 15061 (b)(3)) and

requests Planning Commission concurrence.

### **Recommendation**

Staff recommends that the Planning Commission recommend the proposed Zoning Amendment to the City Council by adopting the Resolution attached to this staff report and by making the following affirmative motion:

**I move that the Woodland Planning Commission approve Resolution No \_\_ recommending that the City Council adopt an ordinance approving the proposed Zoning Amendment, adding auto sales, new and used, including RV, trailer and motorcycles as an allowed use to the Industrial Land Use Table 3 and the Industrial Uses Within the I-5/CR 102 Entryway Overlay Zone Table 3A in Section 25-18-10 of the Woodland Municipal Code Section. The tables shall specific that used auto sales shall be associated with a new auto dealership.**

### **CEQA Findings**

1. The proposed zoning ordinance amendment is exempt from CEQA (Regulations 15183 and Section 15061 (b)(3)).

### **General Plan Consistency Findings**

1. The proposed zoning ordinance amendment is consistent with the goals and policies for Industrial Development in the General Plan.

### **Zoning Consistency Findings**

1. The proposed zoning ordinance amendment is consistent with and meets all regulatory requirements of the Zoning Ordinance.

### **Attachments:**

1. Planning Commission Resolution
2. Draft Ordinance

3. Zoning Map

4. Amended Land Use Tables

5. Table A - CEQA Requirements

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF  
WOODLAND RECOMMENDING TO THE CITY COUNCIL  
APPROVAL OF AN ORDINANCE AMENDING TABLES 3 AND 3A OF  
SECTION 25-18-10 OF THE WOODLAND MUNICIPAL CODE TO ADD  
NEW AND USED AUTO SALES (INCLUDING RVs, TRAILERS AND  
MOTORCYCLES) TO THE LIST OF PERMITTED USES IN THE  
INDUSTRIAL I-5/CR 102 ENTRYWAY OVERLAY ZONE**

**WHEREAS**, the Woodland Planning Commission held a duly noticed public hearing on February 6, 2014, to review and consider recommending to the City Council approval of the proposed Ordinance to amend Tables 3 and 3A of Section 25-18-10 of the Woodland Municipal Code, to permit auto sales (new and used, including RVs, trailers, and motorcycles) in the Industrial I-5/CR 102 Entryway Overlay Zone (“I/EOZ”); and

**WHEREAS**, the City of Woodland’s General Plan Policy 1.H.7 provides that the City shall allow mixed use projects (including retail, office, food service, and industrial) in industrial designations, particularly along East Main Street, and further providing that a maximum of 80 percent commercial uses will be allowed in mixed use projects along heavily-traveled arterials; and

**WHEREAS**, pursuant to the California Environmental Quality Act (“CEQA”), the City Council of the City of Woodland adopted Resolution Number 3944 on February 27, 1996, certifying an Environmental Impact Report for the General Plan and subsequently adopted Resolution No. 4004 on December 17, 2002, approving a Mitigated Negative Declaration for an update to the General Plan; and

**WHEREAS**, the City of Woodland City Council adopted a Zoning Amendment to approve the Entryway Overlay Zone, as a means of implementing General Plan Policy 1.H.7, and adopted Resolution 4370 approving a Mitigated Negative Declaration for such Zoning Amendment; and

**WHEREAS**, the Planning Commission has determined that the proposed amendments to the Woodland Municipal Code are in general conformance with the Woodland General Plan; and

**WHEREAS**, proper notice of this public hearing was given in all respects as required by law; and

**WHEREAS**, the Planning Commission has reviewed all written evidence and oral testimony presented to date.

**NOW, THEREFORE, BE IT RESOLVED**, that the Planning Commission of the City of Woodland, based on substantial evidence in the administrative record of proceedings and pursuant to its independent review and consideration, does hereby recommend that the City Council approve of the proposed Ordinance to amend Tables 3 and 3A of Section 25-18-10 of

the Woodland Municipal Code to add auto sales (new and used, including RVS, trailers, and motorcycles) to the list of permitted uses in the I/EOZ zone. Each table shall specify that used auto sales shall be associated with a new auto dealership. The proposed Ordinance is attached hereto as Exhibit A and incorporated by this reference.

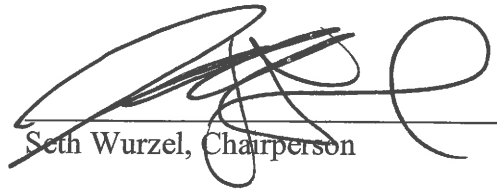
**PASSED AND ADOPTED** by the Planning Commission of the City of Woodland at a regular meeting on the 6th day of February, 2014, by the following vote:

AYES: Holt, Murphy, Murray, Wurzel

NOES: None

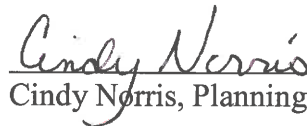
ABSTAIN: None

ABSENT: Lizarraga, Lopez, Wells



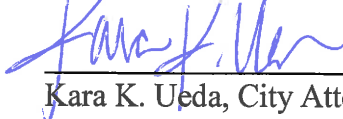
Seth Wurzel, Chairperson

**ATTEST:**



Cindy Norris, Planning Commission Secretary

**APPROVED AS TO FORM:**



Kara K. Ueda, City Attorney

## **EXHIBIT A**

[Insert Ordinance]

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF WOODLAND  
AMENDING TABLES 3 AND 3A IN SECTION 25-18-10 OF THE WOODLAND  
MUNICIPAL CODE TO INCLUDE AUTO AND RELATED SALES AS A PERMITTED  
INDUSTRIAL USE IN THE I-5/CR 102 ENTRYWAY OVERLAY ZONE**

**WHEREAS**, the City of Woodland's General Plan specifies goals and policies to expand the City's industrial base to provide for greater economic development and employment opportunities for Woodland residents, and to allow mixed-use projects in industrial designations, particularly along East Main Street; and

**WHEREAS**, General Plan Policy 1.H.7 provides that the City shall allow mixed use projects (including retail, office, food service, and industrial) in industrial designations, particularly along East Main Street, and further providing that a maximum of 80 percent commercial uses will be allowed in mixed use projects along heavily-traveled arterials; and

**WHEREAS**, pursuant to the California Environmental Quality Act ("CEQA"), the City Council of the City of Woodland adopted Resolution Number 3944 on February 27, 1996, certifying an Environmental Impact Report for the General Plan and subsequently adopted Resolution No. 4004 on December 17, 2002, approving a Mitigated Negative Declaration for an update to the General Plan; and

**WHEREAS**, on July 23, 2002; the City Council approved Ordinance No. 1347 amending the City's Zoning Ordinance to implement the Interstate 5 and County Road 102 Entryway Overlay Zone ("I/EOZ"), including the addition of permitted and conditionally permitted uses within the Industrial I-5/CR 102 Entryway Overlay Zone; and

**WHEREAS**, the addition of auto sales, new and used, including RV, trailer and motorcycles as an allowed use in the I/EOZ is consistent with the goals and policies of the General Plan regarding industrial development and is consistent with the purpose of the I/EOZ, is a use of the same general character as that of the uses permitted in the zone, and provides clarification as to the allowed uses within the zone; and

**WHEREAS**, the City of Woodland Planning Commission held a duly-noticed public hearing on February 6, 2014, during which it adopted Resolution No. \_\_\_\_, recommending City Council approval of the proposed Ordinance to amend Tables 3 and 3A of Section 25-18-10 of the Woodland Municipal Code, to add to the list of permitted uses in the I/EOZ zone auto sales (new and used, including RV, trailers, and motorcycles); and

**WHEREAS**, the Woodland City Council at a regular meeting on \_\_\_\_, 2014, held a duly noticed public hearing to review and consider this Ordinance amending Tables 3 and 3A of Section 25-18-10 of the City of Woodland Municipal Code; and

**WHEREAS**, pursuant to CEQA, the City previously prepared an Environmental Impact Report for the General Plan, a Mitigated Negative Declaration for an update to the General Plan, and a Mitigated Negative Declaration for a similar amendment to the Zoning Code, satisfying the requirements of CEQA Regulation 15183; and

**WHEREAS**, pursuant to CEQA Regulation 15061(b)(3), it can be seen with certainty that the proposed amendment to the Woodland Municipal Code/Zoning Ordinance will not have a significant effect on the environment and is therefore not subject to CEQA, and no further environmental review is necessary; and

**WHEREAS**, proper notice of this public hearing was given in all respects as required by law; and

**WHEREAS**, the Woodland City Council has reviewed all written evidence and oral testimony presented to date on this matter.

**NOW, THEREFORE**, the City Council of the City of Woodland, State of California, does hereby ordain as follows:

**Section 1.** Tables 3 and 3A of Section 25-18-10 of the Municipal Code of the City of Woodland is hereby amended to read, in full, as provided in Exhibit A, attached hereto and incorporated herein.

**Section 2. Authority.** The City of Woodland has authority to adopt this Ordinance pursuant to the general police power granted to cities by Article 11, Section 7 of the California Constitution.

**Section 3.** This Ordinance shall become effective thirty (30) days from and after its passage. Within fifteen (15) days after the passage of the Ordinance, the City Clerk shall cause this Ordinance to be published in a newspaper of general circulation

INTRODUCED at a public meeting of the City Council of the City of Woodland on \_\_\_\_\_, 2014 and PASSED AND ADOPTED by the City Council of the City of Woodland, County of Yolo, State of California, at a regular meeting of the City Council on the \_\_\_\_ day of \_\_\_\_\_ 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

---

Marlin H. "Skip" Davies, Mayor

**ATTEST:**

---

Ana Gonzalez, City Clerk

**APPROVED AS TO FORM:**

---

Kara K. Ueda, City Attorney

## EXHIBIT A

**Table 3**

### Industrial Land Uses

| Uses                                                                                                                                                       | I | EOZ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----|
| <b>A. ANIMAL AND FOOD PROCESSING</b>                                                                                                                       |   |     |
| 1. Animal slaughter                                                                                                                                        | a |     |
| 2. Bakery goods                                                                                                                                            | x |     |
| 3. Beverage bottling                                                                                                                                       | x |     |
| 4. Breweries                                                                                                                                               | a | a   |
| 5. Candy                                                                                                                                                   | x | x   |
| 6. Canneries                                                                                                                                               | a |     |
| 7. Dairy products, creameries                                                                                                                              | x | x   |
| 8. Food processing                                                                                                                                         | x |     |
| 9. Flour mills                                                                                                                                             | a |     |
| 10. Fruit and vegetable packing                                                                                                                            | c | c   |
| 11. Meat products                                                                                                                                          | x |     |
| 12. Nut processing                                                                                                                                         | c | c   |
| 13. Olive processing                                                                                                                                       | x | x   |
| 14. Sugar refineries                                                                                                                                       | a |     |
| 15. Tannery, hide curing                                                                                                                                   | a |     |
| 16. Wineries, distilleries                                                                                                                                 | a | a   |
| <b>B. ASSEMBLY, FABRICATION AND MANUFACTURING</b>                                                                                                          |   |     |
| 1. Agricultural equipment and machinery                                                                                                                    | c | a   |
| 2. Aircraft, auto, boat, bus, mobile home, motorcycle, RV, tractor, trailer, and truck                                                                     | c |     |
| 3. Brick and concrete plants                                                                                                                               | a |     |
| 4. Concrete and asphalt batch plants                                                                                                                       | a |     |
| 5. Electrical appliances, instruments, parts, and products                                                                                                 | x | x   |
| 6. Electrical equipment, instruments, parts and products                                                                                                   | x | x   |
| 7. Forges and foundries                                                                                                                                    | a |     |
| 8. Ice manufacture and storage                                                                                                                             | x |     |
| 9. Manufacturing, assembly, compounding or treatment of articles or treatment of articles or merchandise from the following previously prepared materials: |   |     |
| Canvas                                                                                                                                                     | x | x   |
| Chemicals                                                                                                                                                  | a |     |
| Clay                                                                                                                                                       | x | x   |
| Cloth                                                                                                                                                      | x | x   |

|                                                           |   |   |
|-----------------------------------------------------------|---|---|
| Cork                                                      | x | x |
| Feathers                                                  | x |   |
| Felt                                                      | x | x |
| Fiber                                                     | c |   |
| Fiberglass and resins                                     | a |   |
| Fur                                                       | x |   |
| Glass                                                     | x | x |
| Hair                                                      | x |   |
| Leather                                                   | x |   |
| Paper                                                     | c |   |
| Pharmaceuticals                                           | a | x |
| Precious or semi-precious stones or metals                | x | x |
| Plaster                                                   | x |   |
| Plastic                                                   | a |   |
| Rubber                                                    | a |   |
| Textiles                                                  | x | x |
| Wood                                                      | c |   |
| Yarn                                                      | x | x |
| 10. Metal fabrication                                     | a | x |
| 11. Millwork, planing mills, saw mills, wood products     | a |   |
| 12. Photographic equipment and materials, film processing | x | x |
| 13. Printing, lithography and book binding                | x | x |
| 14. Sign manufacture                                      | x | x |
| C. AUTO, BOAT, RV, BUS, TRUCK AND TRUCK TRAILER SERVICE   |   |   |
| 1. Agricultural equipment and machinery sales and service | c | c |
| 2. Auto electric and ignition                             | x | x |
| 3. Batteries                                              | a | a |
| 4. Brakes                                                 | x | x |
| 5. Glass                                                  | x | x |
| 6. Mufflers                                               | x | x |
| 7. Painting                                               | c | c |
| 8. Parts                                                  | b | b |
| 9. Radiators                                              | x | x |
| 10. Repair and overhaul                                   | c | c |
| 11. Service stations                                      | x | x |
| 12. Tire recapping and retreading                         | x | x |
| 13. Tire Sales                                            | x | x |
| 14. Truck and truck trailer sales and service             | x | x |

|                                                                                                                                            |   |          |
|--------------------------------------------------------------------------------------------------------------------------------------------|---|----------|
| <b>15. Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships)</b> |   | <b>x</b> |
| 16. Transmissions                                                                                                                          | x | x        |
| 17. Upholstery                                                                                                                             | x | x        |
| <b>D. INDUSTRIAL YARD USES</b>                                                                                                             |   |          |
| 1. Agricultural equipment and machinery sales and service                                                                                  | f | a        |
| 2. Building materials and lumber sales yards                                                                                               | a |          |
| 3. Contractors storage yards                                                                                                               | a |          |
| 4. Feed yards                                                                                                                              | c |          |
| 5. Fuel yards, coal and wood                                                                                                               | x |          |
| 6. Grading stations                                                                                                                        | c |          |
| 7. Heavy equipment storage, service and repair yards                                                                                       | a |          |
| 8. Heliports                                                                                                                               | a |          |
| 9. Junk, scrap, used materials and auto wrecking yards                                                                                     | f |          |
| 10. Parking facilities, including truck and trailer parking, park and ride lots                                                            | x |          |
| 11. Pipe storage                                                                                                                           | x |          |
| 12. Plant nurseries, wholesale                                                                                                             | x | x        |
| 13. Public scales                                                                                                                          | x |          |
| 14. Recycling facilities                                                                                                                   | a |          |
| 15. RV, boat, auto, truck and trailer storage                                                                                              | x |          |
| 16. Truck terminals                                                                                                                        | c |          |
| <b>E. REPAIR, SERVICE AND INCIDENTAL SALES</b>                                                                                             |   |          |
| 1. Communication and public utility distribution and service facilities                                                                    | c | c        |
| 2. Delivery service                                                                                                                        | x | x        |
| 3. Equipment rental                                                                                                                        | x | x        |
| 4. Janitorial service                                                                                                                      | x | x        |
| 5. Laundry and dry cleaning plants                                                                                                         | x |          |
| 6. Pest control service                                                                                                                    | a | a        |
| 7. Shop uses:                                                                                                                              |   |          |
| Blacksmith                                                                                                                                 | a | a        |
| Cabinet, carpenter, woodworking                                                                                                            | c | c        |
| Contractors                                                                                                                                | x | x        |
| Electrical                                                                                                                                 | x | x        |
| Electric motor rebuilding                                                                                                                  | x | x        |
| Heating and air conditioning                                                                                                               | x | x        |
| Hydraulic, well drilling equipment                                                                                                         | x |          |
| Machine                                                                                                                                    | x | x        |
| Pipe                                                                                                                                       | x | x        |

|                                                                                               |   |   |
|-----------------------------------------------------------------------------------------------|---|---|
| Plumbing                                                                                      | x | x |
| Pool service                                                                                  | x | x |
| Pumps, irrigation and sprinkler systems                                                       | x |   |
| Sheet metal                                                                                   | c |   |
| Upholstery                                                                                    | x | x |
| Welding                                                                                       | c | c |
| 8. Taxicab service and storage                                                                | x |   |
| 9. Trade schools                                                                              | c | c |
| 10. Tree service                                                                              | x | x |
| F. STORAGE AND WAREHOUSE USES                                                                 |   |   |
| 1. Agricultural chemical and fertilizer sales and storage                                     | a |   |
| 2. Bottled gas distribution and storage                                                       | c |   |
| 3. Cold storage plants, frozen food lockers                                                   | x | x |
| 4. Grain elevators, bean, feed, grain and seed processing and storage                         | a |   |
| 5. Mini-storage facilities                                                                    | x |   |
| 6. Petroleum distribution and storage                                                         | a |   |
| 7. Warehousing, including furniture and household goods                                       | x | x |
| 8. Wholesaling and distributing, excluding explosive, flammable and toxic materials           | x |   |
| 9. Wholesaling, distribution, storage and testing of explosive, flammable and toxic materials | a |   |
| G. MISCELLANEOUS USES                                                                         |   |   |
| 1. Accessory buildings and uses customarily appurtenant to a permitted use                    | x |   |
| 2. Agriculture, general                                                                       | x |   |
| 3. Auctions: 2/21/85 Interpretation by planning commission                                    | a |   |
| 4. Cafes and coffee shops, serving the industrial area                                        | x | x |
| 5. Micro-chip assembly                                                                        | a | x |
| 6. Mini marts serving the industrial area                                                     | a | x |
| 7. Mixed use developments                                                                     | a | x |
| 8. Offices                                                                                    | e | c |
| 9. Passenger terminals                                                                        | c | c |
| 10. Churches                                                                                  |   |   |
| 11. Public and quasi public buildings and uses appropriate to the area                        | c | a |
| 12. Research and development facilities                                                       | a | a |
| 13. Residence for a caretaker or watchman                                                     | b |   |
| 14. Temporary outdoor uses                                                                    | d |   |
| 15. Testing laboratories, excluding explosive, flammable and toxic materials                  | x | a |
| 16. Wells, gas and oil.                                                                       | a | a |

**Table 3A**

**Industrial Uses Within the I-5/CR 102**

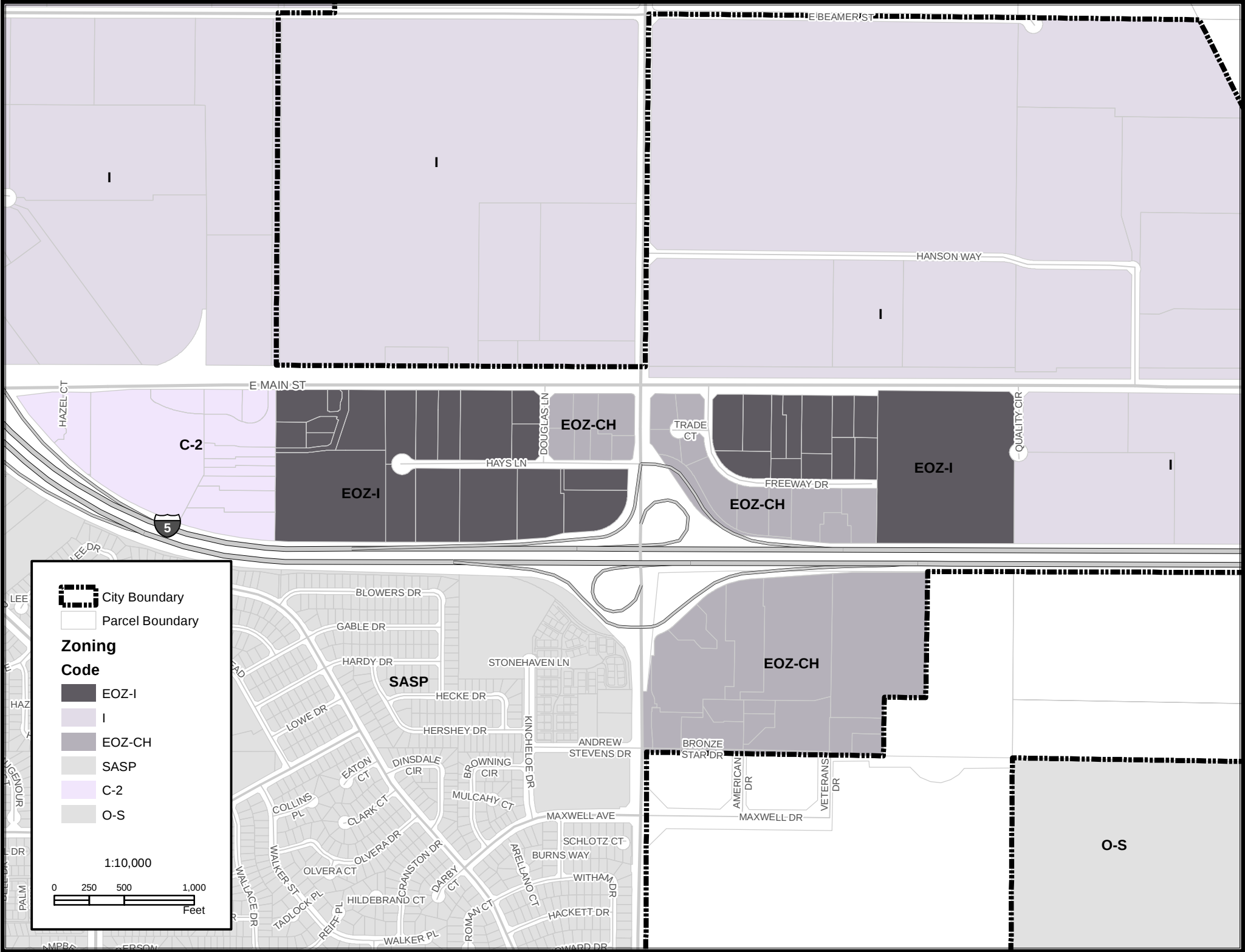
**Entryway Overlay Zone**

|                                                                                 |
|---------------------------------------------------------------------------------|
| 1. Professional offices for the following:                                      |
| a. Accountants, bookkeepers, auditors                                           |
| b. Engineering                                                                  |
| c. Planners                                                                     |
| d. Architects and building designers                                            |
| e. Landscape architects                                                         |
| f. Contractors - all categories - offices only                                  |
| g. Consultants such as:                                                         |
| 1. Business consultants                                                         |
| 2. Agricultural consultants                                                     |
| 3. Building construction consultants                                            |
| 4. Building maintenance consultants                                             |
| 5. Chemical recycling consultants                                               |
| 6. Computer system consultants                                                  |
| 7. Freight traffic consultants                                                  |
| 8. Geophysical companies and consultants                                        |
| 9. Elevator consultants                                                         |
| 10. Legal consultants                                                           |
| h. Industrial designers for tool designers                                      |
| i. Geologists                                                                   |
| j. Arbitrators                                                                  |
| k. Auctioneer offices, but excluding auctioneer rooms                           |
| l. Clothing and fashion design studios                                          |
| m. Real estate appraisers                                                       |
| 2. Business offices and personal service functions consisting of the following: |
| a. Advertising agencies - billboard advertising                                 |
| b. Communications:                                                              |
| 1. Beeper and paging services                                                   |
| 2. Broadcasting stations (radio and TV)                                         |
| 3. Computing services                                                           |

|                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------|
| 4.Computerized billing service companies                                                                                   |
| 5.Calculating and statistical services                                                                                     |
| 6.Confidential records and destruction companies                                                                           |
| 7.Inventory service firms                                                                                                  |
| 8.Security patrols                                                                                                         |
| 9.Electronic data processing, tabulating and record keeping services                                                       |
| 10.Digital instrumentation systems, equipment and supply companies                                                         |
| 11.Office planning services                                                                                                |
| 12.Credit reporting and collection agencies                                                                                |
| 13.Pension and profit sharing plan management companies                                                                    |
| 14.Pest control companies                                                                                                  |
| c. Brokerage and investment firms such as:                                                                                 |
| 1.Real estate brokers including development and management, but excluding those that deal exclusively in residential sales |
| 2.Data processing time brokers                                                                                             |
| 3.Food, frozen food, fruit and vegetable brokers                                                                           |
| 4.Foreign exchange brokers                                                                                                 |
| 5.Custom house brokers                                                                                                     |
| 6.Grain and meat brokers                                                                                                   |
| 7.Oil and land lease brokers                                                                                               |
| 8.Lumber companies and brokers exclusive of project storage yard                                                           |
| 9.Exporters and importers (no retail sales)                                                                                |
| 10.Manufacturers sales representatives                                                                                     |
| 11.Gasoline and oil marketers and distributors                                                                             |
| 12.Logging and wood chipping companies exclusive of product storage yards                                                  |
| d. Publications, graphics and reproduction such as:                                                                        |
| 1.Publishers                                                                                                               |
| 2.Printing, engraving and stationery sales and services                                                                    |
| 3.Business, periodical and architectural illustrators                                                                      |
| 4.Display builders and designers                                                                                           |
| 5.Graphic designers                                                                                                        |
| 6.Drafting, blueprinting and photocopying services                                                                         |
| 7.Duplication and mimeographing services                                                                                   |
| 8.Photographers and artists catering to industrial clients                                                                 |
| 9.Record and microfilming service                                                                                          |
| e. Medical related, such as:                                                                                               |
| 1.Medical, dental, biological and x-ray laboratories which do not serve the public.                                        |
| 2.Veterinary clinics (excluding outside kennel)                                                                            |

|                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.Small animal grooming                                                                                                                                                                                                                                                                                      |
| f. Research and development, such as:                                                                                                                                                                                                                                                                        |
| 1.Agricultural laboratories, including testing and analysis                                                                                                                                                                                                                                                  |
| 2.Small animal laboratories, testing and research                                                                                                                                                                                                                                                            |
| 3.Economic research and development                                                                                                                                                                                                                                                                          |
| 4.Electronics research and development                                                                                                                                                                                                                                                                       |
| 5.Energy conservation research and development                                                                                                                                                                                                                                                               |
| 6.Oil and gas exploration and development excluding drilling for oil and gas                                                                                                                                                                                                                                 |
| 7.Patent development and marketing                                                                                                                                                                                                                                                                           |
| 8.Marketing analysis, research and consultation                                                                                                                                                                                                                                                              |
| g. Transportation, such as:                                                                                                                                                                                                                                                                                  |
| 1. <b><i>Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships)</i></b>                                                                                                                                                             |
| 2. Freight forwarding and freight consolidating companies                                                                                                                                                                                                                                                    |
| 3. Freight inspection services                                                                                                                                                                                                                                                                               |
| <b>4. Package delivery</b>                                                                                                                                                                                                                                                                                   |
| h. Government offices which do not provide direct public services except for those governmental agencies related to agricultural activities                                                                                                                                                                  |
| i. Surveyors, such as:                                                                                                                                                                                                                                                                                       |
| 1.Land surveyors                                                                                                                                                                                                                                                                                             |
| 2.Marine surveyors                                                                                                                                                                                                                                                                                           |
| j. Personal services                                                                                                                                                                                                                                                                                         |
| 1.Management and business organizations                                                                                                                                                                                                                                                                      |
| 2.Trade and labor organizations                                                                                                                                                                                                                                                                              |
| 3.Hotel and motel reservation center - phone service only                                                                                                                                                                                                                                                    |
| 4.Ambulance service                                                                                                                                                                                                                                                                                          |
| 5.Deli/retail for employees in area                                                                                                                                                                                                                                                                          |
| 6.Equipment rental - small, to be stored inside                                                                                                                                                                                                                                                              |
| 7.Minor farm supply                                                                                                                                                                                                                                                                                          |
| 8.Commercial recreational facilities (swimming, tennis, racquetball clubs, gymnastics, dancing, etc.)                                                                                                                                                                                                        |
| k. Technical and vocational schools for industrially related trades:                                                                                                                                                                                                                                         |
| 1.Industrial apprentice training schools                                                                                                                                                                                                                                                                     |
| 2.Computer schools                                                                                                                                                                                                                                                                                           |
| 3.Drafting                                                                                                                                                                                                                                                                                                   |
| l. Corporate and regional headquarters occupying related trades:                                                                                                                                                                                                                                             |
| 3.The following and similar uses from which noise, smoke, dust, odors, and other such offensive features are confined to the premises of each use and all such uses are completely confined within enclosed buildings excluding the storage or manufacturing of hazardous or flammable materials or liquids. |

|                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| a. Bookbinding, printing and lithography                                                                                                                                                                                                                                                                                                                                            |
| b. Cartography                                                                                                                                                                                                                                                                                                                                                                      |
| c. Communication equipment buildings                                                                                                                                                                                                                                                                                                                                                |
| d. Data processing and computer operation                                                                                                                                                                                                                                                                                                                                           |
| e. Editorial and design operations                                                                                                                                                                                                                                                                                                                                                  |
| f. Electrical products and appliance manufacturing                                                                                                                                                                                                                                                                                                                                  |
| g. Janitorial services                                                                                                                                                                                                                                                                                                                                                              |
| h. Material testing laboratory                                                                                                                                                                                                                                                                                                                                                      |
| i. Photographic and film processing operations                                                                                                                                                                                                                                                                                                                                      |
| j. Research institutes and laboratories                                                                                                                                                                                                                                                                                                                                             |
| k. Other uses which the planning commission finds to be consistent with the intent of the Industrial PD within the 1-5 CR 102 Entryway which are of the same general character as the uses set forth above, and not objectionable by reason of adverse external effects, such as odor, smoke, noise, glare, fumes, radiation or vibration, subject to first obtaining a use permit. |



**Table 3**

**Industrial Land Uses**

| Uses                                                                                                                                                       | I | EOZ |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----|
| <b>A. ANIMAL AND FOOD PROCESSING</b>                                                                                                                       |   |     |
| 1. Animal slaughter                                                                                                                                        | a |     |
| 2. Bakery goods                                                                                                                                            | x |     |
| 3. Beverage bottling                                                                                                                                       | x |     |
| 4. Breweries                                                                                                                                               | a | a   |
| 5. Candy                                                                                                                                                   | x | x   |
| 6. Canneries                                                                                                                                               | a |     |
| 7. Dairy products, creameries                                                                                                                              | x | x   |
| 8. Food processing                                                                                                                                         | x |     |
| 9. Flour mills                                                                                                                                             | a |     |
| 10. Fruit and vegetable packing                                                                                                                            | c | c   |
| 11. Meat products                                                                                                                                          | x |     |
| 12. Nut processing                                                                                                                                         | c | c   |
| 13. Olive processing                                                                                                                                       | x | x   |
| 14. Sugar refineries                                                                                                                                       | a |     |
| 15. Tannery, hide curing                                                                                                                                   | a |     |
| 16. Wineries, distilleries                                                                                                                                 | a | a   |
| <b>B. ASSEMBLY, FABRICATION AND MANUFACTURING</b>                                                                                                          |   |     |
| 1. Agricultural equipment and machinery                                                                                                                    | c | a   |
| 2. Aircraft, auto, boat, bus, mobile home, motorcycle, RV, tractor, trailer, and truck                                                                     | c |     |
| 3. Brick and concrete plants                                                                                                                               | a |     |
| 4. Concrete and asphalt batch plants                                                                                                                       | a |     |
| 5. Electrical appliances, instruments, parts, and products                                                                                                 | x | x   |
| 6. Electrical equipment, instruments, parts and products                                                                                                   | x | x   |
| 7. Forges and foundries                                                                                                                                    | a |     |
| 8. Ice manufacture and storage                                                                                                                             | x |     |
| 9. Manufacturing, assembly, compounding or treatment of articles or treatment of articles or merchandise from the following previously prepared materials: |   |     |
| Canvas                                                                                                                                                     | x | x   |
| Chemicals                                                                                                                                                  | a |     |
| Clay                                                                                                                                                       | x | x   |
| Cloth                                                                                                                                                      | x | x   |
| Cork                                                                                                                                                       | x | x   |
| Feathers                                                                                                                                                   | x |     |

|                                                                                                                                            |   |          |
|--------------------------------------------------------------------------------------------------------------------------------------------|---|----------|
| Felt                                                                                                                                       | x | x        |
| Fiber                                                                                                                                      | c |          |
| Fiberglass and resins                                                                                                                      | a |          |
| Fur                                                                                                                                        | x |          |
| Glass                                                                                                                                      | x | x        |
| Hair                                                                                                                                       | x |          |
| Leather                                                                                                                                    | x |          |
| Paper                                                                                                                                      | c |          |
| Pharmaceuticals                                                                                                                            | a | x        |
| Precious or semi-precious stones or metals                                                                                                 | x | x        |
| Plaster                                                                                                                                    | x |          |
| Plastic                                                                                                                                    | a |          |
| Rubber                                                                                                                                     | a |          |
| Textiles                                                                                                                                   | x | x        |
| Wood                                                                                                                                       | c |          |
| Yarn                                                                                                                                       | x | x        |
| 10. Metal fabrication                                                                                                                      | a | x        |
| 11. Millwork, planing mills, saw mills, wood products                                                                                      | a |          |
| 12. Photographic equipment and materials, film processing                                                                                  | x | x        |
| 13. Printing, lithography and book binding                                                                                                 | x | x        |
| 14. Sign manufacture                                                                                                                       | x | x        |
| <b>C. AUTO, BOAT, RV, BUS, TRUCK AND TRUCK TRAILER SERVICE</b>                                                                             |   |          |
| 1. Agricultural equipment and machinery sales and service                                                                                  | c | c        |
| 2. Auto electric and ignition                                                                                                              | x | x        |
| 3. Batteries                                                                                                                               | a | a        |
| 4. Brakes                                                                                                                                  | x | x        |
| 5. Glass                                                                                                                                   | x | x        |
| 6. Mufflers                                                                                                                                | x | x        |
| 7. Painting                                                                                                                                | c | c        |
| 8. Parts                                                                                                                                   | b | b        |
| 9. Radiators                                                                                                                               | x | x        |
| 10. Repair and overhaul                                                                                                                    | c | c        |
| 11. Service stations                                                                                                                       | x | x        |
| 12. Tire recapping and retreading                                                                                                          | x | x        |
| 13. Tire Sales                                                                                                                             | x | x        |
| 14. Truck and truck trailer sales and service                                                                                              | x | x        |
| <b>15. Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships)</b> |   | <b>x</b> |

|                                                                                 |   |   |
|---------------------------------------------------------------------------------|---|---|
| 16. Transmissions                                                               | x | x |
| 17. Upholstery                                                                  | x | x |
| D. INDUSTRIAL YARD USES                                                         |   |   |
| 1. Agricultural equipment and machinery sales and service                       | f | a |
| 2. Building materials and lumber sales yards                                    | a |   |
| 3. Contractors storage yards                                                    | a |   |
| 4. Feed yards                                                                   | c |   |
| 5. Fuel yards, coal and wood                                                    | x |   |
| 6. Grading stations                                                             | c |   |
| 7. Heavy equipment storage, service and repair yards                            | a |   |
| 8. Heliports                                                                    | a |   |
| 9. Junk, scrap, used materials and auto wrecking yards                          | f |   |
| 10. Parking facilities, including truck and trailer parking, park and ride lots | x |   |
| 11. Pipe storage                                                                | x |   |
| 12. Plant nurseries, wholesale                                                  | x | x |
| 13. Public scales                                                               | x |   |
| 14. Recycling facilities                                                        | a |   |
| 15. RV, boat, auto, truck and trailer storage                                   | x |   |
| 16. Truck terminals                                                             | c |   |
| E. REPAIR, SERVICE AND INCIDENTAL SALES                                         |   |   |
| 1. Communication and public utility distribution and service facilities         | c | c |
| 2. Delivery service                                                             | x | x |
| 3. Equipment rental                                                             | x | x |
| 4. Janitorial service                                                           | x | x |
| 5. Laundry and dry cleaning plants                                              | x |   |
| 6. Pest control service                                                         | a | a |
| 7. Shop uses:                                                                   |   |   |
| Blacksmith                                                                      | a | a |
| Cabinet, carpenter, woodworking                                                 | c | c |
| Contractors                                                                     | x | x |
| Electrical                                                                      | x | x |
| Electric motor rebuilding                                                       | x | x |
| Heating and air conditioning                                                    | x | x |
| Hydraulic, well drilling equipment                                              | x |   |
| Machine                                                                         | x | x |
| Pipe                                                                            | x | x |
| Plumbing                                                                        | x | x |
| Pool service                                                                    | x | x |

|                                                                                               |   |   |
|-----------------------------------------------------------------------------------------------|---|---|
| Pumps, irrigation and sprinkler systems                                                       | x |   |
| Sheet metal                                                                                   | c |   |
| Upholstery                                                                                    | x | x |
| Welding                                                                                       | c | c |
| 8. Taxicab service and storage                                                                | x |   |
| 9. Trade schools                                                                              | c | c |
| 10. Tree service                                                                              | x | x |
| F. STORAGE AND WAREHOUSE USES                                                                 |   |   |
| 1. Agricultural chemical and fertilizer sales and storage                                     | a |   |
| 2. Bottled gas distribution and storage                                                       | c |   |
| 3. Cold storage plants, frozen food lockers                                                   | x | x |
| 4. Grain elevators, bean, feed, grain and seed processing and storage                         | a |   |
| 5. Mini-storage facilities                                                                    | x |   |
| 6. Petroleum distribution and storage                                                         | a |   |
| 7. Warehousing, including furniture and household goods                                       | x | x |
| 8. Wholesaling and distributing, excluding explosive, flammable and toxic materials           | x |   |
| 9. Wholesaling, distribution, storage and testing of explosive, flammable and toxic materials | a |   |
| G. MISCELLANEOUS USES                                                                         |   |   |
| 1. Accessory buildings and uses customarily appurtenant to a permitted use                    | x |   |
| 2. Agriculture, general                                                                       | x |   |
| 3. Auctions: 2/21/85 Interpretation by planning commission                                    | a |   |
| 4. Cafes and coffee shops, serving the industrial area                                        | x | x |
| 5. Micro-chip assembly                                                                        | a | x |
| 6. Mini marts serving the industrial area                                                     | a | x |
| 7. Mixed use developments                                                                     | a | x |
| 8. Offices                                                                                    | e | c |
| 9. Passenger terminals                                                                        | c | c |
| 10. Churches                                                                                  |   |   |
| 11. Public and quasi public buildings and uses appropriate to the area                        | c | a |
| 12. Research and development facilities                                                       | a | a |
| 13. Residence for a caretaker or watchman                                                     | b |   |
| 14. Temporary outdoor uses                                                                    | d |   |
| 15. Testing laboratories, excluding explosive, flammable and toxic materials                  | x | a |
| 16. Wells, gas and oil.                                                                       | a | a |

**Table 3A**

**Industrial Uses Within the I-5/CR 102**

**Entryway Overlay Zone**

|                                                                                 |
|---------------------------------------------------------------------------------|
| 1. Professional offices for the following:                                      |
| a. Accountants, bookkeepers, auditors                                           |
| b. Engineering                                                                  |
| c. Planners                                                                     |
| d. Architects and building designers                                            |
| e. Landscape architects                                                         |
| f. Contractors - all categories - offices only                                  |
| g. Consultants such as:                                                         |
| 1. Business consultants                                                         |
| 2. Agricultural consultants                                                     |
| 3. Building construction consultants                                            |
| 4. Building maintenance consultants                                             |
| 5. Chemical recycling consultants                                               |
| 6. Computer system consultants                                                  |
| 7. Freight traffic consultants                                                  |
| 8. Geophysical companies and consultants                                        |
| 9. Elevator consultants                                                         |
| 10. Legal consultants                                                           |
| h. Industrial designers for tool designers                                      |
| i. Geologists                                                                   |
| j. Arbitrators                                                                  |
| k. Auctioneer offices, but excluding auctioneer rooms                           |
| l. Clothing and fashion design studios                                          |
| m. Real estate appraisers                                                       |
| 2. Business offices and personal service functions consisting of the following: |
| a. Advertising agencies - billboard advertising                                 |
| b. Communications:                                                              |
| 1. Beeper and paging services                                                   |
| 2. Broadcasting stations (radio and TV)                                         |
| 3. Computing services                                                           |
| 4. Computerized billing service companies                                       |
| 5. Calculating and statistical services                                         |
| 6. Confidential records and destruction companies                               |

|                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------|
| 7.Inventory service firms                                                                                                  |
| 8.Security patrols                                                                                                         |
| 9.Electronic data processing, tabulating and record keeping services                                                       |
| 10.Digital instrumentation systems, equipment and supply companies                                                         |
| 11.Office planning services                                                                                                |
| 12.Credit reporting and collection agencies                                                                                |
| 13.Pension and profit sharing plan management companies                                                                    |
| 14.Pest control companies                                                                                                  |
| c.Brokerage and investment firms such as:                                                                                  |
| 1.Real estate brokers including development and management, but excluding those that deal exclusively in residential sales |
| 2.Data processing time brokers                                                                                             |
| 3.Food, frozen food, fruit and vegetable brokers                                                                           |
| 4.Foreign exchange brokers                                                                                                 |
| 5.Custom house brokers                                                                                                     |
| 6.Grain and meat brokers                                                                                                   |
| 7.Oil and land lease brokers                                                                                               |
| 8.Lumber companies and brokers exclusive of project storage yard                                                           |
| 9.Exporters and importers (no retail sales)                                                                                |
| 10.Manufacturers sales representatives                                                                                     |
| 11.Gasoline and oil marketers and distributors                                                                             |
| 12.Logging and wood chipping companies exclusive of product storage yards                                                  |
| d.Publications, graphics and reproduction such as:                                                                         |
| 1.Publishers                                                                                                               |
| 2.Printing, engraving and stationery sales and services                                                                    |
| 3.Business, periodical and architectural illustrators                                                                      |
| 4.Display builders and designers                                                                                           |
| 5.Graphic designers                                                                                                        |
| 6.Drafting, blueprinting and photocopying services                                                                         |
| 7.Duplication and mimeographing services                                                                                   |
| 8.Photographers and artists catering to industrial clients                                                                 |
| 9.Record and microfilming service                                                                                          |
| e.Medical related, such as:                                                                                                |
| 1.Medical, dental, biological and x-ray laboratories which do not serve the public.                                        |
| 2.Veterinary clinics (excluding outside kennel)                                                                            |
| 3.Small animal grooming                                                                                                    |
| f.Research and development, such as:                                                                                       |
| 1.Agricultural laboratories, including testing and analysis                                                                |

|                                                                                                                                                                                                                                                                                                              |
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| 2.Small animal laboratories, testing and research                                                                                                                                                                                                                                                            |
| 3.Economic research and development                                                                                                                                                                                                                                                                          |
| 4.Electronics research and development                                                                                                                                                                                                                                                                       |
| 5.Energy conservation research and development                                                                                                                                                                                                                                                               |
| 6.Oil and gas exploration and development excluding drilling for oil and gas                                                                                                                                                                                                                                 |
| 7.Patent development and marketing                                                                                                                                                                                                                                                                           |
| 8.Marketing analysis, research and consultation                                                                                                                                                                                                                                                              |
| g.Transportation, such as:                                                                                                                                                                                                                                                                                   |
| 1.Freight forwarding and freight consolidating companies                                                                                                                                                                                                                                                     |
| 2.Freight inspection services                                                                                                                                                                                                                                                                                |
| 3.Package delivery                                                                                                                                                                                                                                                                                           |
| <b>4. Auto sales, new and used, including RV, trailer and motorcycles (Used auto sales shall be associated with new auto dealerships)</b>                                                                                                                                                                    |
| h.Government offices which do not provide direct public services except for those governmental agencies related to agricultural activities                                                                                                                                                                   |
| i.Surveyors, such as:                                                                                                                                                                                                                                                                                        |
| 1.Land surveyors                                                                                                                                                                                                                                                                                             |
| 2.Marine surveyors                                                                                                                                                                                                                                                                                           |
| j.Personal services                                                                                                                                                                                                                                                                                          |
| 1.Management and business organizations                                                                                                                                                                                                                                                                      |
| 2.Trade and labor organizations                                                                                                                                                                                                                                                                              |
| 3.Hotel and motel reservation center - phone service only                                                                                                                                                                                                                                                    |
| 4.Ambulance service                                                                                                                                                                                                                                                                                          |
| 5.Deli/retail for employees in area                                                                                                                                                                                                                                                                          |
| 6.Equipment rental - small, to be stored inside                                                                                                                                                                                                                                                              |
| 7.Minor farm supply                                                                                                                                                                                                                                                                                          |
| 8.Commercial recreational facilities (swimming, tennis, racquetball clubs, gymnastics, dancing, etc.)                                                                                                                                                                                                        |
| k.Technical and vocational schools for industrially related trades:                                                                                                                                                                                                                                          |
| 1.Industrial apprentice training schools                                                                                                                                                                                                                                                                     |
| 2.Computer schools                                                                                                                                                                                                                                                                                           |
| 3.Drafting                                                                                                                                                                                                                                                                                                   |
| l.Corporate and regional headquarters occupying related trades:                                                                                                                                                                                                                                              |
| 3.The following and similar uses from which noise, smoke, dust, odors, and other such offensive features are confined to the premises of each use and all such uses are completely confined within enclosed buildings excluding the storage or manufacturing of hazardous or flammable materials or liquids. |
| a.Bookbinding, printing and lithography                                                                                                                                                                                                                                                                      |
| b.Cartography                                                                                                                                                                                                                                                                                                |
| c.Communication equipment buildings                                                                                                                                                                                                                                                                          |

|                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| d.Data processing and computer operation                                                                                                                                                                                                                                                                                                                                           |
| e.Editorial and design operations                                                                                                                                                                                                                                                                                                                                                  |
| f.Electrical products and appliance manufacturing                                                                                                                                                                                                                                                                                                                                  |
| g.Janitorial services                                                                                                                                                                                                                                                                                                                                                              |
| h.Material testing laboratory                                                                                                                                                                                                                                                                                                                                                      |
| i.Photographic and film processing operations                                                                                                                                                                                                                                                                                                                                      |
| j.Research institutes and laboratories                                                                                                                                                                                                                                                                                                                                             |
| k.Other uses which the planning commission finds to be consistent with the intent of the Industrial PD within the 1-5 CR 102 Entryway which are of the same general character as the uses set forth above, and not objectionable by reason of adverse external effects, such as odor, smoke, noise, glare, fumes, radiation or vibration, subject to first obtaining a use permit. |

**TABLE A . COMPARISON OF 15183 & 15061(b)(3) CEQA REQUIREMENTS AND PROJECT**

| <b>CEQA Requirement (Section 15183)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Relationship to Project</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <p>(a) CEQA mandates that projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an EIR was certified shall not require additional environmental review, except as might be necessary to examine whether there are project specific effects which are peculiar to the project or its site. This streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.</p> | <p>The area located adjacent to Interstate 5 and CR 102 has been designated with an Entryway Overlay Zone (EOZ). The EOZ provides for an implementation of existing General Plan policy.</p> <p>General Plan Policy 1.H.7 allows additional commercial uses along East Main Street and heavily traveled arterials, such as the Interstate 5 freeway. On July 23, 2002, the City Council adopted an ordinance approving the I-5/Entryway Overlay Zone (I/EOZ) to implement General Plan Policy 1.H.7 and to provide for a list of permitted and conditionally permitted uses. The City Council certified an Environmental Impact Report for the General Plan and conducted CEQA analysis for the zoning ordinance approving the EOZ.</p> <p>The proposed zoning amendment is consistent with both the General Plan and the EOZ.</p> <p>It is staff's opinion that the proposed zoning amendment permitting auto sales is consistent with the existing I/EOZ as auto sales are similar to other permitted uses in the I/EOZ, such as truck sales and no new or substantial environmental impacts are anticipated as a result of the proposed zoning amendment that have not been addressed in the certified General Plan EIR. Staff analyzed the traffic generation associated with auto sales and concluded that traffic impacts are the same or similar as for truck sales, a use currently permitted in the I/EOZ.</p> <p>The information provided in this table identifies the substantial evidence in support of the City's determination that the proposed text amendment to the Zoning Ordinance is consistent with the development intensity established by existing zoning and general plan policies and that a subsequent EIR is not required for the subject project.</p> |
| <p>(b) In approving a project meeting the requirements of this section, a public agency shall limit its examination of environmental effects to those which the agency determines, in an initial study or other analysis:</p>                                                                                                                                                                                                                                                                        | <p>The proposed zoning amendment is consistent with the base zoning and permits a use that is similar to, and has fewer impacts than, uses currently permitted in the zone.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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| <ul style="list-style-type: none"> <li>(1) Are peculiar to the project or the parcel on which the project would be located;</li> <li>(2) Were not analyzed as significant effects in a prior EIR on the zoning action, general plan, or community plan, with which the project is consistent;</li> <li>(3) Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action, or;</li> <li>(4) Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.</li> </ul> | <p>(1) There is nothing peculiar to the project or the parcels associated with the zoning which will result in potentially significant impacts. Other permitted uses already allowed in the I/EOZ include equipment rental; service stations; truck and trailer sales and service, transmissions; cold storage plants; warehousing; and mixed use developments.</p> <p>(2) Due to the similarity between the proposed use and the existing permitted uses, the proposed zoning amendment would not create environmental effects that are different from any environmental impacts previously analyzed by the City in prior approvals. An auto sales and service use is primarily an auto storage site with auto service uses. The intensity of the use of the site would be the same or similar to that of other permitted uses.</p> <p>(3) The proposed zoning amendment will not result in potentially significant off-site impacts or cumulative impacts that were not previously analyzed in the EIR. Other permitted uses with similar site development results were considered in the General Plan EIR and subsequent amendments.</p> <p>(4) The proposed zoning amendment will not result in the significance level of any impacts previously identified being more severe than initially described in the EIR. An auto sales and service use is primarily an auto storage site with auto service uses. The intensity of the use of the site would be the same or similar to that of other permitted uses.</p> |
| <p>(c) If an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.</p>                                                                                                                                                                                                                                                                                                                                                                      | <p>No new or substantial impacts are anticipated that have not been addressed in the certified EIR. The proposed zoning amendment is consistent with the base zoning and clarifies an allowed use that is identical or less intense than existing allowed uses in the zone; therefore, a subsequent EIR has been determined not to be required.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p>(d) This section shall apply only to projects which meet the following conditions:</p> <ul style="list-style-type: none"> <li>(1) This project is consistent with:</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <p>As stated above, the proposed zoning amendment is consistent with General Plan Policy 1.H.7, which supports mixed-use projects, including retail/office/food service/ industrial designations, particularly along East Main</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

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| <p>(A) A community plan adopted as part of a general plan;</p> <p>(B) A zoning action which zoned or designated the parcel on which the project would be located to accommodate a particular density of development, or</p> <p>(C) A general plan of a local agency, and</p> <p>(2) An EIR was certified by the lead agency for the zoning action, the community plan, or the general plan.</p> | <p>Street, which is the location of the proposed zoning amendment. The policy supports up to 80 percent commercial uses in mixed-use projects along heavily-traveled arterials. A mixed-use project can include any combination of uses provided in I/EOZ table or additional commercial uses. The intent of this policy and the I/EOZ overlay district is to permit uses that serve the traveling public, such as auto sales. The proposed zoning amendment is also consistent with the base zoning. Auto sales, including RV, trailer and motorcycle sales, is similar to existing allowed uses within the subject zoning (I-5/ Entryway Overlay Zone) including truck and trailer sales and service and will not result in new or substantial environmental impacts as compared to existing allowed uses and will result in the same or similar intensity of use.</p> <p>The policy supports up to 80 percent commercial uses in mixed use projects along heavily-traveled arterials. A mixed use project can include any combination uses provided in the I/EOZ table or additional commercial uses. The intent of this policy and EOZ Overlay District is to allow those uses that are appropriate to be visible to or serve the traveling public.</p> <p>The City Council certified an Environmental Impact Report for the General Plan, and the City Council prepared a Mitigated Negative Declaration for the 2002 zoning amendment that added the EOZ.</p> <p>(2) The Environmental Impact Report (EIR) on the City of Woodland General Plan, prepared pursuant to the California Environmental Quality Act (CEQA), was certified by the Woodland City Council on February 27, 1996 (Resolution No. 3944). A Mitigated Negative Declaration was prepared for the 2002 General Plan technical update and approved on December 17, 2002. A Mitigated Negative Declaration was prepared for the 2002 zoning amendment to add the Entryway Overlay Zone.</p> |
| <p>(e) This section shall limit the analysis of only those significant environmental effects for which:</p> <p>(1) Each public agency with authority to mitigate any of the significant effects on the environment identified in the EIR on the planning or zoning</p>                                                                                                                          | <p>As stated above, no new or substantial impacts are anticipated as a result of the proposed zoning amendment that have not been addressed in the certified EIR or subsequent environmental documents.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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| <p>action undertakes or requires others to undertake mitigation measures specified in the EIR which the lead agency found to be feasible, and</p> <p>(2) The lead agency makes a finding at a public hearing as to whether the feasible mitigation measure will be undertaken.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                 |
| <p>(f) An effect of a project on the environment shall not be considered peculiar to the project or the parcel for the purposes of this section if uniformly applied development policies or standards have been previously adopted by the city or county with a finding that the development policies or standards will substantially mitigate that environmental effect when applied to future projects, unless substantial new information shows that the policies or standards will not substantially mitigate the environmental effect. The finding shall be based on substantial evidence which need not include an EIR. Such development policies or standards need not apply throughout the entire city or county, but can apply only within the zoning district in which the project is located, or within the area subject to the community plan on which the lead agency is relying. Moreover, such policies or standards need not be part of the general plan or any community plan, but can be found within another pertinent planning document such as a zoning ordinance. Where a city or county, in previously adopting uniformly applied development policies or standards for imposition on future projects, failed to make a finding as to whether such policies or standards would substantially mitigate the effects of future projects, the decision making body of the city or county, prior to approving such a future project pursuant to this section, may hold a public hearing for</p> | <p>No new or substantial impacts are anticipated as a result of the zoning amendment which have not been addressed in the certified EIR, subsequent amendments or zoning amendments. Project specific environmental review shall be completed and any project mitigation required as a result of a project specific action shall be complied with by the project applicant.</p> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| the purpose of considering whether, as applied to the project, such standards or policies would substantially mitigate the effects of the project. Such a public hearing need only be held if the city or county decides to apply the standards or policies as permitted in this section.                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p>(g) Examples of uniformly applied development policies or standards include, but are not limited to:</p> <ol style="list-style-type: none"> <li>(1) Parking ordinances.</li> <li>(2) Public access requirements.</li> <li>(3) Grading ordinances.</li> <li>(4) Hillside development ordinances.</li> <li>(5) Flood plain ordinances.</li> <li>(6) Habitat protection or conservation ordinances.</li> <li>(7) View protection ordinances.</li> </ol>                                                                                                                                                                                                                            | All development review criteria and standards that are applicable to a future development project, including the City's Zoning Ordinance, Community Design Standards, and Building Code will be applied to any future project evaluation.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| (h) An environmental effect shall not be considered peculiar to the project or parcel solely because no uniformly applied development policy or standard is applicable to it.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | See above response. Section not applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <p>(i) Where the prior EIR relied upon by the lead agency was prepared for a general plan or community plan that meets the requirements of this section, any rezoning action consistent with the general plan or community plan shall be treated as a project subject to this section.</p> <p>(1) "Community plan" is defined as a part of the general plan of a city or county which applies to a defined geographic portion of the total area included in the general plan, includes or references each of the mandatory elements specified in Section 65302 of the Government Code, and contains specific development policies and implementation measures which will apply</p> | The proposed zoning amendment to add auto sales, including RV, trailer and motorcycle sales, is a use similar to existing allowed uses within the subject zoning (I-5/ Entryway Overlay Zone) including truck and trailer sales and service and will not result in new or substantial environmental impacts as compared to existing allowed uses evaluated under the General Plan EIR. Staff analyzed the traffic generation associated with auto sales and concluded that traffic impacts are the same or similar as for truck sales, a use currently permitted in the I/EOZ. The proposed zoning amendment is consistent with General Plan Policy 1.H.7, which supports mixed-use projects including retail/office/food and service/industrial in Industrial designations, particularly along East Main Street where the subject amendment is proposed. The policy supports up to 80 percent commercial uses in mixed-use projects along heavily-traveled arterials. The intensity of use associated with auto sales versus truck and trailer sales is identical or will result in fewer environmental impacts. The Industrial Zone |

| <p>those policies to each involved parcel.</p> <p>(2) For purposes of this section, "consistent" means that the density of the proposed project is the same or less than the standard expressed for the involved parcel in the general plan, community plan or zoning action for which an EIR has been certified, and that the project complies with the density-related standards contained in that plan or zoning. Where the zoning ordinance refers to the general plan or community plan for its density standard, the project shall be consistent with the applicable plan.</p> | <p>allows a floor area ratio (FAR) of up to 0.60, which is significantly less than that allowed in the General Commercial Zone (0.80). Any commercial or mixed use project in the Industrial zone would have to comply with all regulatory and design standards.</p>                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>(j) This section does not affect any requirement to analyze potentially significant offsite or cumulative impacts if those impacts were not adequately discussed in the prior EIR. If a significant offsite or cumulative impact was adequately discussed in the prior EIR, then this section may be used as a basis for excluding further analysis of that offsite or cumulative impact.</p>                                                                                                                                                                                     | <p>No new or substantial impacts are anticipated as a result of the proposed zoning amendment that have not been addressed in the certified EIR. The proposed use, auto sales and service, is similar to or would be less intense than other permitted uses that were considered in the EIR and subsequent amendments.</p> |
| <b>CEQA Requirement (Section 15183)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>Relationship to Project</b>                                                                                                                                                                                                                                                                                             |
| <p>(b) A project is exempt from CEQA if:</p> <p>(3) The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.</p>                                                                                                                                                                           | <p>The proposed zoning ordinance amendment provides clarification on allowed uses within the Industrial I-5/CR 102 Entryway Overlay Zone. The amendment and clarification are limited in scope and will not result in substantive regulatory changes that could result in environmental impacts.</p>                       |



## Legislation Text

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File #: 14-151, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: 2014 Department of Justice - COPS Hiring Program Grant

**Recommendation for Action** : Staff recommends that the City Council Adopt Resolution No. \_\_\_\_\_, a Resolution of the City Council of the City of Woodland Authorizing the Appropriation of Funds for the Required Match and Retention Year for the COPS Hiring Program Grant.

**Staff Contact**

Dan Bellini, Public Safety Chief, dan.bellini@cityofwoodland.org

**Council Goal**

This recommendation is consistent with the City's goal of 1) maintaining Woodland's quality of life by ensuring the highest level of public safety by restoring the Police Department's staffing level; and 2) fiscal responsibility by pursuing supplemental sources of funding through grants.

**Fiscal Impact**

Under the DOJ COPS Hiring Program, the City of Woodland is eligible to apply for funding to support up to three new sworn officer positions. The CHP grant would provide up to 75 percent of the approved entry-level salaries and benefits of full-time officers for a 36-month grant period. The grant requires a minimum 25 percent local match, and at the conclusion of the three-year grant, agencies are required to retain the positions for a minimum of 12 months.

The local match required to support three new sworn positions under the terms of the COPS Hiring Program is estimated at \$87,600 in year one, and increasing to \$117,178 in year three. The full annualized cost of three sworn officers at the conclusion of the three-year grant is estimated to be \$398,000.

Funding for the local matching funds and future carrying costs for the three positions would come from the city's General Fund. While the General Fund is not currently in a position to support the full cost of adding of three sworn police officers, seeking grant funds to augment sworn police staffing affords the city to leverage our limited resources and allows for a three-year timeframe within which to establish the budget flexibility needed to sustain the new positions beyond FY2016/17.

**Background**

The 2014 COPS Hiring Program (CHP) is designed to advance public safety through community policing by

addressing the full-time sworn officer needs of state, local, and tribal law enforcement agencies nationwide. CHP provides funds directly to law enforcement agencies to hire new and/or rehire career law enforcement officers, and to increase their community policing capacity and crime prevention efforts. The Department applied for and was awarded the 2009 CHP grant which funded three full time police officers at entry level salaries through September 2012. However, due to the state of the economy resulting in vacancies being defunded during the 36-month grant period, these grant positions did not increase the Department's staffing level.

### **Discussion**

As Council is fully aware, the Police Department continues to be understaffed while, at the same time, the community is experiencing an increase in crime activity. The City Council recently received a report on crime trends, and at the conclusion, directed the City Manager - among other things - to explore means to address deficiencies police staffing. The prospect of competing for this grant comes at a very opportune time. The Department is hopeful that our current predicament (staffing shortage in the midst of increasing crime rate) will present a strong, compelling application. Even with the 25% match requirement, this grant represents perhaps the best of a limited range of options available to the City to begin restoring the police staffing level.

The Department of Justice expects to open the grant solicitation anytime between mid-May and the end of May. The deadline for applications is likely to be as early as mid-June. All grant requests will be capped at no more than 5 percent of their actual sworn force strength as reported on the date of application. As such, with the concurrence of the City Council, staff is recommending that the city prepare and submit an application for three sworn officer positions.

The COPS Hiring Program provides up to 75% of entry-level salary and benefits for new hires or re-hires, with the maximum federal share capped at \$125,000 per officer position. Agencies applying for this grant are required to provide a minimum local match of 25%, as well as any costs in excess of the federal cap.

At the conclusion of the 36 months of federal funding, grantees must retain all sworn officer positions awarded under the CHP grant for a minimum of 12 months. The retained CHP-funded position(s) should be added to the grantee's law enforcement budget with state and/or local funds, over and above the number of locally-funded positions that would have existed in the absence of the grant to meet the non-supplanting requirement of the grant. Applicants are required to affirm in their CHP grant application that their agency plans to retain any additional officer positions awarded following the expiration of the grant and identify their planned source(s) of retention funding.

The following table provides an **estimate** of the yearly match required of the City and the estimated cost for the 4<sup>th</sup> year (FY18 - required retention year) that would be the responsibility of the City.

|                         | FY15         | FY16         | FY17         | TOTALS         | FY18         |
|-------------------------|--------------|--------------|--------------|----------------|--------------|
|                         | Step A       | Step B***    | Step C       |                | Step D       |
| # Officers              | 3.00         | 3.00         | 3.00         | 3.00           | 3.00         |
| Actual Cost per Officer | \$116,838.22 | \$122,061.52 | \$127,564.15 | \$ 366,463.89  | \$132,704.44 |
| Actual Cost TOTAL       | \$350,514.67 | \$366,184.55 | \$382,692.46 | \$1,099,391.68 | \$398,113.31 |

|  | FY15 | FY16 | FY17 | TOTALS | FY18 |
|--|------|------|------|--------|------|
|--|------|------|------|--------|------|

|                                  | Step A       | Step B***    | Step C       |                | Step D       |
|----------------------------------|--------------|--------------|--------------|----------------|--------------|
| Entry Level - Step A per Officer | \$116,838.22 | \$117,422.42 | \$118,006.61 | \$ 352,267.25  |              |
| Entry Level TOTAL                | \$350,514.67 | \$352,267.25 | \$354,019.82 | \$1,056,801.74 |              |
|                                  |              |              |              |                |              |
| Grant Share*                     | \$262,886.00 | \$264,200.43 | \$265,514.86 | \$ 792,601.30  |              |
| City Share**                     | \$ 87,628.67 | \$101,984.12 | \$117,177.59 | \$ 306,790.38  | \$398,113.31 |
| Annual Budget Increase           | \$ 87,628.67 | \$ 14,355.45 | \$ 15,193.47 |                | \$280,935.72 |

\*75% of Entry Level TOTAL; maximum \$125,000/per officer, \$375,000/year for 3 officers

\*\*Balance of Actual Cost TOTAL minus Grant Share

\*\*\*1% salary increase beginning January 2016 per MOU

## **Conclusion**

Staff recommends that the City Council Adopt Resolution No. \_\_\_\_\_, a Resolution of the City Council of the City of Woodland Authorizing the Appropriation of Funds for the Required Match and Retention Year for the COPS Hiring Program Grant.

Prepared by: Elle Murphy, Senior Management Analyst

Reviewed by: Dan Bellini, Public Safety Chief



Paul Navazio, City Manager

Attachment: Resolution - COPS Hiring Program

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND  
AUTHORIZING THE CITY MANGER TO SUBMIT GRANT APPLICATION FOR  
THE DEPARTMENT OF JUSTICE’S 2014 COPS HIRING PROGRAM  
AND, IF AWARDED, ACCEPTANCE OF THE GRANT AND APPROPRIATE FUNDS  
INCLUDING FOR THE REQUIRED LOCAL MATCH**

**WHEREAS**, the 2014 COPS Hiring Program (CHP) is designed to advance public safety through community policing by addressing the full-time sworn officer needs of state, local, and tribal law enforcement agencies nationwide; and

**WHEREAS**, the CHP grant would provide up to 75 percent of the approved entry-level salaries and benefits of full-time officers for a 36-month grant period, with a minimum 25 percent local cash match requirement; and

**WHEREAS**, grantees must retain all sworn officer positions awarded under the CHP grant for a minimum of 12 months at the end of the 36-month grant period; and

**WHEREAS**, the City Council recognizes the Police Department continues to be understaffed in sworn officers; and

**WHEREAS**, the City budget does not currently provide the flexibility to cover the full cost of additional sworn police officer positions; and

**WHEREAS**, the COPS Hiring Program grant is the among the best of a limited range of options available to the City to begin restoring police staffing levels; and

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF WOODLAND:**

**SECTION 1.** That the City Council hereby authorizes the City Manager to submit a grant application for the 2014 DOJ COPS Hiring Program, and

**SECTION 2.** If awarded, the City Manager is hereby authorized to accept the grant, and appropriate funds including the required local match.

**PASSED AND ADOPTED** by the City Council this \_\_\_\_ day of \_\_\_\_\_, 2014, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

Marlin H. Davies, Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

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Ana B. Gonzalez, City Clerk

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Kara K. Ueda, City Attorney



## Legislation Text

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File #: 14-144, Version: 1

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TO: THE HONORABLE MAYOR AND CITY COUNCIL

DATE: May 13, 2014

SUBJECT: Approval of the Funding Agreements for Safe Drinking Water State Revolving Loan (SRF) to Fund the Design and Construction of the Woodland-Davis Clean Water Agency (WDCWA) Project Facilities

**Recommendation for Action:** Staff recommends that the City Council:

- 1) Adopt Resolution No. \_\_\_\_\_ to authorize the City Manager to sign the California Department of Public Health's (CDPH) Funding Agreement, amendments, and certifications for funding under the Safe Drinking Water State Revolving Fund; authorize the City Manager to approve claims for reimbursement, authorize City Manager or designee to execute budget and expenditure summary, authorize City Manager or designee to sign the Certification of Project Completion; and dedicate revenues from the City's water rates as the source of revenue to repay said loan.
- 2) Adopt Resolution No. \_\_\_\_\_ to authorize the WDCWA to sign their Funding Agreement for Woodland's share of the regional project.

**Staff Contact**

Tim Busch, Principal Utilities Engineer, 530-661-5963, tim.busch@cityofwoodland.org

**Council Goal**

- Support the Woodland-Davis Woodland Clean Water Agency to further the surface water project.
- Maintain and enhance infrastructure through reduced costs, greater efficiencies, and partnerships.
- Develop plans and funding strategies to address the long term needs of the community in planning for infrastructure.

**Fiscal Impact**

The recommended action would authorize the City to execute, and have executed, two SRF loan agreements that, together, fully cover the City of Woodland's cost of design and construction of the Davis-Woodland Surface Water Project. The agreements include a loan of \$30,503,088 for City of Woodland "local" projects, and a second loan of \$111,358,449, for Woodland's share of the WDCWA regional project.

Both loans are to be repaid over a 20-year term, commencing upon project completion, at an interest rate of 1.7875%. The combined annual debt service for the two loans is estimated to be \$8,558,803, consisting of \$6,671,460 for the regional project loan (WDCWA) and \$1,887,343 for the local facilities loan (City). Overall, principal and interest payments for the two loans will total \$178,253,831 over the twenty-year payment schedule. Funding to support repayment of the two CDPH SRF loans will be provided by City of Woodland water utility revenues derived from the Council-approved water rates.

Significantly, both the City of Woodland's share of the negotiated cost for the design-build-operate contract to deliver the regional project facilities as well as the financing terms of the proposed loans (subject of this report) are significantly lower than what was assumed in the development of the city's multi-year water rate ordinance. Taken together, the very low SRF interest rates will allow the City to save Woodland ratepayers more than \$100 million in overall financing costs over the long-term compared with traditional 30-year utility-revenue bond funding. This commitment from the CDPH assists us in our ongoing efforts to build the regional surface water project at the lowest possible cost to the City and its ratepayers.

## **Background**

Effective September 15, 2009, the Cities of Davis and Woodland approved the Davis-Woodland Water Supply Project Authority Joint Powers Agreement, which created the WDCWA. A revision to this Agreement was approved by the Davis and Woodland City Councils on February 26, 2013. On July 30, 2013 the WDCWA received a proposal to design, build, and operate the new surface water supply project. After a detailed evaluation, that proposal was approved by the Woodland-Davis Clean Water Agency on October 10, 2013.

On December 31, 2013, the California Department of Public Health (CDPH) approved two SRF applications for a total of \$143 million at a 1.7875 percent interest rate for a repayment term of 20 years. One of the CDPH SRF applications was for Woodland's share of the regional components of Davis-Woodland Water Supply Project (DWWSP) in the amount of \$111,358,449. The other CDPH SRF application was for \$31,503,088 and was for the local improvements to bring the treated water into our water distribution system. These improvements include the East and West Transmission Mains, a 3.0 million gallon storage tank, Well 28, and ASR well development and construction. On February 18, 2014, Council approved the two Notice of Applications Acceptance (NOAA) forms which reserved the funds for our use.

## **Discussion**

The City has continuously sought to construct and fund the project at the least cost to the City and its ratepayers. Project costs have been significantly reduced and SRF funding provides a means of reducing the project's financing cost.

The requested action will secure CDPH SRF funding for both Woodland's use and for Woodland's share of the DWWSP. On February 18, 2014, the City Manager signed the NOAA's Terms and Conditions for the Woodland application and authorized the WDCWA's General Manager to sign the Terms and Conditions for the CDPH NOAA for Woodland's share of the regional water project improvement work. The Terms and Conditions did not commit either entity to borrow funds from CDPH, but required CDPH to keep the funds reserved for our use. CDPH has provided the Funding Agreements for each loan which, once executed will obligate the City to repay the funding money borrowed from CDPH. CDPH needs to have the Funding Agreement finalized in this fiscal year.

Construction of the project facilities have commenced and are expected to be completed by September of 2016 with water deliveries to the cities likely to begin by June 2016.

## **Conclusion**

Staff recommends that the City Council:

- 1) Adopt Resolution No. \_\_\_\_\_ to authorize the City Manager to sign the California Department of Public Health's (CDPH) Funding Agreement, amendments, and certifications for funding under the Safe Drinking Water State Revolving Fund; authorize the City Manager to approve claims for reimbursement, authorize City Manager or designee to execute budget and expenditure summary, authorize City Manager or designee to sign the Certification of Project Completion; and dedicate revenues from the City's water rates as the source of revenue to repay said loan.
- 2) Adopt Resolution No. \_\_\_\_\_ to authorize the WDCWA to sign their Funding Agreement for Woodland's share of the regional project.

Prepared by: Tim Busch, Principal Utilities Engineer

Reviewed by: Brent Meyer, City Engineer  
Ken Hiatt, Community Development Director



Paul Navazio, City Manager

Attachment: Resolution Authorizing the Woodland Funding Agreement with CDPH  
Resolution Authorizing the WDCWA Funding Agreement with CDPH  
CDPH Funding Agreement with City of Woodland  
CDPH Funding Agreement with WDCWA  
Agreement for the Assumption of Obligations under WDCWA Funding Agreement

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND AUTHORIZING THE CITY MANAGER TO SIGN THE FUNDING AGREEMENT, CERTIFICATIONS, AND AMENDMENTS FOR FUNDING UNDER THE SAFE DRINKING WATER STATE REVOLVING FUND; AUTHORIZING THE CITY ENGINEER OR HIS OR HER DESIGNEE TO APPROVE CLAIMS FOR REIMBURSEMENT, EXECUTE BUDGET AND EXPENDITURE SUMMARY, AND TO SIGN THE CONTRACTOR'S RELEASE FORM.**

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WHEREAS, on August 27, 2013, the City of Woodland made application to the California Department of Public Health for a \$31,503,088 loan under the Safe Drinking Water State Revolving Fund; and

WHEREAS, on December 31, 2013, the California Department of Public Health issued a Notice of Application Acceptance to the City of Woodland committing \$ 31,503,088 in Loan Funding (the "Loan") from the Safe Drinking Water State Revolving Fund for Project # 5710006-009C, Surface Water Local Projects; and

WHEREAS, on June 18, 2013, the City Council of the City of Woodland adopted a project budget totaling \$ 31,503,088; and

WHEREAS, on December 31, 2013, the California Department of Public Health committed funding in the amount of \$31,503,088 under the Safe Drinking Water State Revolving Fund program; and

WHEREAS, the funding agreement under the Safe Drinking Water State Revolving Fund will provide for a twenty (20) year repayment period at a 1.7875 percent interest rate; and

WHEREAS, any remaining project costs are to be funded by the City of Woodland through water enterprise revenues; and

WHEREAS, prior to the California Department of Public Health issuing a funding agreement, the City Council of the City of Woodland is required to pass a resolution formally establishing a dedicated source of revenue to repay the Loan, authorizing an officer to execute all funding agreements, amendments, and certifications, designating a person to approve claims for reimbursement, and designating a person (registered engineer) to sign the Budget and Expenditure Summary, designating a person (registered engineer) to sign the Certification of Project Completion, and designating a person to sign the Contractor's Release Form.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the City Manager is hereby authorized to incur indebtedness pursuant to the funding agreement, and, in consultation with the City Attorney, sign the Safe Drinking Water State Revolving Fund program Funding Agreement and any amendments thereto (the term "indebtedness" as used herein means all grants, debts, obligations and liabilities, currently existing or now or hereafter made, incurred or created in connection with the Loan); and

BE IT FURTHER RESOLVED AND ORDERED, that the City Engineer or his or her designee is hereby authorized to approve Claims for Reimbursement under the Safe Drinking Water State Revolving Fund program; and

BE IT FURTHER RESOLVED AND ORDERED, that the City Engineer or his or her designee is hereby authorized to execute the Budget and Expenditure Summary for the Safe Drinking Water State Revolving Fund program; and

BE IT FURTHER RESOLVED AND ORDERED, that the City Engineer or his or her designee are hereby authorized to sign the Contractor's Release Form for the Safe Drinking Water State Revolving Fund Program; and

BE IT FURTHER RESOLVED AND ORDERED, that the City Engineer or his or her designee are hereby authorized to certify that the project is complete and ready for final inspection; and

BE IT FURTHER RESOLVED AND ORDERED, that the City Council of the City of Woodland hereby designates Water Enterprise Fund revenues as the dedicated source of revenue to repay the Loan and pledges its Water Enterprise Fund as collateral for the Loan. This dedication and pledge shall remain in full force and effect until the Loan is fully discharged, unless modification or change of such dedication is approved in writing by the California Department of Public Health. If for any reason, the dedicated source of revenues proves insufficient to satisfy the debt service of the Loan, sufficient funds shall be raised through increased water rates, user charges, or assessments or any other legal means available to meet the Loan obligation and to operate and maintain the project.

BE IT FURTHER RESOLVED AND ORDERED, the authority granted hereunder shall be deemed retroactive. All acts authorized hereunder and performed prior to the date of this Resolution are hereby ratified and affirmed. The California Department of Public Health is authorized to rely upon this Resolution until written notice to the contrary, executed by each of the undersigned, is received by the California Department of Public Health. The California Department of Public Health shall be entitled to act in reliance upon the matters contained herein, notwithstanding anything to the contrary contained in the formation documents of the City of Woodland or in any other document.

Passed and adopted by the City Council of the City of Woodland on May\_\_\_\_\_, 2014, by the following vote:

AYES:

NOES:

EXCUSED:

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Marlin H. "Skip" Davies, Mayor

APPROVED AS TO FORM:

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Kara K. Ueda, City Attorney

ATTEST:

By: \_\_\_\_\_  
Ana B. Gonzalez, City Clerk

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WOODLAND  
AUTHORIZING THE WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL  
MANAGER TO SIGN THE FUNDING AGREEMENT, CERTIFICATIONS, AND  
AMENDMENTS FOR FUNDING UNDER THE SAFE DRINKING WATER STATE  
REVOLVING FUND; AUTHORIZING THE WOODLAND DAVIS CLEAN WATER  
AGENCY GENERAL-MANAGER OR HIS OR HER DESIGNEE TO APPROVE  
CLAIMS FOR REIMBURSEMENT, EXECUTE THE BUDGET AND EXPENDITURE  
SUMMARY, AND TO SIGN THE CONTRACTOR'S RELEASE FORM AND  
AUTHORIZING THE CITY MANAGER OR DESIGNEE TO SIGN THE AGREEMENT  
FOR THE ASSUMPTION OF OBLIGATIONS UNDER FUNDING AGREEMENT  
BETWEEN THE CITY OF WOODLAND AND THE WOODLAND-DAVIS CLEAN  
WATER AGENCY**

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WHEREAS, on August 27, 2013, the City of Woodland made application to the California Department of Public Health for an \$111,358,499 loan under the Safe Drinking Water State Revolving Fund for its portion of the Davis Woodland Water Supply Project; and

WHEREAS, on December 31, 2013, the California Department of Public Health issued a Notice of Application Acceptance to the Woodland-Davis Clean Water Agency committing \$111,358,499 in Loan Funding (the "Loan") from the Safe Drinking Water State Revolving Fund for Project # 5710012-008C, Woodland's share of the regional Surface Water Project; and

WHEREAS, on June 18, 2013, the City Council of the City of Woodland adopted a project budget totaling \$111,358,499; and

WHEREAS, on December 31, 2013, the California Department of Public Health committed funding in the amount of \$111,358,499 under the Safe Drinking Water State Revolving Fund program; and

WHEREAS, the funding agreement under the Safe Drinking Water State Revolving Fund will provide for a twenty (20) year repayment period at a 1.7875 percent interest rate; and

WHEREAS, any remaining project costs are to be funded by the City of Woodland through water enterprise revenues; and

WHEREAS, prior to the California Department of Public Health issuing a funding agreement, the Board of Directors of the Woodland-Davis Clean Water Agency is required to pass a resolution formally establishing a dedicated source of revenue to repay the Loan, authorizing an officer to execute all funding agreements, amendments, and certifications, designating a person to approve claims for reimbursement, and designating a person (registered engineer) to sign the Budget and Expenditure Summary, designating a person (registered engineer) to sign the Certification of Project Completion, and designating a person to sign the Contractor's Release Form.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, that the WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL MANAGER is hereby authorized to incur indebtedness pursuant to the funding agreement, and sign the Safe Drinking Water State Revolving Fund program Funding Agreement and any amendments thereto (the term "indebtedness" as used herein means all grants, debts, obligations and liabilities, currently existing or now or hereafter made, incurred or created in connection with the Loan); and

BE IT FURTHER RESOLVED AND ORDERED, that the WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL MANAGER or his or her designee are hereby authorized to approve Claims for Reimbursement under the Safe Drinking Water State Revolving Fund program on behalf of the City of Woodland; and

BE IT FURTHER RESOLVED AND ORDERED, that the WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL MANAGER or his or her designee is hereby authorized to execute the Budget and Expenditure Summary for the Safe Drinking Water State Revolving Fund program; and

BE IT FURTHER RESOLVED AND ORDERED, that the WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL MANAGER or his or her designee is hereby authorized to sign the Contractor's Release Form for the Safe Drinking Water State Revolving Fund Program; and

BE IT FURTHER RESOLVED AND ORDERED, that the WOODLAND-DAVIS CLEAN WATER AGENCY GENERAL MANAGER or his or her designee is hereby authorized to certify that the project is complete and ready for final inspection; and

BE IT FURTHER RESOLVED AND ORDERED, that the City Council of the City of Woodland, pursuant to the Amended and Restated Woodland-Davis Clean Water Agency Joint Powers Agreement dated February 26, 2013, wherein the City of Woodland agreed that its Water Enterprise Fund revenues would be used to repay the Safe Drinking Water State Revolving Fund loan, authorizes the City Manager to execute the Agreement for the Assumption of Obligations Under Funding Agreement between the City of Woodland and the Woodland-Davis Clean Water Agency and again designates its Water Enterprise Fund revenues as the dedicated source of revenue to repay the Loan and pledges its Water Enterprise Fund as collateral for the Loan. This dedication and pledge shall remain in full force and effect until the Loan is fully discharged, unless modification or change of such dedication is approved in writing by the California Department of Public Health. If for any reason, the dedicated source of revenues proves insufficient to satisfy the debt service of the Loan, sufficient funds shall be raised through increased water rates, user charges, or assessments or any other legal means available to meet the Loan obligation and to operate and maintain the project.

BE IT FURTHER RESOLVED AND ORDERED, the authority granted hereunder shall be deemed retroactive. All acts authorized hereunder and performed prior to the date of this Resolution are hereby ratified and affirmed. The California Department of Public Health is authorized to rely upon this Resolution until written notice to the contrary, executed by each of the undersigned, is received by the California Department of Public Health. The California Department of Public Health shall be entitled to act in reliance upon the matters contained herein, notwithstanding anything to the contrary contained in the formation documents of the City of Woodland or in any other document.

Passed and adopted by the City Council of the City of Woodland on May\_\_\_\_\_, 2014, by the following vote:

AYES:  
NOES:  
EXCUSED:

---

Marlin H. "Skip" Davies, Mayor

APPROVED AS TO FORM:

\_\_\_\_\_  
Kara K. Ueda, City Attorney

ATTEST:

By: \_\_\_\_\_  
Ana B. Gonzalez, City Clerk

Construction Loan/Grant  
Agreement No. SRF14CX106

STATE OF CALIFORNIA

HEALTH AND HUMAN SERVICES AGENCY  
STATE DEPARTMENT OF PUBLIC HEALTH

**FUNDING AGREEMENT**  
BETWEEN  
CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH  
AND

**CITY OF WOODLAND**  
**PROJECT NUMBER: 5710006-009C**

FOR A CONSTRUCTION LOAN AND GRANT UNDER THE  
SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997

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EXHIBIT A  
STANDARD CONDITIONS

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STATE OF CALIFORNIA

HEALTH AND HUMAN SERVICES AGENCY  
STATE DEPARTMENT OF PUBLIC HEALTH

**FUNDING AGREEMENT**  
BETWEEN  
CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH  
AND  
**CITY OF WOODLAND**  
**PROJECT NUMBER: 5710006-009C**

UNDER THE SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997

THIS FUNDING AGREEMENT (this "Agreement") is entered into by and between the California State Department of Public Health ("State") and **City of Woodland**, a **public** agency, in the County of **Yolo**, State of California, duly organized, existing, and acting pursuant to the laws thereof, ("Supplier"), which parties do hereby agree as follows:

SECTION 1. PURPOSE OF FUNDING

This Agreement constitutes funding in the form of a loan and a grant made by State to Supplier under the provisions of California Safe Drinking Water State Revolving Fund Law of 1997, Chapter 4.5 (commencing with Section 116760), of Part 12 of Division 104 of the Health and Safety Code. The purpose of the funding is to assist in financing construction of a project which will enable Supplier to meet safe drinking water standards established pursuant to Chapter 4 (commencing with Section 116270), of Part 12 of Division 104 of the Health and Safety Code and California Code of Regulations, Title 22, or to address other health concerns (the "Project"). Funds may be used only for such Eligible Project Costs as are approved by State.

This Agreement also constitutes a secured promissory note for Supplier's repayment of the loan.

Supplier is solely responsible for the design, construction, operation, and maintenance of the Project; and for all persons or entities engaged in such work, including but not limited to contractors, subcontractors, suppliers, and providers of services. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of the loan funds by State and shall not be deemed to relieve or restrict Supplier's responsibility.

## SECTION 2. INCORPORATION OF OTHER DOCUMENTS

This Agreement incorporates by this reference all attachments to this Agreement, Exhibit "A", "Standard Conditions"; Exhibit "B", "Security Requirements"; Exhibit "C", "Special Requirements"; Exhibit "D", "Compliance with Davis-Bacon"; Exhibit "E", "New Restrictions on Lobbying"; Exhibit "F", "Compliance with Cross-cutting Federal Authorities"; Supplier's "Application For Construction Funds"; project plans and specifications as submitted to and approved by State; and any attachments to said documents.

Supplier accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents and exhibits thereto, and to fulfill all assurances, declarations, representations, and statements made by Supplier in its application, documents, amendments, and communications filed in support of its request for Safe Drinking Water State Revolving Fund financing, including but not limited to any and all plans and specifications submitted to and approved by State.

## SECTION 3. PROJECT COST

Supplier represents that the total cost of the Project is estimated to be **\$31,503,088** (the "Project Cost") of which State agrees that **\$31,503,088** is eligible for Safe Drinking Water State Revolving Fund financing.

## SECTION 4. LOAN AMOUNT

Pursuant to the Safe Drinking Water State Revolving Fund Law of 1997, its applicable rules and regulations, and subject to the availability of funds, State will lend to Supplier in accordance with the terms of this Agreement an amount not to exceed **\$31,503,088** (the "Loan").

For valuable consideration, Supplier agrees to repay State the Principal Amount of the Loan (as defined in Article A-1, hereof) together with interest, Delinquent Interest (as defined in Article A-14, hereof) and other fees and costs due thereon in accordance with terms and conditions of this Agreement. Supplier's promise to pay as set forth in this paragraph, shall survive termination of this Agreement for any reason including but not limited to operation of law.

## SECTION 5. GRANT AMOUNT

Pursuant to the Safe Drinking Water State Revolving Fund Law of 1997, its applicable rules and regulations, and subject to the availability of funds, State will provide grant funding to Supplier in accordance with the terms of this Agreement in an amount not to exceed **\$0 (zero)** (the "Grant", with the Loan and the Grant hereinafter collectively referred to as, the "Funding").

## SECTION 6. SUPPLIER'S COST

Supplier agrees to fund any portion of the Project Cost which is in excess of the Funding. Supplier's cost for this Project is estimated to be **\$0 (zero)**, ("Supplier's Cost"). Unless otherwise set forth in Exhibit "C" to this Agreement, "Special Requirements", such Supplier's Cost shall be expended prior to the expenditure of State loan funds unless such Supplier's Cost is funded by other State or Federal Agencies, in which case funds shall be drawn on a pro-rata basis.

## SECTION 7. COMPETITIVE BIDDING

All construction contracts related in any way to the Project shall be let by competitive bid procedures which assure award of such contracts to the lowest responsible bidders. Supplier shall adhere to any applicable state or local ordinance for competitive bidding and applicable labor laws.

Supplier shall not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by State. A full explanation must be provided if Supplier is proposing to award a construction contract to anyone other than the lowest responsible bidder.

## SECTION 8. REQUIREMENTS FOR DISBURSEMENT

Not later than sixty (60) days following the Date of Execution (as defined in Section 16, hereof), Supplier shall satisfy all conditions precedent to the disbursement of the Funding, including Basic Conditions Precedent as set forth in Article A-3, hereof. Failure by Supplier to satisfy said conditions and requirements by this date may, at the option of State, result in cancellation of this Agreement under Article A-7, hereof.

## SECTION 9. RATE OF INTEREST

The rate of interest to be paid by Supplier on the Principal Amount of the Loan shall be **1.7875%** percent per annum (the "Rate of Interest"). Interest shall begin to accrue as of the date of each Disbursement (as defined in Article A-6(b), hereof) of the Loan.

## SECTION 10. LOAN REPAYMENT TERM

The Loan repayment term shall commence on the due date of the first P&I Invoice and expire on the date that is **twenty (20)** years after the due date of the first P&I Invoice (the "Loan Repayment Term")

## SECTION 11. SPECIAL REQUIREMENTS

Supplier shall satisfy the special requirements set forth in Exhibit "C". Failure by Supplier to timely satisfy the special requirements and conditions may, at the option of State, result in cancellation of this Agreement under Article A-7, hereof, or declaration that Supplier is in default pursuant to Article A-27, hereof.

## SECTION 12. OPERATION AND MAINTENANCE OF PROJECT

Upon Project completion and for a period of **thirty (30)** years, which is the reasonably expected useful life of the Project, Supplier shall, as further consideration for the Funding, commence and continue operation of the Project; shall cause the Project to be operated in an efficient and economical manner; shall provide for the making of all repairs, renewals, and replacements necessary for the effective operation of the Project; and shall cause the Project to be maintained in as good of condition as upon its construction, ordinary and reasonable wear and depreciation excepted. Failure by Supplier to operate and maintain the Project in accordance with this provision may, at the option of State, be considered a material breach of this Agreement and may be treated as a default under Article A-27, hereof.

## SECTION 13. FISCAL SERVICES AND DEPOSIT ACCOUNT CONTROL AGREEMENT

Supplier shall enter into a fiscal services agreement with a Fiscal Agent substantially in the form of **Attachment 1** to this Agreement (the "Fiscal Services and Deposit Account Control Agreement"). A Fiscal Agent shall be retained until all amounts due to State under the terms of this Agreement have been paid in full.

Supplier shall open a separate deposit account (the "Deposit Account") with the Fiscal Agent, in which Supplier shall maintain funds, including the Reserve Fund (as defined in Article B-4, hereof), sufficient to service the Loan. Funds from the Deposit Account shall be used only for payment of principal and/or interest on the Loan, or any delinquencies thereon, until the Loan is repaid in full.

Once State approves the Fiscal Services and Deposit Account Control Agreement, Supplier shall not do any of the following without first obtaining written approval by State: amend the Fiscal Services and Deposit Account Control Agreement; close the Deposit Account; or retain a new Fiscal Agent.

State shall have no obligation to make Disbursements (as defined in Article A-6(b), hereof) until the Fiscal Agent has been engaged and the Fiscal Services and Deposit Account Control Agreement between Supplier and the Fiscal Agent has been approved by State.

## SECTION 14. PROJECT OFFICIALS AND NOTICES

State's Contract Manager shall be the Chief, Drinking Water Technical Programs Branch, Division of Drinking Water and Environmental Management, California State Department of Public Health.

State's Contract Manager shall be its representative for administration of this Agreement, and shall have authority to make recommendations and findings with respect to each controversy arising under or in connection with this Agreement, including but not limited to, the interpretation, performance, or payment for work performed under this Agreement. All such recommendations and findings shall be communicated to the Chief, Division of Drinking Water and Environmental Management of the California State Department of Public Health (the "Chief"), and disputes shall be resolved in accordance with Article A-25, hereof.

Supplier's Contract Manager shall be its **City Manager**. Supplier's Contract Manager shall be its representative for administration of this Agreement. All communications given to Supplier's Contract Manager shall be deemed given to Supplier and shall be binding on Supplier.

Either party may change its Contract Manager upon written notice to the other party.

Notices required to be given in writing by Supplier to State under this Agreement shall be sent to:

California State  
Department of Public Health  
Division of Drinking Water and Environmental Management  
Safe Drinking Water State Revolving Fund Program  
Attn: Chief, Drinking Water Technical Programs Branch  
1616 Capitol Avenue, MS 7418  
Post Office Box 997377  
Sacramento, CA 95899-7377

Notices required to be given in writing by State to Supplier under this Agreement shall be sent to:

City of Woodland  
Attn: City Manager  
300 First Street  
Woodland, CA 95695

A change of address for delivery of notice may be made by either party by written notice of such change of address to the other party.

All written notices that are required either expressly or by implications to be given by one party to the other under this Agreement shall be signed for State by its Contract Manager and for Supplier by its Contract Manager. Except as otherwise expressly required by this Agreement, all such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed postage prepaid envelope and deposited in a United States Post Office for delivery by registered or certified mail.

## SECTION 15. ENFORCEMENT

Any enforcement action, arising out of or relating to this Agreement may be brought by State or any agent thereof.

## SECTION 16. MISCELLANEOUS PROVISIONS

### ATTORNEY FEES

In the event either party commences an action or proceeding concerning the subject matter of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorney fees incurred therein.

### SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding on the parties.

### GOVERNING LAW

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

### CHILD SUPPORT COMPLIANCE ACT

Supplier acknowledges that it is the policy of this state that anyone who enters into a contract with a state agency shall recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code. Supplier further acknowledges that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department.

### FEDERAL FINANCIAL ASSISTANCE

Supplier acknowledges that the source of funds disbursed to Supplier by State under this Agreement includes federal financial assistance, and Supplier agrees to comply with all applicable Cross-cutting Federal Authorities including those listed in

Exhibit "F" to this Agreement, and provisions of the Single Audit Act as set forth in the Federal Office of Management and Budget (OMB) Circular A-133.

#### LEGAL CAPACITY

Supplier hereby warrants and represents that it is a legal entity in good standing, and that it has the authority to enter into this Agreement and to incur the indebtedness described herein.

Supplier shall notify State as promptly as feasible of any proposed change in Supplier's ownership, organization, legal form or service area.

#### VENUE

The parties agree that venue of any action between the parties arising out of this Agreement, including disputes that may arise following termination of the Agreement, shall be County of Sacramento, State of California.

#### DATE OF EXECUTION

"Date of Execution" of this Agreement shall be the date of the latest in time execution by a party hereto.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

**SUPPLIER:**

**STATE:**

**CITY OF WOODLAND**

**CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Approved as to Legal Form  
and Sufficiency

Approved as to Legal Form  
and Sufficiency:

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT A

### STANDARD CONDITIONS

#### ARTICLE A-1. DEFINITIONS

Whenever in this Agreement the following terms are used, their meaning shall be as follows unless the context clearly requires otherwise:

Agreement--The Funding Agreement to which this "Exhibit 'A' Standard Conditions" is appended.

Days--Calendar days unless otherwise expressly indicated.

Month--Calendar month unless otherwise expressly indicated.

Year--Calendar year unless otherwise expressly indicated.

Cross-cutting Federal Authorities--Federal laws and Executive Orders that apply in federal financial assistance programs, or to projects and activities receiving federal financial assistance, regardless of whether the statute authorizing the assistance makes them applicable. They are sometimes referred to as "cross-cutters".

Eligible Project Costs--Those Project costs which are eligible for funding under applicable State and Federal law.

Fiscal Agent--A bank, which includes savings banks, savings and loan associations, credit unions and trust companies, or any other financial institution or entity approved by State responsible for funds deposited for the repayment of all amounts due to State under the terms of this Agreement.

Force Account--The use of Supplier's own employees or equipment, for planning, engineering, design, construction or construction related activities on the Project.

Grant Amount-- The aggregate amount of the Grant disbursed to Supplier under this Agreement. The Grant Amount is characterized as a subsidized loan principal amount, as authorized by 42 U.S.C. 300j-12(d), is not intended and shall not be characterized as a federal subgrant.

Principal Amount of the Loan --The total amount disbursed to Supplier under this Agreement less any Grant Amount disbursed and any amount of such total amount disbursed that may have been repaid or remitted to State by Supplier.

Project Completion Date--The date that is determined by Article A-8, hereof.

Public Water System or Public Water Supply System--A system for the provision to the public of water for human consumption, as defined in Part 12, Chapter 4 (commencing with Section 116270), of Division 104 of the Health and Safety Code, as it may be amended from time to time.

## ARTICLE A-2. TERM OF AGREEMENT

Subject to the provisions of Article A-7, this Agreement shall become effective on the Date of Execution and shall remain in effect until the Principal Amount of the Loan, all interest thereon, and any other sums of money due to State under this Agreement, have been paid in full or until the expiration of the period of time required for operation and maintenance of the Project, as set forth in Section 12 of this Agreement, whichever shall occur last (the "Term of Agreement").

## ARTICLE A-3. BASIC CONDITIONS PRECEDENT

State shall have no obligation to disburse the Funding, or any portion thereof, unless and until Supplier has done all of the following:

(a) Supplier's governing body has taken action authorizing it to borrow the Loan and to enter into this Agreement, and designating a representative to execute this Agreement and to sign claims for Disbursements (as defined in Article A-6(b), hereof);

(b) Supplier has dedicated a source of revenue for repayment of the Principal Amount of the Loan plus all interest accrued;

(c) Supplier has executed all documents required to provide the security required by Article B-3, hereof;

(d) Supplier has executed a Deposit Account Maintenance Agreement substantially in the form of **Attachment 2** to this Agreement; and Supplier has established all accounts required by the Deposit Account Maintenance Agreement;

(e) Supplier has engaged the services of a Fiscal Agent and the Fiscal Services and Deposit Account Control Agreement has been fully executed as required by Section 13 of this Agreement;

(f) Supplier has submitted an initial budget summary to State substantially in the form of **Attachment 3** to this Agreement and said initial budget summary has been approved by State; and,

(g) Supplier has submitted a Schedule for Submission of Claims for Reimbursement (the "Schedule") in the form of **Attachment 4**. Supplier's Schedule shall comply with the time requirements for claim submission set forth in Article A-6(a) of this Agreement; and,

Determination of Supplier's satisfaction of the conditions of this Article A-3 is at the sole discretion of State.

#### ARTICLE A-4. COMPLIANCE WITH LAWS, REGULATIONS, AND PERMIT REQUIREMENTS

Supplier shall at all times comply with, and require its contractors and subcontractors to comply with, all applicable federal and state laws, rules and regulations, permits, and all applicable local ordinances, specifically including, but not limited to, environmental, procurement, and safety laws, rules, regulations, permits, and ordinances.

#### ARTICLE A-5. PROJECT CHANGES

As more fully described in Article C-2 of Exhibit C, hereof, the Project consists of multiple phases. The Project shall be constructed in accordance with plans and specifications as previously approved by State, including plans and specifications approved on December 7, 2011 for Well 28, April 15, 2013 for the Southwest Tank, and February 10, 2014 for the initial engineering plans and specifications of the Davis-Woodland Water Supply Project which includes the East and West Local Pipelines. Supplier shall not make any change in the Project, or issue any change order to a contractor which would affect the treatment process, increase the capacity of any Project component, cause a significant change in the location of any Project component, or affect the timely completion of the Project, without receiving prior written approval from State.

Supplier may request a one-time increase in the Funding. Such request shall be based upon the final accepted construction bids. Such request may be granted or denied at the sole discretion of State and is subject to the availability of funds.

Supplier shall not use any funds from any contingency allotment without receiving prior written approval from State.

#### ARTICLE A-6. DISBURSEMENTS BY STATE

(a) Claims. Supplier shall request Disbursement by submitting to State a claim(s) for incurred Eligible Project Costs. A claim for Disbursement (as defined in Article A-6(b)) shall be provided in the form of **Attachment 5** to this Agreement. **Supplier must submit an initial claim not later than ninety (90) days following the Date of Execution for all eligible costs incurred prior to Date of Execution.** Thereafter, Supplier shall submit claims on a monthly basis. Each claim shall include, at a minimum, all eligible costs incurred on or before sixty (60) days prior to the date of the claim. Supplier expressly agrees that State shall have the right to deny disbursement of funds for all costs incurred for which a claim is not timely submitted in accordance with the requirements of this paragraph. Each claim shall include:

(1) a statement of Eligible Project Costs that have been incurred for work performed in constructing the Project during the period identified in the particular claim;

(2) a statement of Eligible Project Costs that have been incurred for the Project during the period identified in the particular claim, including, but not limited to, legal, engineering, and administrative fees associated with the Project; and

(3) copies of invoices and receipts supporting such statements.

(b) Disbursements. Following the review and approval of a claim by State, State will disburse to Supplier an approved amount, subject to the availability of funds (each, a "Disbursement"). All Disbursements, and any and all interest earned by Supplier on the Disbursements, shall be used solely to pay Eligible Project Costs. The Loan shall be disbursed before the Grant is disbursed.

(c) Rejection of Claims. State may reject a claim if:

(1) It is submitted in violation of this Agreement;

(2) It is submitted without signature or under signature of a person other than Supplier's duly authorized representative;

(3) Supplier fails to timely submit a final claim within the time period specified in Article A-6(f), hereof;

(4) Not submitted in accordance with subpart (a) of this Article A-6; or

(5) Contains costs incurred after the Project Completion Date (as defined in Article A-8, hereof).

State will notify Supplier of any claim so rejected, and the reasons therefore.

(d) Correction of Claims. A claim containing a mathematical error will be corrected by State, after telephone notification to Supplier; and will thereafter be treated as if submitted in the corrected amount. State will provide Supplier with notification of the corrected claim.

(e) Adjustments to Claims. State will notify Supplier by certified or registered mail, whenever, upon review of a claim, State determines that any portion or portions of the costs claimed:

(1) Are ineligible to be financed by the Safe Drinking Water State Revolving Fund under Federal or State law, or the terms of this Agreement,

(2) Do not constitute costs approved by State for financing under the terms of this Agreement;

(3) Are not supported by invoices or receipts acceptable to State; or

(4) Contains costs incurred after the Project Completion Date (as defined in Article A-8, hereof).

Supplier may, within thirty (30) days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Supplier fails to timely submit adequate documentation curing the deficiency(ies), State will adjust the pending claim by the amount of the ineligible and/or unapproved cost(s). Supplier may continue to submit additional documentation in support of rejected cost(s) and may include such cost(s) with additional supporting documentation on a subsequent claim.

(f) Final Claim and Disbursement. Supplier shall submit a final claim not later than six (6) months from the Project Completion Date, as set forth in Article A-8, hereof. In addition to the information required by subpart (a) of this Article A-6, the final claim shall include:

(1) A statement of full written disclosure of all sources and amounts of funds contributed to the Project;

(2) A certification by Supplier's Contract Manager that the data disclosed is true and correct;

(3) Proof of a Recorded Notice of Completion; and

(4) A fully executed "Final Release" in the form of **Attachment 6**.

Should Supplier fail to make the full disclosure and certification required by subparts (1) and (2) of this paragraph (f), or should State become aware through any means that Supplier did not disclose all funding sources for the Project; the Project funding may be referred to State Department of Finance for a full project audit.

Commencement of repayment of the Principal Amount of the Loan and interest pursuant to Article A-13, hereof, may be required prior to the final Disbursement.

(g) Force Account. Supplier may use its own employees for engineering including development of plans and specifications; legal; and administrative costs, as provided for in Supplier's initial budget summary, as required by Article A-3(f), hereof. Supplier may use its own employees for construction or construction related activities if Supplier has obtained prior State approval.

If Supplier is using the services of its own employees, Supplier shall establish accounts and maintain records which reasonably document all employee hours and costs charged to the Project and the associated tasks performed by each employee.

#### ARTICLE A-7. WITHHOLDING OF LOAN AND GRANT DISBURSEMENTS BY STATE AND CANCELLATION OF AGREEMENT

(a) Conditions for Withholding. If State determines that the Project is not being carried out substantially in accordance with the provisions of this Agreement or that Supplier has failed in any other respect to comply with the terms and conditions of this Agreement, State shall give written notice to Supplier of such failure to comply. If Supplier does not cure any such failure to State's satisfaction within thirty (30) calendar days of receipt of such notice, State may withhold from Supplier all or any portion of the Loan and/or Grant and take any other action that it deems necessary to protect its interests, including but not limited to declaring Supplier in default as set forth in Article A-27, hereof, or canceling this Agreement pursuant to subpart (b) of this Article A-7.

(b) Withholding Entire Funding. If State determines to withhold the entire Funding from Supplier pursuant to subpart (a) of this Article A-7, notice of such a determination shall constitute a notice of cancellation of this Agreement, and this Agreement shall no longer be binding on any party hereto. Said notice of cancellation shall be sent to Supplier by certified or registered mail, and shall be effective upon receipt.

(c) Withholding Balance of Loan and/or Grant. Where a portion of the Funding has been disbursed to Supplier and State has determined to withhold the balance of the Loan and/or Grant, State shall notify Supplier in writing, via certified or registered mail, that State is withholding the balance of the Loan and/or Grant from Supplier, pursuant to subpart (a) of this Article A-7. In such event, Supplier is deemed to be in default and subject to the provisions of Article A-27, hereof.

#### ARTICLE A-8. TIMING OF PROJECT

(a) Supplier shall complete the Project not later than three (3) years from the Date of Execution. Supplier's failure to complete the Project within the specified time period may, at the option of State, be considered a material breach of this Agreement and may be treated as a default under Article A-27, hereof.

(b) Within 15 days following completion of the Project, Supplier shall certify to the local District Office of the California State Department of Public Health that the Project is complete and ready for final inspection. Supplier's certification, as required by this subpart (b), shall be substantially in the form provided by State and attached hereto as **Attachment 7** to this Agreement.

(c) State will conduct a final inspection and certify that the Project is complete. Supplier shall not place the Project into operation prior to State's certification.

(d) The date of State's certification or the date set forth in subpart (a) of this Article A-8, whichever shall occur first, shall be the "Project Completion Date" for purposes of this Agreement.

#### ARTICLE A-9. SUPPLIER'S CONTRACTS

Supplier shall be solely responsible for resolution of any and all disputes arising out of or related to Supplier's contracts for construction of the Project, including but not limited to bid disputes and payment disputes with Supplier's contractors and subcontractors and shall provide appropriate releases (as set forth in Division 4, Part 6, Title 1, Chapter 3 of the Civil Code) as may be requested by State.

#### ARTICLE A-10. AUDIT AND INSPECTION OF BOOKS AND RECORDS

(a) Upon execution of this Agreement and until 3 years following final Disbursement, pursuant to Government Code Section 8546.7, the contracting parties shall be subject to the examination and audit by State or any agent thereof. Parties are also subject to examination and audit of the United States Environmental Protection Agency, the Comptroller General of the United States, and the United States Office of the Inspector General, with respect to all matters connected with the performance of this Agreement, including, but not limited to, the cost of administering this Agreement. If any litigation, claim, negotiations, audit or other action is commenced before the expiration of said time period, all records must be retained until such action is resolved, or until the end of said time period, whichever shall later occur. All records of Supplier relating in any way to funding received pursuant to this Agreement shall be preserved for this purpose.

(b) During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Agreement. Failure or refusal by Supplier to comply with this provision shall be considered a material breach of this Agreement, and State may declare Supplier in default as set forth in Article A-27, withhold Disbursements to Supplier, or take any other action it deems necessary to protect its interests. The provisions of this subpart (b) shall be effective until expiration of the time period provided in subpart (a) of this Article A-10.

#### ARTICLE A-11. STATEMENT OF PRINCIPAL AMOUNT OF LOAN

(a) Transmission of Statement to Supplier. Within sixty (60) days after the final Disbursement, State shall transmit to Supplier a written statement setting forth the Principal Amount of the Loan.

(b) Remittance of Funds by Supplier. Within thirty (30) days from the final Disbursement, Supplier shall remit to State any funds that were disbursed under this Agreement and were not utilized to pay Eligible Project Costs or were otherwise not valid Disbursements pursuant to the terms and conditions of this Agreement.

Such remittance to State shall not constitute repayment of any part of the Principal Amount of the Loan, but shall be deemed to be a return to State of part of the funds disbursed.

#### ARTICLE A-12. INTEREST PAYMENTS DURING CONSTRUCTION

During construction, Supplier shall pay interest to State at the rate specified in Section 9 of this Agreement on all Disbursements of the Loan. Interest on Disbursements of the Loan shall not be deferred.

State will invoice Supplier semiannually for interest accrued during the Project construction period. Interest on each Disbursement of the Loan shall be calculated using the fraction  $x/365$  times the Rate of Interest, where  $x$  is the number of calendar days remaining in the semiannual period from the date on which the Disbursement of the Loan was made. Interest accrued during the construction period is due and payable within thirty (30) days of the date of the invoice.

#### ARTICLE A-13. REPAYMENT OF PRINCIPAL AMOUNT OF LOAN AND INTEREST

(a) Terms of Repayment. State will invoice Supplier semiannually for principal and any interest payments (the "P&I Invoice"). The P&I Invoices will include a statement of the then Principal Amount of the Loan, the amount of the payment which constitutes principal to be paid, and the amount of the payment which constitutes interest, if any, to be paid.

Supplier shall make semiannual payments to State no later than January 1 and July 1 of each year until the Principal Amount of the Loan is repaid in full. Principal and interest payments shall commence no later than one (1) year from the Project Completion Date. Supplier shall make level semiannual payments based on a standard semiannual payment loan amortization method to be determined by State. The standard amortization method shall incorporate the Principal Amount of the Loan as determined by Article A-11, hereof, the Loan Repayment Term specified in Section 10 of this Agreement, and the Rate of Interest, as specified in Section 9 of this Agreement. The final semiannual payment shall be in an amount equal to the then outstanding Principal Amount of the Loan, plus any remaining unpaid accrued interest. Interest on the Principal Amount of the Loan shall not be deferred.

Unless earlier payment is required by the terms of this Agreement, the Principal Amount of the Loan, interest, Delinquent Interest, and any other charges or fees shall be due and payable **twenty (20)** years from the due date of the first P&I Invoice.

(b) Advance Payment Option. Supplier may make advance payment against principal without penalty, provided that any such advance payment shall be applied first to interest then owed and then to principal, and provided further, that any such payment shall not relieve Supplier of its obligations to make payments in the amount and at the time specified in subpart (a) of this Article A-13 until the Principal Amount of the Loan is repaid in full. Any advance payment must be coordinated with State prior to the making of any such payment to ensure proper credit to Supplier's account.

#### ARTICLE A-14. PAYMENT DELINQUENCY

Any payment of principal and/or interest required to be paid by Supplier to State pursuant to this Agreement which remains unpaid after it becomes due and payable shall be delinquent. Delinquent interest charges shall be in addition to any other charges or payments owing State from Supplier and shall accrue at the rate of one tenth of one percent (0.1%) per day, on the amount of such delinquent payment, for each day it remains unpaid past the tenth (10th) day after the date payment was due (the "Delinquent Interest"). The Delinquent Interest assessed will not be added to the Principal Amount of the Loan but will be treated as a separate account and obligation of Supplier. Delinquent Interest shall accrue on the total payment amount from the due date of payment through the date payment is made. Any payment by Supplier under terms of this Agreement is deemed to have been made when it is received by State.

#### ARTICLE A-15. ACCOUNTING AND DEPOSIT OF DISBURSEMENTS

(a) Separate Accounting of Disbursements and Interest; Records. Supplier shall account for Disbursements received separately from all other Supplier's funds. Supplier shall maintain accounting procedures that are in accordance with Generally Accepted Accounting Principles. Supplier shall keep complete and accurate records of all receipts, Disbursements, and interest earned on the Disbursements. Invoices must be maintained for a period of at least three (3) years following final Disbursement. All other records must be maintained for the Loan Repayment Term.

Supplier shall require its agents, contractors and subcontractors to maintain books, records, and other documents pertinent to their work in accordance with Generally Accepted Accounting Principles. Records are subject to inspection by State at any and all reasonable times.

(b) Disposition of Funds Disbursed. In addition to specific requirements set forth in this Agreement, all Disbursements shall be deposited, administered, and accounted for pursuant to all provisions of law applicable to Supplier.

(c) Interim and Final Audits. In addition to the provisions of Article A-10, at any time following the Date of Execution and until completion of the Project, or final Disbursement, whichever shall occur last, State reserves the right to conduct an audit of Supplier's disposition of the Funding. After completion of the Project, State may require Supplier to conduct a final audit at Supplier's expense; such audit to be conducted by and a report prepared by an independent Certified Public Accountant.

Failure or refusal by Supplier to comply with these provisions shall be considered a material breach of this Agreement and State may elect to pursue any remedies included but not limited to those provided in Article A-7, hereof.

#### ARTICLE A-16. INSPECTIONS OF PROJECT BY STATE

State shall have the right but not the duty to inspect the work being performed on the Project at any and all reasonable times during the Term of Agreement. This right shall extend to inspection of any portion of the Project under control of Supplier's contractor and/or subcontractors, and Supplier shall include provisions ensuring such access in all its contracts or subcontracts related to the Project.

#### ARTICLE A-17. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION

During the Term of Agreement:

(a) Supplier shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Supplier's service of domestic water, without prior written consent of State. State may require as a condition of such consent, that Supplier's proceeds from any such disposition of any real or personal property be transferred to State to be applied to Supplier's indebtedness under this Agreement.

(b) Supplier shall not take any action, including but not limited to actions relating to user fees, charges and assessments that could adversely affect the ability of Supplier to make timely payments or to otherwise meet its obligations under this Agreement.

#### ARTICLE A-18. NONDISCRIMINATION CLAUSE

During the Term of Agreement, Supplier, its contractors and subcontractors shall not deny this Agreement's benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age or sex. Supplier, its contractors and subcontractors shall ensure that

the evaluation and treatment of employees and applicants for employment are free of such discrimination.

Supplier, its contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Government Code Sections 11135-11139.7) and the regulations or standards adopted by the awarding State Agency to implement such article.

By signing this Agreement, Supplier assures State that it shall comply with the requirements of the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA; the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d (1988) et seq.; Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794 (1989); Federal Water Pollution Control Act Amendments of 1972, Pub.L. No. 92-500, 86 Stat 816; and the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6102 (1994); together with all applicable regulations and guidelines adopted to implement same (collectively, the "Anti-Discrimination Laws").

Supplier agrees to collect and maintain information to show compliance with the Anti-Discrimination Laws including a list of discrimination complaints, reports of any compliance reviews conducted by other agencies, descriptions of any pending discrimination-based lawsuits and data on the racial, ethnic, national origin, sex and handicap characteristics of the population it serves.

Supplier agrees to cooperate with State in all manner necessary to permit State to adequately report to the United States Environmental Protection Agency on Supplier's compliance with the Anti-Discrimination Laws.

Supplier, its contractors and subcontractors shall give written notice of their obligations under this Article A-18 to labor organizations with which they have a collective bargaining or other agreement.

Supplier's signature on this Agreement shall constitute a certification under the penalty of perjury under the laws of the State of California that Supplier has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12990, and Title 2, California Code of Regulations Section 11102.

Supplier shall include the nondiscrimination and compliance provisions of this Article A-18 in all contracts and subcontracts to perform work on the Project.

#### ARTICLE A-19. WORKERS' COMPENSATION CLAUSE

Supplier affirms that it is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers'

compensation or to undertake self-insurance in accordance with the provisions of that code, and Supplier affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

#### ARTICLE A-20. SUCCESSORS AND ASSIGNS

This Agreement and all of its provisions shall inure to the benefit of, apply to, and bind the heirs, successors and assigns of the parties hereto. No assignment or transfer of this Agreement or any part hereof by Supplier shall be valid unless and until it is approved in writing by State and made subject to such reasonable terms and conditions as State may impose.

#### ARTICLE A-21. STATE TO BE HELD HARMLESS

Supplier shall indemnify, hold harmless, protect and defend State and its officers, employees, agents and representatives from loss, suits, actions or claims brought for, or on account of violation of laws, ordinances, rules, or regulations, or injury, damage, or loss, including death, caused by acts or omissions of Supplier, its employees, contractors, or agents; or in any way arising from, or related to the Project.

#### ARTICLE A-22. REMEDIES NOT EXCLUSIVE

The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive, and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

#### ARTICLE A-23. AMENDMENTS

This Agreement may be amended only by mutual written agreement signed by the parties hereto. Requests by Supplier for amendments must be in writing stating the amendment request and the reason for the request.

#### ARTICLE A-24. WAIVER OF RIGHTS

It is the intention of the parties hereto that from time to time either party may waive any of its rights under this Agreement unless contrary to law. Any waiver by either party hereto of rights arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other rights or matters.

#### ARTICLE A-25. DISPUTE CLAUSE

Any dispute that Supplier may have regarding the performance of this Agreement including, but not limited to, claims for Disbursements or extensions of time, shall be

submitted to State's Contract Manager identified in Section 14 of this Agreement. State's Contract Manager may make findings and recommendations and shall transmit a copy of any such findings and recommendations to the Chief (as defined in Section 14, hereof) who shall make a decision. Such decision shall be written and transmitted to Supplier by certified or registered mail, and shall be final and conclusive. Nothing in this Article A-25 limits Supplier's judicial rights or remedies at law or equity.

#### ARTICLE A-26. PERFORMANCE AND ASSURANCES

Supplier agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in the final plans and specifications as submitted and approved, or as later amended and approved by State under this Agreement and to apply funds received only to Eligible Project Costs and to operate and maintain the Project in accordance with applicable provisions of the law.

#### ARTICLE A-27. DEFAULT PROVISIONS

(a) Supplier will be in default under this Agreement if any of the following occur (each, an "Event of Default"):

(1) Supplier's failure to pay any installment when due, or the entire indebtedness to State when due at the designated due date;

(2) Supplier's failure to make any remittances required by this Agreement;

(3) Supplier's material breach of this Agreement, or any supplement or amendment hereto, or any other agreement between Supplier and State evidencing or securing Supplier's obligations under this Agreement;

(4) Supplier's making of any false warranty, representation, or statement with respect to the Project or with respect to, or as required by, the terms of this Agreement;

(5) Loss, theft, damage or impairment to any collateral given as security under this Agreement;

(6) Seizure of, or levy on any collateral given as security under this Agreement; and/or

(7) Dissolution or cessation of operations by Supplier, termination of Supplier's existence, insolvency of Supplier, or filing of a voluntary or involuntary bankruptcy petition by or on behalf of Supplier.

(b) When an Event of Default occurs, State shall give Supplier notice of default. Supplier shall have thirty (30) calendar days from the date of such notice to

cure the default. If Supplier fails to timely cure the default to the satisfaction of State, State may do any or all of the following:

- (1) Declare that the aggregate amount of all Disbursements made by State, including any portion of the Grant, shall be deemed the Principal Amount of the Loan, and shall be repaid to State in accordance with the terms of this Agreement;
  - (2) Declare Supplier's obligations immediately due and payable, with or without demand or notice to Supplier, which Supplier expressly waives;
  - (3) Terminate any obligation of State to make further Disbursements;
  - (4) Exercise all rights and remedies available to a secured creditor after default, including, but not limited to, the rights and remedies of secured creditors under the Uniform Commercial Code;
  - (5) Perform any of Supplier's obligations under this Agreement for Supplier's account;
  - (6) Notwithstanding the provisions of Section 5, hereof, commencing from the date of each Disbursement, apply the Rate of Interest specified in Section 9, hereof, to all Disbursements made by State, including any portion of the Grant; and/or
  - (7) Take any other action it deems necessary to protect its interests.
- (c) Supplier agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to State as a result of a breach of this Agreement by Supplier, whether such breach occurs before or after completion of the Project.
- (d) No waiver by State of any breach or default will be a waiver of any other breach or default.

#### ARTICLE A-28. DRUG-FREE WORKPLACE CERTIFICATION

By signing this Agreement, Supplier hereby certifies under penalty of perjury under the laws of the State of California that Supplier will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

- (a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations;
- (b) Establish a Drug-Free Awareness program to inform employees about all of the following:

- (1) The dangers of drug abuse in the workplace;
  - (2) The person's or organization's policy of maintaining a drug-free workplace;
  - (3) Any available counseling, rehabilitation and employee assistance programs; and
  - (4) Penalties that may be imposed upon employees for drug abuse violations.
- (c) Every employee who works on the Project:
- (1) Will receive a copy of Supplier's drug-free policy statement; and
  - (2) Will agree to abide by terms of Supplier's statement as a condition of employment on the Project.

This Agreement may be subject to suspension of payments or termination, or both, and Supplier may be subject to debarment if State determines that (1) Supplier has made a false certification, or (2) Supplier violates the certification by failing to carry out the requirements of this Article A-28.

#### ARTICLE A-29. CONFLICT OF INTEREST--CURRENT AND FORMER STATE EMPLOYEES

Supplier shall comply with, and shall require that all of its owners, officers, directors, agents, representatives and employees are at all times in compliance with, currently applicable laws and regulations pertaining to conflicts of interest of current and former state employees, including but not limited to Government Code Sections 1090 et seq. and 87100 et seq.; Public Contract Code Section 10410 et seq.; and California Code of Regulations, Title 2, Sections 18700 et seq.

#### ARTICLE A-30. ADDITIONAL INSURED

Supplier agrees that for any policy of general liability insurance concerning the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing State, its officers, agents, employees, and servants as additional insured; and shall provide State with a copy of all such certificates prior to the commencement of construction of the Project.

#### ARTICLE A-31. PROHIBITED USE OF STATE FUNDS FOR SOFTWARE

Supplier certifies that it has appropriate systems and controls in place to ensure that the Funding will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

#### ARTICLE A-32. LABOR COMPLIANCE

Supplier shall comply with Public Resources Code Section 75075 regarding labor compliance programs (as such term is defined in California Labor Code Section 1771.5(c), "Labor Compliance Programs"), and all applicable implementing guidelines and regulations adopted by California Department of Industrial Relations. Supplier's failure or refusal to comply with this requirement shall be considered a material breach of this Agreement.

#### ARTICLE A-33. DAVIS-BACON ACT COMPLIANCE

Supplier understands and acknowledges that Pub.L 111-88 and Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) make applicable provisions of sections 3141-3144, 3146, and 3147 of Title 40 of United States Code ("Davis-Bacon Act") and applicable regulations and guidance regarding wage rates payable to laborers and mechanics employed by contractors and subcontractors on the Project.

Supplier agrees to comply with all applicable Davis-Bacon Act requirements for all Project construction or construction related activities occurring on or after October 30, 2009.

On or after the Date of Execution, Supplier agrees to include, or cause to be included, in full, the applicable language set forth in **Attachment 8**, hereof, in all Project bid solicitation documents and in all Project contracts and subcontracts in excess of \$2,000 entered into for the actual construction, alteration and/or repair, including painting and decorating of any Project component.

Supplier shall send a report to State at the end of each calendar quarter and on a form acceptable to the State, in which Supplier shall certify to State that all applicable Davis-Bacon Act requirements for the Project are being complied with, including, without limitation, the requirement that Supplier certify to State that Supplier is collecting and reviewing certified Davis-Bacon payrolls from Supplier's construction contractors.

Supplier's failure to provide the quarterly reports required by this Article A-33 may result in State's withholding Disbursements until the reports are provided in a form acceptable to the State.

#### ARTICLE A-34. NEW RESTRICTIONS ON LOBBYING

If Supplier receives \$100,000 or more in federal funds disbursed under this Agreement, Supplier agrees to comply with all requirements of Title 40 CFR Part 34 "New Lobbying Requirements", as the same may be amended from time to time, and to

include, or cause to be included, in full, the language set forth in Exhibit "E" hereof, in all Project contracts and subcontracts.

#### ARTICLE A-35. SINGLE AUDIT ACT

If Supplier receives \$500,000 or more in federal awards in a year from any source, including federal funds disbursed under this Agreement, Supplier agrees to comply with all requirements of the Office of Management and Budget Circular A-133 issued pursuant to the Single Audit Act, as the same may be amended from time to time.

#### ARTICLE A-36. ADDITIONAL REPORTING

Supplier acknowledges that, from time to time during the term of this Agreement, State may receive further guidance from the United States Environmental Protection Agency ("USEPA") which may require additional information/reporting from Supplier. Upon such guidance from USEPA, State will notify Supplier in writing. Upon notification, Supplier agrees to provide the requested information/reports to State in the time period specified. Supplier's failure to provide the requested information/report in the time specified may be deemed by State to be a material breach of this Agreement and may be treated as a default under Article A-27.

#### ARTICLE A-37. DATA UNIVERSAL NUMBER SYSTEM (DUNS)

Supplier shall maintain current DUNS registration(s) in the Dun & Bradstreet database (<http://fedgov.dnb.com/webform>) at all times during which they have active federal awards funded with Safe Drinking Water State Revolving Fund funds.

## EXHIBIT B

### SECURITY REQUIREMENTS

#### ARTICLE B-1 NO PRIORITY FOR ADDITIONAL LOANS

Supplier agrees that it shall not incur any additional indebtedness having any priority in payment over Supplier's obligations to State under this Agreement; and that it shall not give security in any facility or equipment, which are constructed or obtained under the terms of this Agreement, without obtaining prior written consent of State, which consent shall not be unreasonably withheld.

#### ARTICLE B-2 RATES AND CHARGES

Supplier agrees that it will levy and collect assessments or user charges as may be necessary to operate and to maintain the Project and to meet the payments of the Loan when due; and if for any reason, gross revenues prove insufficient to make payments due pursuant to this Agreement, Supplier agrees to raise sufficient funds through increased user charges or assessments or any other legal means available to it to meet the Loan payments and to operate and to maintain the Project.

#### ARTICLE B-3 SECURITY INTEREST

Supplier pledges to repay the entire Principal Amount of the Loan, together with all interest thereon, as set forth in this Agreement, from Supplier's **water enterprise fund and associated rates and charges ("Water Enterprise Rates and Charges")**, and Supplier hereby pledges said **Water Enterprise Rates and Charges** as collateral (the "Collateral") to secure repayment of the Loan. Supplier hereby represents and agrees that its pledge of the Collateral shall create and constitute a lien and security interest in the Collateral in accordance with the provisions of Government Code Section 5450, et seq.

By its signature to this Agreement, Supplier certifies that any revenue derived from property-related fees and charges needed for the Project or the debt associated with the Project, including but not limited to the Loan obligations under this Agreement, has been approved in accordance with Article XIII C and XIII D of the California Constitution (Proposition 218), or Supplier has obtained a legal opinion explaining why such procedures are not applicable.

#### ARTICLE B-4 RESERVE FUND

Supplier agrees to provide for the accumulation of necessary reserves (the "Reserve Fund") in accordance with Section 13 of this Agreement to assure that funds will be available to make the semiannual payments when due. At a minimum, a reserve of two (2) semiannual payments shall be accumulated during the first **ten (10)** years of

the Loan Repayment Term and thereafter be maintained at that level. The Reserve Fund shall be maintained and administered by the Fiscal Agent.

#### ARTICLE B-5 LEGAL OBLIGATION

This Agreement and payment due hereunder, shall not in any way be construed to be a debt of the **City of Woodland** in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness nor will anything contained in this Agreement constitute a pledge or obligation of general revenues, funds, or moneys for which **City of Woodland** is obligated to levy or pledge any form of taxation.

## EXHIBIT C

### SPECIAL REQUIREMENTS

#### ARTICLE C-1 SECURITY

Supplier grants to State a security interest in the following:

- (a) The Collateral, as more fully described in Article B-3, hereof; and
- (b) The Deposit Account, as more fully described in Section 13, hereof.

If State reasonably determines that the Collateral and Deposit Account are not adequate security, then State may exercise a reserved right to require, and Supplier agrees to provide, security in additional real and/or personal property that is available to act as additional collateral and which State determines is reasonably necessary to secure payment of Supplier's obligations under this Agreement. Supplier shall execute any and all documents reasonably required by State to create, perfect and maintain State's security interest(s), including any amendments, modifications, and/or new or revised documents which State determines are reasonably necessary to create, perfect, maintain, preserve, and protect State's security interest(s).

#### ARTICLE C-2 ADDITIONAL REQUIREMENTS

(a) Commencing with construction of the Project and continuing throughout the reasonably expected useful life of the Project (as provided in Section 12, hereof), Supplier is responsible for the implementation of practices substantially equivalent to the urban water conservation "best management practices" of the California Urban Water Conservation Council.

(b) Prior to the start of construction for any of the following phases of the Project, Supplier shall submit plans and specifications, for each of the phases of the Project, to State's Sacramento District Office for review and approval, which approval shall be for the purpose of confirming that Supplier's plans and specifications are in substantial conformance with those previously reviewed by the State (as provided for in A-5 above). The approval shall consist of an interactive process whereby plans and specification are submitted, State provides comments, and the meeting notes shall be sufficient approval documentation. The parties agree that the following design phase packages constitute a complete, related and interdependent plan and design for the completion of the Project. The Project phases are as follows:

- Phase 1: Southwest Tank
- Phase 2: Aquifer Storage and Recovery Wells (including Well 28)
- Phase 3a: Local Pipelines (East)
- Phase 3b: Local Pipelines (West)

(c) Supplier shall submit all applicable permit amendment applications to State's Sacramento District Office no later than three (3) years from the Date of Execution.

(d) Supplier shall notify State's Sacramento District Office when each of the following Project construction phase is fifty percent (50%), seventy-five percent (75%), and one-hundred percent (100%) complete:

- Southwest Tank
- Aquifer Storage and Recovery Wells
- Local Pipelines (East)
- Local Pipelines (West)

(e) Supplier shall notify State's Sacramento District Office prior to any start-up testing of the following Project facilities.

- Well 28
- Southwest Tank
- Aquifer Storage and Recovery Wells
- Local Pipelines (East)
- Local Pipelines (West)

(f) Supplier shall complete construction of the Project no later than three (3) years from the Date of Execution.

(g) Supplier shall implement the mitigation measures identified in the Davis-Woodland Water Supply Project Environmental Impact Report (SCH#2006042175) and all Reasonable and Prudent Measures identified in the Biological Opinion dated August 7, 2013, for the Project.

(h) Supplier agrees to establish water rates and charges sufficient to generate and maintain Water Revenues (as defined in the Trust Agreement dated February 1, 2011, relating to the Woodland Finance Authority Water Revenue Bonds) equal to at least 1.0 times Operation and Maintenance Costs, which term, as also defined in the Trust Agreement, includes total debt service on the Loan (the "Debt Coverage Ratio"); and agrees to maintain, at all times, the Debt Coverage Ratio until the entire Principal Amount of the Loan has been repaid in full. Supplier agrees to demonstrate Supplier's satisfaction of the Debt Coverage Ratio to State by submitting a copy of Supplier's certified audited financial statements to State on the date which is the earlier of (i) two hundred ten (210) days after June 30 of any year, or (ii) twenty (20) days following State's written request for such information. Included with the certified audited financial statements shall also be a statement from Supplier certifying to its conformance with the Debt Coverage Ratio requirement.

(i) Supplier acknowledges and State agrees that this Agreement is considered an Operation and Maintenance (O&M) Obligation under Supplier's existing Installment Purchase Contract dated February 1, 2011 relating to Woodland Finance Authority Water Revenue Bonds.

(j) Supplier acknowledges that the Project must be conducted in a timely and expeditious manner to ensure availability of federal funds for disbursement and to permit State to meet its obligations to EPA. Notwithstanding any other term or condition of this Agreement, Supplier expressly agrees to proceed with Project construction and to incur Project costs in accordance with that certain Project construction schedule titled "Davis Woodland Water Supply Project – CDPH Coordination Schedule" and attached hereto as Attachment 14. For good cause shown by Supplier, Supplier may request State to approve an extension or modification of the Project construction schedule and, upon receipt of such a request, State will not unreasonably deny the request. State's compliance with USEPA obligations shall constitute a, but not the sole, reasonable grounds for denial of such request. Supplier further expressly agrees that any failure of Supplier to meet the timeline of said schedule or to incur costs at a rate satisfactory to State or to submit claims for disbursement in accordance with the time requirement of Article A-6, hereof, is a material breach of this Agreement and an event of default and State may take any and all action to protect its interests including, but not limited to withholding any or all of the Loan and terminating this Agreement pursuant to Article A-7 and Article A-27, hereof.

(k) State understands and agrees that the Woodland-Davis Clean Water Agency ("JPA") issued its Request for Proposals and solicited proposals to design and construct its project on December 20, 2012, that JPA revised the RFP on April 15, 2013 and June 20, 2013, that on October 10, 2013 JPA selected CH2M HILL Engineers, Inc. as the low bidder and prime contractor to design and construct its project, that on October 10, 2013 JPA awarded a design/construction contract to CH2M HILL Engineers, Inc., and that JPA's competitive RFP and selection process satisfies State's competitive bid procedure requirements.

(l) Supplier, as a condition of funding for the Project, must display and maintain a sign at the main Project construction site that complies with the terms of this Article C-2(l). The sign must contain the United States Environmental Protection Agency's (EPA) logo in a manner that informs the public that the Project received funding from the Safe Drinking Water State Revolving Fund (SDWSRF). The EPA logo must not be used in a manner that implies that the EPA is constructing the Project, and must always be accompanied by statement that the Project received financial assistance from the SDWSRF, and that the SDWSRF is financially supported by the EPA and by the State. Signs must be maintained in good condition until the Project Completion Date. All costs associated with the signs must be reasonable to be considered Eligible Project Costs.

## EXHIBIT D

### COMPLIANCE WITH DAVIS-BACON

#### ARTICLE D-1. DAVIS-BACON PROVISIONS

Supplier is required to comply with all applicable Davis-Bacon Act requirements for all Project construction or construction related activities occurring on or after October 30, 2009.

The USEPA Region 9 has provided guidance on the Davis-Bacon Act requirements, which is attached hereto as "Attachment 8" and incorporated herein by reference. As used in **Attachment 8**, the term "subrecipient" means Supplier, and the terms "State", "State recipient" and "recipient" each mean the California State Department of Public Health.

If Supplier is a governmental entity (including, without limitation, a city, county, city and county, or local agency), the applicable contract language that is required is set forth in Section I of **Attachment 8**. If Supplier is not a governmental entity, the applicable contract language that is required is set forth in Section II of **Attachment 8**.

## EXHIBIT E

### NEW RESTRICTIONS ON LOBBYING

#### ARTICLE E-1. NEW RESTRICTIONS ON LOBBYING

##### 40 CFR Part 34 – New Restrictions on Lobbying

##### Subpart A—General

##### §34.100 Conditions on use of funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, set forth in appendix A, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.

(c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form, set forth in appendix B, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.

(d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, set forth in appendix A, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

(e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form, set forth in appendix B, if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

§34.105 Definitions.

For purposes of this part:

(a) Agency, as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

(b) Covered Federal action means any of the following Federal actions:

(1) The awarding of any Federal contract;

(2) The making of any Federal grant;

(3) The making of any Federal loan;

(4) The entering into of any cooperative agreement; and,

(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan. Loan guarantees and loan insurance are addressed independently within this part.

(c) Federal contract means an acquisition contract awarded by an agency, including those subject to the Federal Acquisition Regulation (FAR), and any other acquisition contract for real or personal property or services not subject to the FAR.

(d) Federal cooperative agreement means a cooperative agreement entered into by an agency.

(e) Federal grant means an award of financial assistance in the form of money, or property in lieu of money, by the Federal Government or a direct appropriation made by law to any person. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, loan insurance, interest subsidies, insurance, or direct United States cash assistance to an individual.

(f) Federal loan means a loan made by an agency. The term does not include loan guarantee or loan insurance.

(g) Indian tribe and tribal organization have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

(h) Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

(i) Loan guarantee and loan insurance means an agency's guarantee or insurance of a loan made by a person.

(j) Local government means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

(k) Officer or employee of an agency includes the following individuals who are employed by an agency:

(1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;

(2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;

(3) A special Government employee as defined in section 202, title 18, U.S. Code; and,

(4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code appendix 2.

(l) Person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(m) Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

(n) Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

(o) Recipient includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any

other Indian organization with respect to expenditures specifically permitted by other Federal law.

(p) Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or a commitment providing for the United States to insure or guarantee a loan, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, cooperative agreement, loan insurance commitment, or loan guarantee commitment. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

(q) State means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

#### §34.110 Certification and disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

(1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

(1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000,

Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under

paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,

(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

(1) A subcontract exceeding \$100,000 at any tier under a Federal contract;

(2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;

(3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,

(4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement,

Shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure

forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either subpart B or C.

#### Subpart B—Activities by Own Employees

#### §34.200 Agency and legislative liaison.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(b) For purposes of paragraph (a) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.

(c) For purposes of paragraph (a) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) For purposes of paragraph (a) of this section, the following agencies and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95–507 and other subsequent amendments.

(e) Only those activities expressly authorized by this section are allowable under this section.

§34.205 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or an extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) For purposes of paragraph (a) of this section, “professional and technical services” shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by this section are allowable under this section.

§34.210 Reporting.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

## Subpart C—Activities by Other Than Own Employees

### §34.300 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) The reporting requirements in §34.110 (a) and (b) regarding filing a disclosure form by each person, if required, shall not apply with respect to professional or technical services rendered directly in the preparation, submission, or negotiation of any commitment providing for the United States to insure or guarantee a loan.

(c) For purposes of paragraph (a) of this section, “professional and technical services” shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting or a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(d) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(e) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(f) Only those services expressly authorized by this section are allowable under this section.

#### Subpart D—Penalties and Enforcement

##### §34.400 Penalties.

(a) Any person who makes an expenditure prohibited herein shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(b) Any person who fails to file or amend the disclosure form (see appendix B) to be filed or amended if required herein, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) A filing or amended filing on or after the date on which an administrative action for the imposition of a civil penalty is commenced does not prevent the imposition of such civil penalty for a failure occurring before that date. An administrative action is commenced with respect to a failure when an investigating official determines in writing to commence an investigation of an allegation of such failure.

(d) In determining whether to impose a civil penalty, and the amount of any such penalty, by reason of a violation by any person, the agency shall consider the nature, circumstances, extent, and gravity of the violation, the effect on the ability of such person to continue in business, any prior violations by such person, the degree of culpability of such person, the ability of the person to pay the penalty, and such other matters as may be appropriate.

(e) First offenders under paragraphs (a) or (b) of this section shall be subject to a civil penalty of \$10,000, absent aggravating circumstances. Second and subsequent offenses by persons shall be subject to an appropriate civil penalty between \$10,000 and \$100,000, as determined by the agency head or his or her designee.

(f) An imposition of a civil penalty under this section does not prevent the United States from seeking any other remedy that may apply to the same conduct that is the basis for the imposition of such civil penalty.

##### §34.405 Penalty procedures.

Agencies shall impose and collect civil penalties pursuant to the provisions of the Program Fraud and Civil Remedies Act, 31 U.S.C. 3803 (except subsection (c)), 3804, 3805, 3806, 3807, 3808, and 3812, insofar as these provisions are not inconsistent with the requirements herein.

#### §34.410 Enforcement.

The head of each agency shall take such actions as are necessary to ensure that the provisions herein are vigorously implemented and enforced in that agency.

#### Subpart E—Exemptions

#### §34.500 Secretary of Defense.

(a) The Secretary of Defense may exempt, on a case-by-case basis, a covered Federal action from the prohibition whenever the Secretary determines, in writing, that such an exemption is in the national interest. The Secretary shall transmit a copy of each such written exemption to Congress immediately after making such a determination.

(b) The Department of Defense may issue supplemental regulations to implement paragraph (a) of this section.

#### Subpart F—Agency Reports

#### §34.600 Semi-annual compilation.

(a) The head of each agency shall collect and compile the disclosure reports (see appendix B) and, on May 31 and November 30 of each year, submit to the Secretary of the Senate and the Clerk of the House of Representatives a report containing a compilation of the information contained in the disclosure reports received during the six-month period ending on March 31 or September 30, respectively, of that year.

(b) The report, including the compilation, shall be available for public inspection 30 days after receipt of the report by the Secretary and the Clerk.

(c) Information that involves intelligence matters shall be reported only to the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives in accordance with procedures agreed to by such committees. Such information shall not be available for public inspection.

(d) Information that is classified under Executive Order 12356 or any successor order shall be reported only to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives or the Committees on Armed Services of the Senate and the House of Representatives (whichever such committees have jurisdiction of matters involving such information) and to the Committees on Appropriations of the Senate and the House of Representatives in accordance with procedures agreed to by such committees. Such information shall not be available for public inspection.

(e) The first semi-annual compilation shall be submitted on May 31, 1990, and shall contain a compilation of the disclosure reports received from December 23, 1989 to March 31, 1990.

(f) Major agencies, designated by the Office of Management and Budget (OMB), are required to provide machine-readable compilations to the Secretary of the Senate and the Clerk of the House of Representatives no later than with the compilations due on May 31, 1991. OMB shall provide detailed specifications in a memorandum to these agencies.

(g) Non-major agencies are requested to provide machine-readable compilations to the Secretary of the Senate and the Clerk of the House of Representatives.

(h) Agencies shall keep the originals of all disclosure reports in the official files of the agency.

#### §34.605 Inspector General Report.

(a) The Inspector General, or other official as specified in paragraph (b) of this section, of each agency shall prepare and submit to Congress each year, commencing with submission of the President's Budget in 1991, an evaluation of the compliance of that agency with, and the effectiveness of, the requirements herein. The evaluation may include any recommended changes that may be necessary to strengthen or improve the requirements.

(b) In the case of an agency that does not have an Inspector General, the agency official comparable to an Inspector General shall prepare and submit the annual report, or, if there is no such comparable official, the head of the agency shall prepare and submit the annual report.

(c) The annual report shall be submitted at the same time the agency submits its annual budget justifications to Congress.

(d) The annual report shall include the following: All alleged violations relating to the agency's covered Federal actions during the year covered by the report, the actions taken by the head of the agency in the year covered by the report with respect to those alleged violations and alleged violations in previous years, and the amounts of civil penalties imposed by the agency in the year covered by the report.

## EXHIBIT F

### COMPLIANCE WITH CROSS-CUTTING FEDERAL AUTHORITIES

#### ARTICLE F-1. COMPLIANCE WITH FEDERAL AUTHORITIES

(a) By its signature to this Agreement to which this Exhibit “F” is attached, Supplier agrees to comply with all applicable state and federal laws and authorities, including but not limited to the federal authorities listed below; and to the fullest extent required by law, shall require compliance with said authorities by its contractors and subcontractors on the Project.

- Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- Debarment and Suspension, Executive Order 12549
- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352 (2)
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- Equal Employment Opportunity, Executive Order 11246
- Women's and Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

(b) In partial compliance with the above list of Cross-cutting Federal Authorities, Supplier agrees to take certain actions specifically set forth in the following Articles:

## ARTICLE F-2. EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

Supplier agrees that it shall be deemed to be a contractor and shall comply with the following requirements in that role:

(a) During the performance of this Agreement, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, or age. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, or age. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the Federal Government setting forth the provisions of the Equal Opportunity Clause and the Rehabilitation Act of 1973. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin, physical or mental handicap, or age, and the rights of applicants and employees.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, physical or mental handicap, or age.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding of notice, to be provided by the Federal Government advising the labor union or workers' representative of the contractor's commitments under the Equal Opportunities Clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of the Rehabilitation Act of 1973 and of the Federal Executive Order No. 11246, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Federal Executive Order No. 11246, as amended, and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the requirements of this Equal Opportunity Clause or with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further federal contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended, and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) of this Article F-2 in every contract, subcontract or purchase order related to this Agreement unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246, as amended, or section 503 of the Rehabilitation Act of 1973, so that such provisions will be binding upon each contractor, subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor or the Director of Federal Compliance Programs or State may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request in writing to State, which, in turn, may request the United States to enter into such litigation to protect the interests of the United States and State.

Each contractor shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of Federal Executive Order 11246, as amended, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(b) In addition, if the Project is to be constructed in a geographical area that has been designated by the Office of Federal Contract Compliance for special treatment, Supplier agrees that it will undertake, and will require its contractors and subcontractors to undertake affirmative action programs in accordance with regulations and other directives promulgated by that Office.

### ARTICLE F-3. PARTICIPATION OF DISADVANTAGED BUSINESS ENTERPRISES

(a) Supplier acknowledges that Executive Orders 11625, 12138, and 12432 are applicable to this Agreement, and that the United States Environmental Agency (EPA) adopted regulations to implement those requirements [40 Code of Federal Regulations Part 33 Participation by Disadvantaged Business Enterprises in United States Environmental Protection Agency Programs – {Federal DBE Regulations}]. In compliance with Federal DBE Regulations, State has negotiated “Fair Share Objectives” with EPA for participation of Minority Business Enterprises and Women’s Business Enterprises in procurement activity undertaken with funds made available to Supplier under this Agreement. The “Fair Share Objectives” are set forth in the CDPH DBE Utilization Guidance attached as **Attachment 9** to this Agreement and incorporated herein by this reference. Supplier agrees that it will cooperate with and assist State in realizing the “Fair Share Objectives” and will exercise good faith efforts to achieve such participation of disadvantaged business enterprises, and in particular agrees that in the selection of construction contractors, and for the procurement of equipment, supplies, construction, and services related to the project, it, at a minimum, has or will undertake the following affirmative steps:

- (1) Include disadvantage business enterprises on solicitation lists;
- (2) Assure that disadvantaged business enterprises are solicited whenever they are potential sources;
- (3) Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by disadvantaged business enterprises;
- (4) Establish delivery schedules, when the requirements of the work permit, which will encourage participation by disadvantaged business enterprises;
- (5) Use the services of the Small Business Administration and the Office of Minority Business Enterprise of the U.S. Department of Commerce, and the California Unified Certification at the California Department of Transportation, as appropriate; and
- (6) If any contractor awards subagreements, require the contractor to take the affirmative steps in paragraphs (1) through (5) of this paragraph.

(b) Supplier agrees that prior to the award of any contract for the procurement of equipment, supplies, construction, or services related to the Project, it has or will review the efforts of such contractor to include disadvantaged business enterprises and will assure State that such contractor has complied with the requirements of this Article F-3. A form for providing said assurance will be provided by State in a form substantially similar to that of **Attachment 10** to this Agreement.

(c) As required by Federal DBE Regulations, Supplier agrees to circulate bid solicitation(s) for this project for a minimum of 15 days.

(d) As required by Federal DBE Regulations, Supplier agrees to require prime contractor to pay subcontractors for satisfactory performance within 30 days from the prime contractor's receipt of payment from the Supplier.

(e) Supplier agrees to include in procurement solicitation provisions related to the utilization of Disadvantaged Business Enterprises in substantially the form of **Attachment 11.**

(f) Supplier agrees to submit the Good Faith Effort documentation received from the selected prime contractor bidder to State.

(g) As required by Federal DBE Regulations, Supplier agrees to create and maintain a bidders list of all firms that bid or quote on prime contracts or bid or quote subcontracts on the project. Supplier shall maintain bidders list until Supplier has certified project completion to State. (See **Attachment 12.**)

(h) Supplier agrees that it shall report to State on procurements and utilization of Disadvantaged Business Enterprises semiannually, within fifteen (15) days after April 1 and October 1, throughout the project, until after submission of the final claim, Supplier shall report, using **Attachment 13** to this Agreement.

#### ARTICLE F-4. PROCUREMENT PROHIBITIONS

By its signature on this Agreement, Supplier certifies that it will not procure goods, services, or materials from any entity, or otherwise utilize any facility for the construction of the Project, if such entity or facility is listed on the USEPA's List of Violating Facilities, and Supplier further certifies it will comply with the provisions of Executive Order No.11738, 3 C.F.R. 799 (1973), Section 306 of the Clean Air Act 42 U.S.C. 7606 (1994) and Section 508 of the Clean Water Act 33 U.S.C. 1368 (1982).

#### ARTICLE F-5. DEBARMENT AND SUSPENSION

Supplier agrees that for purposes of the following subparts (a) and (b), Supplier is the "prospective lower tier participant", and this Funding Agreement is the "proposal".

(a) Instructions for Certification

(1) By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

(2) The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later

determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

(3) The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

(4) The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

(5) The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

(6) The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction", without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions. The prospective lower tier participant shall submit to State all certification submitted pursuant to this paragraph.

(7) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

(8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(9) Except for transactions authorized under paragraph (5) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

(b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ARTICLE F-6. UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT

Supplier will comply, or has already complied with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646, 42 U.S.C. 4655), as amended, which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchase.

STATE OF CALIFORNIA

HEALTH AND HUMAN SERVICES AGENCY  
STATE DEPARTMENT OF PUBLIC HEALTH

**FUNDING AGREEMENT**  
BETWEEN  
CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH  
AND

**WOODLAND-DAVIS CLEAN WATER AGENCY**  
**PROJECT NUMBER: 5710012-008C**

FOR A CONSTRUCTION LOAN AND GRANT UNDER THE  
SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997

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STATE OF CALIFORNIA

HEALTH AND HUMAN SERVICES AGENCY  
STATE DEPARTMENT OF PUBLIC HEALTH

**FUNDING AGREEMENT**  
BETWEEN  
CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH  
AND  
**WOODLAND-DAVIS CLEAN WATER AGENCY**  
  
**PROJECT NUMBER: 5710012-008C**

UNDER THE SAFE DRINKING WATER STATE REVOLVING FUND LAW OF 1997

THIS FUNDING AGREEMENT (this "Agreement") is entered into by and between the California State Department of Public Health ("State") and **Woodland-Davis Clean Water Agency**, a **public** agency, in the County of **Yolo**, State of California, duly organized, existing, and acting pursuant to the laws thereof, ("Supplier"), which parties do hereby agree as follows:

SECTION 1. PURPOSE OF FUNDING

This Agreement constitutes funding in the form of a loan and a grant made by State to Supplier under the provisions of California Safe Drinking Water State Revolving Fund Law of 1997, Chapter 4.5 (commencing with Section 116760), of Part 12 of Division 104 of the Health and Safety Code. The purpose of the funding is to assist in financing construction of a project which will enable Supplier to meet safe drinking water standards established pursuant to Chapter 4 (commencing with Section 116270), of Part 12 of Division 104 of the Health and Safety Code and California Code of Regulations, Title 22, or to address other health concerns (the "Project"). Funds may be used only for such Eligible Project Costs as are approved by State.

This Agreement also constitutes a secured promissory note for Supplier's repayment of the loan.

Supplier is solely responsible for the design, construction, operation, and maintenance of the Project; and for all persons or entities engaged in such work, including but not limited to contractors, subcontractors, suppliers, and providers of services. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of the

loan funds by State and shall not be deemed to relieve or restrict Supplier's responsibility.

## SECTION 2. INCORPORATION OF OTHER DOCUMENTS

This Agreement incorporates by this reference all attachments to this Agreement, Exhibit "A", "Standard Conditions"; Exhibit "B", "Security Requirements"; Exhibit "C", "Special Requirements"; Exhibit "D", "Compliance with Davis-Bacon"; Exhibit "E", "New Restrictions on Lobbying"; Exhibit "F", "Compliance with Cross-cutting Federal Authorities"; that certain "Agreement for the Assumption of Obligations under Funding Agreement" by and between State, Supplier and City of Woodland, Supplier's "Application For Construction Funds"; Project plans and specifications as submitted to and approved by State; and any attachments to said documents.

Supplier accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents and exhibits thereto, and to fulfill all assurances, declarations, representations, and statements made by Supplier in its application, documents, amendments, and communications filed in support of its request for Safe Drinking Water State Revolving Fund financing, including but not limited to any and all plans and specifications submitted to and approved by State.

## SECTION 3. PROJECT COST

Supplier represents that the total cost of the Project is estimated to be **\$206,819,449** (the "Project Cost") of which State agrees that **\$111,358,449** is eligible for Safe Drinking Water State Revolving Fund financing.

## SECTION 4. LOAN AMOUNT

Pursuant to the Safe Drinking Water State Revolving Fund Law of 1997, its applicable rules and regulations, and subject to the availability of funds, State will lend to Supplier in accordance with the terms of this Agreement an amount not to exceed **\$111,358,449** (the "Loan").

For valuable consideration, Supplier agrees to repay State the Principal Amount of the Loan (as defined in Article A-1, hereof) together with interest, Delinquent Interest (as defined in Article A-14, hereof) and other fees and costs due thereon in accordance with terms and conditions of this Agreement. Supplier's promise to pay as set forth in this paragraph, shall survive termination of this Agreement for any reason including but not limited to operation of law.

## SECTION 5. GRANT AMOUNT

Pursuant to the Safe Drinking Water State Revolving Fund Law of 1997, its applicable rules and regulations, and subject to the availability of funds, State will

provide grant funding to Supplier in accordance with the terms of this Agreement in an amount not to exceed **\$0 (zero)** (the "Grant", with the Loan and the Grant hereinafter collectively referred to as, the "Funding").

#### SECTION 6. SUPPLIER'S COST

Supplier agrees to fund any portion of the Project Cost which is in excess of the Funding. Supplier's cost for this Project is estimated to be **\$95,461,000**, ("Supplier's Cost"). Unless otherwise set forth in Exhibit "C" to this Agreement, "Special Requirements", such Supplier's Cost shall be expended prior to the expenditure of State loan funds unless such Supplier's Cost is funded by other State or Federal Agencies, in which case funds shall be drawn on a pro-rata basis.

#### SECTION 7. COMPETITIVE BIDDING

All construction contracts related in any way to the Project shall be let by competitive bid procedures which assure award of such contracts to the lowest responsible bidders. Supplier shall adhere to any applicable state or local ordinance for competitive bidding and applicable labor laws.

Supplier shall not award a construction contract until a summary of bids and identification of the selected lowest responsible bidder is submitted to and approved in writing by State. A full explanation must be provided if Supplier is proposing to award a construction contract to anyone other than the lowest responsible bidder.

#### SECTION 8. REQUIREMENTS FOR DISBURSEMENT

Not later than sixty (60) days following the Date of Execution (as defined in Section 16, hereof), Supplier shall satisfy all conditions precedent to the disbursement of the Funding, including Basic Conditions Precedent as set forth in Article A-3, hereof. Failure by Supplier to satisfy said conditions and requirements by this date may, at the option of State, result in cancellation of this Agreement under Article A-7, hereof.

#### SECTION 9. RATE OF INTEREST

The rate of interest to be paid by Supplier on the Principal Amount of the Loan shall be **1.7875%** percent per annum (the "Rate of Interest"). Interest shall begin to accrue as of the date of each Disbursement (as defined in Article A-6(b), hereof) of the Loan.

#### SECTION 10. LOAN REPAYMENT TERM

The Loan repayment term shall commence on the due date of the first P&I Invoice and expire on the date that is **twenty (20)** years after the due date of the first P&I Invoice (the "Loan Repayment Term")

## SECTION 11. SPECIAL REQUIREMENTS

Supplier shall satisfy the special requirements set forth in Exhibit "C". Failure by Supplier to timely satisfy the special requirements and conditions may, at the option of State, result in cancellation of this Agreement under Article A-7, hereof, or declaration that Supplier is in default pursuant to Article A-27, hereof.

## SECTION 12. OPERATION AND MAINTENANCE OF PROJECT

Upon Project completion and for a period of **thirty (30)** years, which is the reasonably expected useful life of the Project, Supplier shall, as further consideration for the Funding, commence and continue operation of the Project; shall cause the Project to be operated in an efficient and economical manner; shall provide for the making of all repairs, renewals, and replacements necessary for the effective operation of the Project; and shall cause the Project to be maintained in as good of condition as upon its construction, ordinary and reasonable wear and depreciation excepted. Failure by Supplier to operate and maintain the Project in accordance with this provision may, at the option of State, be considered a material breach of this Agreement and may be treated as a default under Article A-27, hereof.

## SECTION 13. FISCAL SERVICES AND DEPOSIT ACCOUNT CONTROL AGREEMENT

Supplier shall enter into a fiscal services agreement with a Fiscal Agent substantially in the form of **Attachment 1** to this Agreement (the "Fiscal Services and Deposit Account Control Agreement"). A Fiscal Agent shall be retained until all amounts due to State under the terms of this Agreement have been paid in full.

Supplier shall open a separate deposit account (the "Deposit Account") with the Fiscal Agent, in which Supplier shall maintain funds, including the Reserve Fund (as defined in Article B-4, hereof), sufficient to service the Loan. Funds from the Deposit Account shall be used only for payment of principal and/or interest on the Loan, or any delinquencies thereon, until the Loan is repaid in full.

Once State approves the Fiscal Services and Deposit Account Control Agreement, Supplier shall not do any of the following without first obtaining written approval by State: amend the Fiscal Services and Deposit Account Control Agreement; close the Deposit Account; or retain a new Fiscal Agent.

State shall have no obligation to make Disbursements (as defined in Article A-6(b), hereof) until the Fiscal Agent has been engaged and the Fiscal Services and Deposit Account Control Agreement between Supplier and the Fiscal Agent has been approved by State.

## SECTION 14. PROJECT OFFICIALS AND NOTICES

State's Contract Manager shall be the Chief, Drinking Water Technical Programs Branch, Division of Drinking Water and Environmental Management, California State Department of Public Health.

State's Contract Manager shall be its representative for administration of this Agreement, and shall have authority to make recommendations and findings with respect to each controversy arising under or in connection with this Agreement, including but not limited to, the interpretation, performance, or payment for work performed under this Agreement. All such recommendations and findings shall be communicated to the Chief, Division of Drinking Water and Environmental Management of the California State Department of Public Health (the "Chief"), and disputes shall be resolved in accordance with Article A-25, hereof.

Supplier's Contract Manager shall be its **General Manager**. Supplier's Contract Manager shall be its representative for administration of this Agreement. All communications given to Supplier's Contract Manager shall be deemed given to Supplier and shall be binding on Supplier.

Either party may change its Contract Manager upon written notice to the other party.

Notices required to be given in writing by Supplier to State under this Agreement shall be sent to:

California State  
Department of Public Health  
Division of Drinking Water and Environmental Management  
Safe Drinking Water State Revolving Fund Program  
Attn: Chief, Drinking Water Technical Programs Branch  
1616 Capitol Avenue, MS 7418  
Post Office Box 997377  
Sacramento, CA 95899-7377

Notices required to be given in writing by State to Supplier under this Agreement shall be sent to:

Woodland-Davis Clean Water Agency  
Attn: General Manager  
1717 Fifth Street  
Davis, CA 95616

A change of address for delivery of notice may be made by either party by written notice of such change of address to the other party.

All written notices that are required either expressly or by implications to be given by one party to the other under this Agreement shall be signed for State by its Contract Manager and for Supplier by its Contract Manager. Except as otherwise expressly required by this Agreement, all such notices shall be deemed to have been given if delivered personally or if enclosed in a properly addressed postage prepaid envelope and deposited in a United States Post Office for delivery by registered or certified mail.

## SECTION 15. ENFORCEMENT

Any enforcement action, arising out of or relating to this Agreement may be brought by State or any agent thereof.

## SECTION 16. MISCELLANEOUS PROVISIONS

### ATTORNEY FEES

In the event either party commences an action or proceeding concerning the subject matter of this Agreement, the prevailing party in such action or proceeding shall be entitled to recover reasonable attorney fees incurred therein.

### SEVERABILITY

If any provision of this Agreement is held invalid or unenforceable by any court of final jurisdiction, it is the intent of the parties that all other provisions of this Agreement be construed to remain fully valid, enforceable, and binding on the parties.

### GOVERNING LAW

This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.

### CHILD SUPPORT COMPLIANCE ACT

Supplier acknowledges that it is the policy of this state that anyone who enters into a contract with a state agency shall recognize the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with Section 5200) of Part 5 of Division 9 of the Family Code. Supplier further acknowledges that to the best of its knowledge it is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the Employment Development Department.

### FEDERAL FINANCIAL ASSISTANCE

Supplier acknowledges that the source of funds disbursed to Supplier by State under this Agreement includes federal financial assistance, and Supplier agrees to comply with all applicable Cross-cutting Federal Authorities including those listed in

Exhibit "F" to this Agreement, and provisions of the Single Audit Act as set forth in the Federal Office of Management and Budget (OMB) Circular A-133.

#### LEGAL CAPACITY

Supplier hereby warrants and represents that it is a legal entity in good standing, and that it has the authority to enter into this Agreement and to incur the indebtedness described herein.

Supplier shall notify State as promptly as feasible of any proposed change in Supplier's ownership, organization, legal form or service area.

#### VENUE

The parties agree that venue of any action between the parties arising out of this Agreement, including disputes that may arise following termination of the Agreement, shall be County of Sacramento, State of California.

#### DATE OF EXECUTION

"Date of Execution" of this Agreement shall be the date of the latest in time execution by a party hereto.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

**SUPPLIER:**

**WOODLAND-DAVIS CLEAN WATER  
AGENCY**

By: \_\_\_\_\_  
Dennis M. Diemer, General Manager

Date: \_\_\_\_\_

Address:  
Woodland-Davis Clean Water Agency  
1717 Fifth Street  
Davis, CA 95616

**Approved as to Legal Form  
and Sufficiency**

By: \_\_\_\_\_  
Richard P. Shanahan, General Counsel

Date: \_\_\_\_\_

**STATE:**

**CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Approved as to Legal Form  
and Sufficiency:**

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## EXHIBIT A

### STANDARD CONDITIONS

#### ARTICLE A-1. DEFINITIONS

Whenever in this Agreement the following terms are used, their meaning shall be as follows unless the context clearly requires otherwise:

Agreement --The Funding Agreement to which this "Exhibit 'A' Standard Conditions" is appended.

Days--Calendar days unless otherwise expressly indicated.

Month--Calendar month unless otherwise expressly indicated.

Year--Calendar year unless otherwise expressly indicated.

Cross-cutting Federal Authorities--Federal laws and Executive Orders that apply in federal financial assistance programs, or to projects and activities receiving federal financial assistance, regardless of whether the statute authorizing the assistance makes them applicable. They are sometimes referred to as "cross-cutters".

Eligible Project Costs--Those Project costs which are eligible for funding under applicable State and Federal law.

Fiscal Agent--A bank, which includes savings banks, savings and loan associations, credit unions and trust companies, or any other financial institution or entity approved by State responsible for funds deposited for the repayment of all amounts due to State under the terms of this Agreement.

Force Account--The use of Supplier's own employees or equipment, for planning, engineering, design, construction or construction related activities on the Project.

Grant Amount-- The aggregate amount of the Grant disbursed to Supplier under this Agreement. The Grant Amount is characterized as a subsidized loan principal amount, as authorized by 42 U.S.C. 300j-12(d), is not intended and shall not be characterized as a federal subgrant.

Principal Amount of the Loan --The total amount disbursed to Supplier under this Agreement less any Grant Amount disbursed and any amount of such total amount disbursed that may have been repaid or remitted to State by Supplier.

Project Completion Date--The date that is determined by Article A-8, hereof.

Public Water System or Public Water Supply System--A system for the provision to the public of water for human consumption, as defined in Part 12, Chapter 4 (commencing with Section 116270), of Division 104 of the Health and Safety Code, as it may be amended from time to time.

## ARTICLE A-2. TERM OF AGREEMENT

Subject to the provisions of Article A-7, this Agreement shall become effective on the Date of Execution and shall remain in effect until the Principal Amount of the Loan, all interest thereon, and any other sums of money due to State under this Agreement, have been paid in full or until the expiration of the period of time required for operation and maintenance of the Project, as set forth in Section 12 of this Agreement, whichever shall occur last (the "Term of Agreement").

## ARTICLE A-3. BASIC CONDITIONS PRECEDENT

State shall have no obligation to disburse the Funding, or any portion thereof, unless and until Supplier has done all of the following:

(a) Supplier's governing body has taken action authorizing it to borrow the Loan and to enter into this Agreement, and designating a representative to execute this Agreement and to sign claims for Disbursements (as defined in Article A-6(b), hereof);

(b) Supplier has dedicated a source of revenue for repayment of the Principal Amount of the Loan plus all interest accrued;

(c) Supplier has executed all documents required to provide the security required by Article B-3, hereof;

(d) Supplier has executed a Deposit Account Maintenance Agreement substantially in the form of **Attachment 2** to this Agreement; and Supplier has established all accounts required by the Deposit Account Maintenance Agreement;

(e) Supplier has engaged the services of a Fiscal Agent and the Fiscal Services and Deposit Account Control Agreement has been fully executed as required by Section 13 of this Agreement;

(f) Supplier has submitted an initial budget summary to State substantially in the form of **Attachment 3** to this Agreement and said initial budget summary has been approved by State; and,

(g) Supplier has submitted a Schedule for Submission of Claims for Reimbursement (the "Schedule") in the form of **Attachment 4**. Supplier's Schedule shall comply with the time requirements for claim submission set forth in Article A-6(a) of this Agreement.

Determination of Supplier's satisfaction of the conditions of this Article A-3 is at the sole discretion of State.

#### ARTICLE A-4. COMPLIANCE WITH LAWS, REGULATIONS, AND PERMIT REQUIREMENTS

Supplier shall at all times comply with, and require its contractors and subcontractors to comply with, all applicable federal and state laws, rules and regulations, permits, and all applicable local ordinances, specifically including, but not limited to, environmental, procurement and safety laws, rules, regulations, permits, and ordinances.

#### ARTICLE A-5. PROJECT CHANGES

As more fully described in Article C-2 of Exhibit C, hereof, the Project consists of multiple design phases. The Project shall be constructed in accordance with plans and specifications approved by State including the initial engineering plans and specifications for the Project as approved by State on **February 10, 2014**. Supplier shall not make any change in the Project, or issue any change order to a contractor which affects the treatment process, would increase the capacity of any Project component, causes a significant change in the location of any Project component, or affects the timely completion of the Project, without receiving prior written approval from State.

Supplier may request a one-time increase in the Funding. Such request shall be based upon the final accepted construction bids. Such request may be granted or denied at the sole discretion of State and is subject to the availability of funds.

Supplier shall not use any funds from any contingency allotment without receiving prior written approval from State.

#### ARTICLE A-6. DISBURSEMENTS BY STATE

(a) Claims. Supplier shall request Disbursement by submitting to State a claim(s) for incurred Eligible Project Costs. A claim for Disbursement (as defined in Article A-6(b)) shall be provided in the form of **Attachment 5** to this Agreement. **Supplier must submit an initial claim not later than ninety (90) days following the Date of Execution for all eligible costs incurred prior to Date of Execution.** Thereafter, Supplier shall submit claims on a monthly basis. Each claim shall include, at a minimum, all eligible costs incurred on or before sixty (60) days prior to the date of the claim. Supplier expressly agrees that State shall have the right to deny disbursement of funds for all costs incurred for which a claim is not timely submitted in accordance with the requirements of this paragraph. Each claim shall include:

(1) a statement of Eligible Project Costs that have been incurred for work performed in constructing the Project during the period identified in the particular claim;

(2) a statement of Eligible Project Costs that have been incurred for the Project during the period identified in the particular claim, including, but not limited to, legal, engineering, and administrative fees associated with the Project; and

(3) copies of invoices and receipts supporting such statements.

(b) Disbursements. Following the review and approval of a claim by State, State will disburse to Supplier an approved amount, subject to the availability of funds (each, a "Disbursement"). All Disbursements, and any and all interest earned by Supplier on the Disbursements, shall be used solely to pay Eligible Project Costs. The Loan shall be disbursed before the Grant is disbursed.

(c) Rejection of Claims. State may reject a claim if:

(1) It is submitted in violation of the terms of this Agreement;

(2) It is submitted without signature or under signature of a person other than Supplier's duly authorized representative;

(3) Supplier fails to timely submit a final claim within the time period specified in Article A-6(f), hereof;

(4) Not submitted in accordance with subpart (a) of this Article A-6; or

(5) Contains costs incurred after the Project Completion Date (as defined in Article A-8, hereof).

State will notify Supplier of any claim so rejected, and the reasons therefore.

(d) Correction of Claims. A claim containing a mathematical error will be corrected by State, after telephone notification to Supplier; and will thereafter be treated as if submitted in the corrected amount. State will provide Supplier with notification of the corrected claim.

(e) Adjustments to Claims. State will notify Supplier by certified or registered mail, whenever, upon review of a claim, State determines that any portion or portions of the costs claimed:

(1) Are ineligible to be financed by the Safe Drinking Water State Revolving Fund under Federal or State law, or the terms of this Agreement,

(2) Do not constitute costs approved by State for financing under the terms of this Agreement;

(3) Are not supported by invoices or receipts acceptable to State; or

(4) Contains costs incurred after the Project Completion Date (as defined in Article A-8, hereof).

Supplier may, within thirty (30) days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Supplier fails to timely submit adequate documentation curing the deficiency(ies), State will adjust the pending claim by the amount of the ineligible and/or unapproved cost(s). Supplier may continue to submit additional documentation in support of rejected cost(s) and may include such cost(s) with additional supporting documentation on a subsequent claim.

(f) Final Claim and Disbursement. Supplier shall submit a final claim not later than six (6) months from the Project Completion Date, as set forth in Article A-8, hereof. In addition to the information required by subpart (a) of this Article A-6, the final claim shall include:

(1) A statement of full written disclosure of all sources and amounts of funds contributed to the Project;

(2) A certification by Supplier's Contract Manager that the data disclosed is true and correct;

(3) Proof of a Recorded Notice of Completion; and

(4) A fully executed "Final Release" in the form of **Attachment 6**.

Should Supplier fail to make the full disclosure and certification required by subparts (1) and (2) of this paragraph (f), or should State become aware through any means that Supplier did not disclose all funding sources for the Project; the Project funding may be referred to State Department of Finance for a full project audit.

Commencement of repayment of the Principal Amount of the Loan and interest pursuant to Article A-13, hereof, may be required prior to the final Disbursement.

(g) Force Account. Supplier may use its own employees for engineering including development of plans and specifications; legal; and administrative costs, as provided for in Supplier's initial budget summary, as required by Article A-3(f), hereof. Supplier may use its own employees for construction or construction related activities if Supplier has obtained prior State approval.

If Supplier is using the services of its own employees, Supplier shall establish accounts and maintain records which reasonably document all employee hours and costs charged to the Project and the associated tasks performed by each employee.

ARTICLE A-7. WITHHOLDING OF LOAN AND GRANT DISBURSEMENTS BY  
STATE AND CANCELLATION OF AGREEMENT

(a) Conditions for Withholding. If State determines that the Project is not being carried out substantially in accordance with the provisions of this Agreement or that Supplier has failed in any other respect to comply with the terms and conditions of this Agreement, State shall give written notice to Supplier of such failure to comply. If Supplier does not cure any such failure to State's satisfaction within thirty (30) calendar days of receipt of such notice, State may withhold from Supplier all or any portion of the Loan and/or Grant and take any other action that it deems necessary to protect its interests, including but not limited to declaring Supplier in default as set forth in Article A-27, hereof, or canceling this Agreement pursuant to subpart (b) of this Article A-7.

(b) Withholding Entire Funding. If State determines to withhold the entire Funding from Supplier pursuant to subpart (a) of this Article A-7, notice of such a determination shall constitute a notice of cancellation of this Agreement, and this Agreement shall no longer be binding on any party hereto. Said notice of cancellation shall be sent to Supplier by certified or registered mail, and shall be effective upon receipt.

(c) Withholding Balance of Loan and/or Grant. Where a portion of the Funding has been disbursed to Supplier and State has determined to withhold the balance of the Loan and/or Grant, State shall notify Supplier in writing, via certified or registered mail, that State is withholding the balance of the Loan and/or Grant from Supplier, pursuant to subpart (a) of this Article A-7. In such event, Supplier is deemed to be in default and subject to the provisions of Article A-27, hereof.

ARTICLE A-8. TIMING OF PROJECT

(a) Supplier shall complete the Project not later than three (3) years from the Date of Execution. Supplier's failure to complete the Project within the specified time period may, at the option of State, be considered a material breach of this Agreement and may be treated as a default under Article A-27, hereof.

(b) Within 15 days following completion of the Project, Supplier shall certify to the local District Office of the California State Department of Public Health that the Project is complete and ready for final inspection. Supplier's certification, as required by this subpart (b), shall be substantially in the form provided by State and attached hereto as **Attachment 7** to this Agreement.

(c) State will conduct a final inspection and certify that the Project is complete. Supplier shall not place the Project into operation prior to State's certification.

(d) The date of State's certification or the date set forth in subpart (a) of this Article A-8, whichever shall occur first, shall be the "Project Completion Date" for purposes of this Agreement.

#### ARTICLE A-9. SUPPLIER'S CONTRACTS

Supplier shall be solely responsible for resolution of any and all disputes arising out of or related to Supplier's contracts for construction of the Project, including but not limited to bid disputes and payment disputes with Supplier's contractors and subcontractors and shall provide appropriate releases (as set forth in Division 4, Part 6, Title 1, Chapter 3 of the Civil Code) as may be requested by State.

#### ARTICLE A-10. AUDIT AND INSPECTION OF BOOKS AND RECORDS

(a) Upon execution of this Agreement and until 3 years following final Disbursement, pursuant to Government Code Section 8546.7, the contracting parties shall be subject to the examination and audit by State or any agent thereof. Parties are also subject to examination and audit of the United States Environmental Protection Agency, the Comptroller General of the United States, and the United States Office of the Inspector General, with respect to all matters connected with the performance of this Agreement, including, but not limited to, the cost of administering this Agreement. If any litigation, claim, negotiations, audit or other action is commenced before the expiration of said time period, all records must be retained until such action is resolved, or until the end of said time period, whichever shall later occur. All records of Supplier relating in any way to funding received pursuant to this Agreement shall be preserved for this purpose.

(b) During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Agreement. Failure or refusal by Supplier to comply with this provision shall be considered a material breach of this Agreement, and State may declare Supplier in default as set forth in Article A-27, withhold Disbursements to Supplier, or take any other action it deems necessary to protect its interests. The provisions of this subpart (b) shall be effective until expiration of the time period provided in subpart (a) of this Article A-10.

#### ARTICLE A-11. STATEMENT OF PRINCIPAL AMOUNT OF LOAN

(a) Transmission of Statement to Supplier. Within sixty (60) days after the final Disbursement, State shall transmit to Supplier a written statement setting forth the Principal Amount of the Loan.

(b) Remittance of Funds by Supplier. Within thirty (30) days from the final Disbursement, Supplier shall remit to State any funds that were disbursed under this Agreement and were not utilized to pay Eligible Project Costs or were otherwise not valid Disbursements pursuant to the terms and conditions of this Agreement.

Such remittance to State shall not constitute repayment of any part of the Principal Amount of the Loan, but shall be deemed to be a return to State of part of the funds disbursed.

#### ARTICLE A-12. INTEREST PAYMENTS DURING CONSTRUCTION

During construction, Supplier shall pay interest to State at the rate specified in Section 9 of this Agreement on all Disbursements of the Loan. Interest on Disbursements of the Loan shall not be deferred.

State will invoice Supplier semiannually for interest accrued during the Project construction period. Interest on each Disbursement of the Loan shall be calculated using the fraction  $x/365$  times the Rate of Interest, where  $x$  is the number of calendar days remaining in the semiannual period from the date on which the Disbursement of the Loan was made. Interest accrued during the construction period is due and payable within thirty (30) days of the date of the invoice.

#### ARTICLE A-13. REPAYMENT OF PRINCIPAL AMOUNT OF LOAN AND INTEREST

(a) Terms of Repayment. State will invoice Supplier semiannually for principal and any interest payments (the "P&I Invoice"). The P&I Invoices will include a statement of the then Principal Amount of the Loan, the amount of the payment which constitutes principal to be paid, and the amount of the payment which constitutes interest, if any, to be paid.

Supplier shall make semiannual payments to State no later than January 1 and July 1 of each year until the Principal Amount of the Loan is repaid in full. Principal and interest payments shall commence no later than one (1) year from the Project Completion Date. Supplier shall make level semiannual payments based on a standard semiannual payment loan amortization method to be determined by State. The standard amortization method shall incorporate the Principal Amount of the Loan as determined by Article A-11, hereof, the Loan Repayment Term specified in Section 10 of this Agreement, and the Rate of Interest, as specified in Section 9 of this Agreement. The final semiannual payment shall be in an amount equal to the then outstanding Principal Amount of the Loan, plus any remaining unpaid accrued interest. Interest on the Principal Amount of the Loan shall not be deferred.

Unless earlier payment is required by the terms of this Agreement, the Principal Amount of the Loan, interest, Delinquent Interest, and any other charges or fees shall be due and payable **twenty (20)** years from the due date of the first P&I Invoice.

(b) Advance Payment Option. Supplier may make advance payment against principal without penalty, provided that any such advance payment shall be applied first to interest then owed and then to principal, and provided further, that any such payment

shall not relieve Supplier of its obligations to make payments in the amount and at the time specified in subpart (a) of this Article A-13 until the Principal Amount of the Loan is repaid in full. Any advance payment must be coordinated with State prior to the making of any such payment to ensure proper credit to Supplier's account.

#### ARTICLE A-14. PAYMENT DELINQUENCY

Any payment of principal and/or interest required to be paid by Supplier to State pursuant to this Agreement which remains unpaid after it becomes due and payable shall be delinquent. Delinquent interest charges shall be in addition to any other charges or payments owing State from Supplier and shall accrue at the rate of one tenth of one percent (0.1%) per day, on the amount of such delinquent payment, for each day it remains unpaid past the tenth (10th) day after the date payment was due (the "Delinquent Interest"). The Delinquent Interest assessed will not be added to the Principal Amount of the Loan but will be treated as a separate account and obligation of Supplier. Delinquent Interest shall accrue on the total payment amount from the due date of payment through the date payment is made. Any payment by Supplier under terms of this Agreement is deemed to have been made when it is received by State.

#### ARTICLE A-15. ACCOUNTING AND DEPOSIT OF DISBURSEMENTS

(a) Separate Accounting of Disbursements and Interest; Records. Supplier shall account for Disbursements received separately from all other Supplier's funds. Supplier shall maintain accounting procedures that are in accordance with Generally Accepted Accounting Principles. Supplier shall keep complete and accurate records of all receipts, Disbursements, and interest earned on the Disbursements. Invoices must be maintained for a period of at least three (3) years following final Disbursement. All other records must be maintained for the Loan Repayment Term.

Supplier shall require its agents, contractors and subcontractors to maintain books, records, and other documents pertinent to their work in accordance with Generally Accepted Accounting Principles. Records are subject to inspection by State at any and all reasonable times.

(b) Disposition of Funds Disbursed. In addition to specific requirements set forth in this Agreement, all Disbursements shall be deposited, administered, and accounted for pursuant to all provisions of law applicable to Supplier.

(c) Interim and Final Audits. In addition to the provisions of Article A-10, at any time following the Date of Execution and until completion of the Project, or final Disbursement, whichever shall occur last, State reserves the right to conduct an audit of Supplier's disposition of the Funding. After completion of the Project, State may require Supplier to conduct a final audit at Supplier's expense; such audit to be conducted by and a report prepared by an independent Certified Public Accountant.

Failure or refusal by Supplier to comply with these provisions shall be considered a material breach of this Agreement and State may elect to pursue any remedies included but not limited to those provided in Article A-7, hereof.

#### ARTICLE A-16. INSPECTIONS OF PROJECT BY STATE

State shall have the right but not the duty to inspect the work being performed on the Project at any and all reasonable times during the Term of Agreement. This right shall extend to inspection of any portion of the Project under control of Supplier's contractor and/or subcontractors, and Supplier shall include provisions ensuring such access in all its contracts or subcontracts related to the Project.

#### ARTICLE A-17. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION

During the Term of Agreement:

(a) Supplier shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Supplier's service of domestic water, without prior written consent of State. State may require as a condition of such consent, that Supplier's proceeds from any such disposition of any real or personal property be transferred to State to be applied to Supplier's indebtedness under this Agreement.

(b) Supplier shall not take any action, including but not limited to actions relating to user fees, charges and assessments that could adversely affect the ability of Supplier to make timely payments or to otherwise meet its obligations under this Agreement.

#### ARTICLE A-18. NONDISCRIMINATION CLAUSE

During the Term of Agreement, Supplier, its contractors and subcontractors shall not deny this Agreement's benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age or sex. Supplier, its contractors and subcontractors shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.

Supplier, its contractors and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12900 et seq.), the regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the

Government Code (Government Code Sections 11135-11139.7) and the regulations or standards adopted by the awarding State Agency to implement such article.

By signing this Agreement, Supplier assures State that it shall comply with the requirements of the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA; the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d (1988) et seq.; Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794 (1989); Federal Water Pollution Control Act Amendments of 1972, Pub.L. No. 92-500, 86 Stat 816; and the Age Discrimination Act of 1975, as amended, 42 U.S.C. 6102 (1994); together with all applicable regulations and guidelines adopted to implement same (collectively, the "Anti-Discrimination Laws").

Supplier agrees to collect and maintain information to show compliance with the Anti-Discrimination Laws including a list of discrimination complaints, reports of any compliance reviews conducted by other agencies, descriptions of any pending discrimination-based lawsuits and data on the racial, ethnic, national origin, sex and handicap characteristics of the population it serves.

Supplier agrees to cooperate with State in any manner necessary to permit State to adequately report to the United States Environmental Protection Agency on Supplier's compliance with the Anti-Discrimination Laws.

Supplier, its contractors and subcontractors shall give written notice of their obligations under this Article A-18 to labor organizations with which they have a collective bargaining or other agreement.

Supplier's signature on this Agreement shall constitute a certification under the penalty of perjury under the laws of the State of California that Supplier has, unless exempted, complied with the nondiscrimination program requirements of Government Code Section 12990, and Title 2, California Code of Regulations Section 11102.

Supplier shall include the nondiscrimination and compliance provisions of this Article A-18 in all contracts and subcontracts to perform work on the Project.

#### ARTICLE A-19. WORKERS' COMPENSATION CLAUSE

Supplier affirms that it is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Supplier affirms that it will comply with such provisions before commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

#### ARTICLE A-20. SUCCESSORS AND ASSIGNS

This Agreement and all of its provisions shall inure to the benefit of, apply to, and bind the heirs, successors and assigns of the parties hereto. No assignment or transfer of this Agreement or any part hereof by Supplier shall be valid unless and until it is approved in writing by State and made subject to such reasonable terms and conditions as State may impose.

#### ARTICLE A-21. STATE TO BE HELD HARMLESS

Supplier shall indemnify, hold harmless, protect and defend State and its officers, employees, agents and representatives from loss, suits, actions or claims brought for, or on account of violation of laws, ordinances, rules, or regulations, or injury, damage, or loss, including death, caused by acts or omissions of Supplier, its employees, contractors, or agents; or in any way arising from, or related to the Project.

#### ARTICLE A-22. REMEDIES NOT EXCLUSIVE

The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive, and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.

#### ARTICLE A-23. AMENDMENTS

This Agreement may be amended only by mutual written agreement signed by the parties hereto. Requests by Supplier for amendments must be in writing stating the amendment request and the reason for the request.

#### ARTICLE A-24. WAIVER OF RIGHTS

It is the intention of the parties hereto that from time to time either party may waive any of its rights under this Agreement unless contrary to law. Any waiver by either party hereto of rights arising in connection with this Agreement shall not be deemed to be a waiver with respect to any other rights or matters.

#### ARTICLE A-25. DISPUTE CLAUSE

Any dispute that Supplier may have regarding the performance of this Agreement including, but not limited to, claims for Disbursements or extensions of time, shall be submitted to State's Contract Manager identified in Section 14 of this Agreement. State's Contract Manager may make findings and recommendations and shall transmit a copy of any such findings and recommendations to the Chief (as defined in Section 14, hereof) who shall make a decision. Such decision shall be written and transmitted to Supplier by certified or registered mail, and shall be final and conclusive. Nothing in this Article A-25 limits Supplier's judicial rights or remedies at law or equity.

#### ARTICLE A-26. PERFORMANCE AND ASSURANCES

Supplier agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in the final plans and specifications as submitted and approved, or as later amended and approved by State under this Agreement and to apply funds received only to Eligible Project Costs and to operate and maintain the Project in accordance with applicable provisions of the law.

#### ARTICLE A-27. DEFAULT PROVISIONS

(a) Supplier will be in default under this Agreement if any of the following occur (each, an "Event of Default"):

(1) Supplier's failure to pay any installment when due, or the entire indebtedness to State when due at the designated due date;

(2) Supplier's failure to make any remittances required by this Agreement;

(3) Supplier's material breach of this Agreement, or any supplement or amendment hereto, or any other agreement between Supplier and State evidencing or securing Supplier's obligations under this Agreement;

(4) Supplier's making of any false warranty, representation, or statement with respect to the Project or with respect to, or as required by, the terms of this Agreement;

(5) Loss, theft, damage or impairment to any collateral given as security under this Agreement;

(6) Seizure of, or levy on any collateral given as security under this Agreement; and/or

(7) Dissolution or cessation of operations by Supplier, termination of Supplier's existence, insolvency of Supplier, or filing of a voluntary or involuntary bankruptcy petition by or on behalf of Supplier.

(b) When an Event of Default occurs, State shall give Supplier notice of default. Supplier shall have thirty (30) calendar days from the date of such notice to cure the default. If Supplier fails to timely cure the default to the satisfaction of State, State may do any or all of the following:

(1) Declare that the aggregate amount of all Disbursements made by State, including any portion of the Grant, shall be deemed the Principal Amount of the Loan, and shall be repaid to State in accordance with the terms of this Agreement;

(2) Declare Supplier's obligations immediately due and payable, with or without demand or notice to Supplier, which Supplier expressly waives;

(3) Terminate any obligation of State to make further Disbursements;

(4) Exercise all rights and remedies available to a secured creditor after default, including, but not limited to, the rights and remedies of secured creditors under the Uniform Commercial Code;

(5) Perform any of Supplier's obligations under this Agreement for Supplier's account;

(6) Notwithstanding the provisions of Section 5, hereof, commencing from the date of each Disbursement, apply the Rate of Interest specified in Section 9, hereof, to all Disbursements made by State, including any portion of the Grant; and/or

(7) Take any other action it deems necessary to protect its interests.

(c) Supplier agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to State as a result of a breach of this Agreement by Supplier, whether such breach occurs before or after completion of the Project.

(d) No waiver by State of any breach or default will be a waiver of any other breach or default.

#### ARTICLE A-28. DRUG-FREE WORKPLACE CERTIFICATION

By signing this Agreement, Supplier hereby certifies under penalty of perjury under the laws of the State of California that Supplier will comply with the requirements of the Drug-Free Workplace Act of 1990 (Government Code Section 8350 et seq.) and will provide a drug-free workplace by taking the following actions:

(a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations;

(b) Establish a Drug-Free Awareness program to inform employees about all of the following:

(1) The dangers of drug abuse in the workplace;

(2) The person's or organization's policy of maintaining a drug-free workplace;

(3) Any available counseling, rehabilitation and employee assistance programs; and

(4) Penalties that may be imposed upon employees for drug abuse violations.

(c) Every employee who works on the Project:

(1) Will receive a copy of Supplier's drug-free policy statement; and

(2) Will agree to abide by terms of Supplier's statement as a condition of employment on the Project.

This Agreement may be subject to suspension of payments or termination, or both, and Supplier may be subject to debarment if State determines that (1) Supplier has made a false certification, or (2) Supplier violates the certification by failing to carry out the requirements of this Article A-28.

#### ARTICLE A-29. CONFLICT OF INTEREST--CURRENT AND FORMER STATE EMPLOYEES

Supplier shall comply with, and shall require that all of its owners, officers, directors, agents, representatives and employees are at all times in compliance with, currently applicable laws and regulations pertaining to conflicts of interest of current and former state employees, including but not limited to Government Code Sections 1090 et seq. and 87100 et seq.; Public Contract Code Section 10410 et seq.; and California Code of Regulations, Title 2, Sections 18700 et seq.

#### ARTICLE A-30. ADDITIONAL INSURED

Supplier agrees that for any policy of general liability insurance concerning the construction of the Project, it will cause, and will require its contractors and subcontractors to cause, a certificate of insurance to be issued showing State, its officers, agents, employees, and servants as additional insured; and shall provide State with a copy of all such certificates prior to the commencement of construction of the Project.

#### ARTICLE A-31. PROHIBITED USE OF STATE FUNDS FOR SOFTWARE

Supplier certifies that it has appropriate systems and controls in place to ensure that the Funding will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

#### ARTICLE A-32. LABOR COMPLIANCE

Supplier shall comply with Public Resources Code Section 75075 regarding labor compliance programs (as such term is defined in California Labor Code Section 1771.5(c), "Labor Compliance Programs"), and all applicable implementing guidelines and regulations adopted by California Department of Industrial Relations. Supplier's failure or refusal to comply with this requirement shall be considered a material breach of this Agreement.

#### ARTICLE A-33. DAVIS-BACON ACT COMPLIANCE

Supplier understands and acknowledges that Pub.L 111-88 and Section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) make applicable provisions of sections 3141-3144, 3146, and 3147 of Title 40 of United States Code ("Davis-Bacon Act") and applicable regulations and guidance regarding wage rates payable to laborers and mechanics employed by contractors and subcontractors on the Project.

Supplier agrees to comply with all applicable Davis-Bacon Act requirements for all Project construction or construction related activities occurring on or after October 30, 2009.

On or after the Date of Execution, Supplier agrees to include, or cause to be included, in full, the applicable language set forth in **Attachment 8**, hereof, in all Project bid solicitation documents and in all Project contracts and subcontracts in excess of \$2,000 entered into for the actual construction, alteration and/or repair, including painting and decorating of any Project component.

Supplier shall send a report to State at the end of each calendar quarter and on a form acceptable to the State, in which Supplier shall certify to State that all applicable Davis-Bacon Act requirements for the Project are being complied with, including, without limitation, the requirement that Supplier certify to State that Supplier is collecting and reviewing certified Davis-Bacon payrolls from Supplier's construction contractors. Supplier's failure to provide the quarterly reports required by this Article A-33 may result in State's withholding Disbursements until the reports are provided in a form acceptable to the State.

#### ARTICLE A-34. NEW RESTRICTIONS ON LOBBYING

If Supplier receives \$100,000 or more in federal funds disbursed under this Agreement, Supplier agrees to comply with all requirements of Title 40 CFR Part 34 "New Lobbying Requirements", as the same may be amended from time to time, and to include, or cause to be included, in full, the language set forth in Exhibit "E" hereof, in all Project contracts and subcontracts.

#### ARTICLE A-35. SINGLE AUDIT ACT

If Supplier receives \$500,000 or more in federal awards in a year from any source, including federal funds disbursed under this Agreement, Supplier agrees to comply with all requirements of the Office of Management and Budget Circular A-133 issued pursuant to the Single Audit Act, as the same may be amended from time to time.

#### ARTICLE A-36. ADDITIONAL REPORTING

Supplier acknowledges that, from time to time during the term of this Agreement, State may receive further guidance from the United States Environmental Protection Agency ("USEPA") which may require additional information/reporting from Supplier. Upon such guidance from USEPA, State will notify Supplier in writing. Upon notification, Supplier agrees to provide the requested information/reports to State in the time period specified. Supplier's failure to provide the requested information/report in the time specified may be deemed by State to be a material breach of this Agreement and may be treated as a default under Article A-27.

#### ARTICLE A-37. DATA UNIVERSAL NUMBER SYSTEM (DUNS)

Supplier shall maintain current DUNS registration(s) in the Dun & Bradstreet database (<http://fedgov.dnb.com/webform>) at all times during which they have active federal awards funded with Safe Drinking Water State Revolving Fund funds.

## EXHIBIT B

### SECURITY REQUIREMENTS

#### ARTICLE B-1 NO PRIORITY FOR ADDITIONAL LOANS

Supplier agrees that it shall not incur any additional indebtedness having any priority in payment over Supplier's obligations to State under this Agreement; and that it shall not give security in any facility or equipment, which are constructed or obtained under the terms of this Agreement, without obtaining prior written consent of State, which consent shall not be unreasonably withheld.

#### ARTICLE B-2 RATES AND CHARGES

Supplier agrees that it will levy and collect assessments or user charges as may be necessary to operate and to maintain the Project and to meet the payments of the Loan when due; and if for any reason, gross revenues prove insufficient to make payments due pursuant to this Agreement, Supplier agrees to raise sufficient funds through increased user charges or assessments or any other legal means available to it to meet the Loan payments and to operate and to maintain the Project.

#### ARTICLE B-3 SECURITY INTEREST

Supplier pledges to repay the entire Principal Amount of the Loan, together with all interest thereon, as set forth in this Agreement, from all amounts paid or payable by City of Woodland to Supplier, pursuant to that certain agreement titled "Amended and Restated Woodland-Davis Clean Water Agency Joint Powers Agreement" dated February 26, 2013, for Supplier's obligations to State under this Agreement (the "JPA Charges"); and Supplier hereby pledges said JPA Charges as collateral (the "Collateral") to secure repayment of the Loan. Supplier hereby represents and agrees that its pledge of the Collateral shall create and constitute a lien and security interest in the Collateral in accordance with the provisions of Government Code Section 5450, et seq.

By its signature to this Agreement, Supplier certifies that any revenue derived from property-related fees and charges needed for the Project or the debt associated with the Project, including but not limited to the Loan obligations under this Agreement, has been approved in accordance with Article XIII C and XIII D of the California Constitution (Proposition 218), or Supplier has obtained a legal opinion explaining why such procedures are not applicable.

#### ARTICLE B-4 RESERVE FUND

Supplier agrees to provide for the accumulation of necessary reserves (the "Reserve Fund") in accordance with Section 13 of this Agreement to assure that funds will be available to make the semiannual payments when due. At a minimum, a reserve

of two (2) semiannual payments shall be accumulated during the first **ten (10)** years of the Loan Repayment Term and thereafter be maintained at that level. The Reserve Fund shall be maintained and administered by the Fiscal Agent.

## EXHIBIT C

### SPECIAL REQUIREMENTS

#### ARTICLE C-1 SECURITY

Supplier grants to State a security interest in the following:

- (a) The Collateral, as more fully described in Article B-3, hereof; and
- (b) The Deposit Account, as more fully described in Section 13, hereof.

If State reasonably determines that the Collateral and Deposit Account are not adequate security, then State reserves the right to require, and Supplier agrees to provide, security in additional real and/or personal property that is available to act as additional collateral and which State determines is reasonably necessary to secure payment of Supplier's obligations under this Agreement. Supplier shall execute any and all documents reasonably required by State to create, perfect and maintain State's security interest(s), including any amendments, modifications, and/or new or revised documents which State determines are reasonably necessary to create, perfect, maintain, preserve, and protect State's security interest(s).

#### ARTICLE C-2 ADDITIONAL REQUIREMENTS

(a) State shall have no duty to disburse funds under this Agreement unless and until Supplier submits to State's Sacramento District Office a copy of the recorded permanent easement for the property known as parcel "P20", anticipated to provide access to a traverse crossing of the Yolo Shortline Railroad and allow the Supplier to construct the Project raw water pipeline.

(b) Supplier shall submit a water supply permit application to State's Sacramento District Office no later than three (3) years from the Date of Execution.

(c) Prior to the start of construction of any of the Project phases listed below, Supplier shall submit plans and specifications for each of the related design phase packages to State's Sacramento District Office for review and approval, which review shall be for the purpose of confirming that Supplier's plans and specifications are in substantial conformance with those previously reviewed by State (as provided for in Article A-5). The approval process will follow the current interactive submittal and follow-up review process that has been established between the parties, with plans and specifications submitted by Supplier, review and comment by State, and preparation of meeting notes that shall be sufficient approval documentation. The parties agree that the following design phase packages constitute a complete, related and interdependent plan and design for the completion of the Project. The following are the design phase packages:

- Phase 1: Early Site Work and Mass Excavation
- Phase 2: Early Concrete Structures
- Phase 2a: Early Yard Pipe
- Phase 3: Process Equipment for Procurement
- Phase 4: Offsite Pipelines
- Phase 5: Balance of Plant

(d) Supplier shall notify State's Sacramento District Office when each of the following Project construction components is fifty percent (50%), seventy-five (75%), and one-hundred percent (100%) complete.

- Joint Water Intake
- Raw Water Pipeline
- Regional Water Treatment Facility
- Woodland Treated Water Pipeline

(e) Supplier shall notify State's Sacramento District Office prior to any start-up testing of the following Project components.

- Joint Water Intake
- Raw Water Pipeline
- Regional Water Treatment Facility
- Woodland Treated Water Pipeline

(f) Supplier shall complete construction of the Project no later than three (3) years from the Date of Execution.

(g) Supplier shall implement the mitigation measures identified in the Davis-Woodland Water Supply Project Environmental Impact Report (SCH#2006042175) and all Reasonable and Prudent Measures identified in the Biological Opinion dated August 7, 2013, for the Project.

(h) State shall have no duty to disburse funds under the terms of this Agreement unless and until Supplier demonstrates to State, in a form and manner satisfactory to State, that the joint water intake facilities portion of the Project is fully funded.

(i) Notwithstanding any other term or condition of this Agreement, including but not limited to Section 6, funds may be disbursed under the terms of this Agreement prior to Supplier's expenditure of Supplier's Cost.

(j) Supplier acknowledges and State agrees that State will fund the Project solely from Federal Safe Drinking Water State Revolving Fund Capitalization Grants provided to the State by the United States Environmental Protection Agency (EPA) and from no other source.

(k) Notwithstanding any other term or condition of this Agreement, the Project shall be constructed in accordance with the engineering plans and specifications that have been approved by State and such other related Project design phase packages as each is approved by State.

(l) Supplier acknowledges that the Project must be conducted in a timely and expeditious manner to ensure availability of federal funds for disbursement and to permit State to meet its obligations to EPA. Notwithstanding any other term or condition of this Agreement, Supplier expressly agrees to proceed with Project construction and to incur Project costs in accordance with that certain Project construction schedule titled "Davis Woodland Water Supply Project – CDPH Coordination Schedule" and attached hereto as Attachment 14. For good cause shown by Supplier, Supplier may request State to approve an extension or modification of the Project construction schedule and, upon receipt of such a request, State will not unreasonably deny the request. State's compliance with USEPA obligations shall constitute a, but not the sole, reasonable grounds for denial of such request. Supplier further expressly agrees that any failure of Supplier to meet the timeline of said schedule or to incur costs at a rate satisfactory to State or to submit claims for disbursement in accordance with the time requirement of Article A-6, hereof, is a material breach of this Agreement and an event of default and State may take any and all action to protect its interests including, but not limited to withholding any or all of the Loan and terminating this Agreement pursuant to Article A-7 and Article A-27, hereof.

(m) The parties acknowledge and agree that Supplier issued its Request for Proposals and solicited proposals to design and construct the Project on December 20, 2012, that Supplier revised the RFP on April 15, 2013 and June 20, 2013, that on October 10, 2013 Supplier selected CH2M HILL Engineers, Inc. as the low bidder and prime contractor to design and construct the Project, that on October 10, 2013 the Supplier awarded a design/construction contract to CH2M HILL Engineers, Inc., and that Supplier's competitive RFP and selection process satisfies State's competitive bid procedure requirements.

(n) Supplier, as a condition of funding for the Project, must display and maintain a sign at the main Project construction site that complies with the terms of this Article C-2(n). The sign must contain the United States Environmental Protection Agency's (EPA) logo in a manner that informs the public that the Project received funding from the Safe Drinking Water State Revolving Fund (SDWSRF). The EPA logo must not be used in a manner that implies that the EPA is constructing the Project, and must always be accompanied by statement that the Project received financial assistance from the SDWSRF, and that the SDWSRF is financially supported by the EPA and by the State. Signs must be maintained in good condition until the Project Completion Date. All costs associated with the signs must be reasonable to be considered Eligible Project Costs.

## EXHIBIT D

### COMPLIANCE WITH DAVIS-BACON

#### ARTICLE D-1. DAVIS-BACON PROVISIONS

Supplier is required to comply with all applicable Davis-Bacon Act requirements for all Project construction or construction related activities occurring on or after October 30, 2009.

The USEPA Region 9 has provided guidance on the Davis-Bacon Act requirements, which is attached hereto as "Attachment 8" and incorporated herein by reference. As used in **Attachment 8**, the term "subrecipient" means Supplier, and the terms "State", "State recipient" and "recipient" each mean the California State Department of Public Health.

If Supplier is a governmental entity (including, without limitation, a city, county, city and county, or local agency), the applicable contract language that is required is set forth in Section I of **Attachment 8**. If Supplier is not a governmental entity, the applicable contract language that is required is set forth in Section II of **Attachment 8**.

## EXHIBIT E

### NEW RESTRICTIONS ON LOBBYING

#### ARTICLE E-1. NEW RESTRICTIONS ON LOBBYING

##### 40 CFR Part 34 – New Restrictions on Lobbying

##### Subpart A—General

##### §34.100 Conditions on use of funds.

(a) No appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(b) Each person who requests or receives from an agency a Federal contract, grant, loan, or cooperative agreement shall file with that agency a certification, set forth in appendix A, that the person has not made, and will not make, any payment prohibited by paragraph (a) of this section.

(c) Each person who requests or receives from an agency a Federal contract, grant, loan, or a cooperative agreement shall file with that agency a disclosure form, set forth in appendix B, if such person has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered Federal action), which would be prohibited under paragraph (a) of this section if paid for with appropriated funds.

(d) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a statement, set forth in appendix A, whether that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

(e) Each person who requests or receives from an agency a commitment providing for the United States to insure or guarantee a loan shall file with that agency a disclosure form, set forth in appendix B, if that person has made or has agreed to make any payment to influence or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with that loan insurance or guarantee.

### §34.105 Definitions.

For purposes of this part:

(a) Agency, as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

(b) Covered Federal action means any of the following Federal actions:

(1) The awarding of any Federal contract;

(2) The making of any Federal grant;

(3) The making of any Federal loan;

(4) The entering into of any cooperative agreement; and,

(5) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan. Loan guarantees and loan insurance are addressed independently within this part.

(c) Federal contract means an acquisition contract awarded by an agency, including those subject to the Federal Acquisition Regulation (FAR), and any other acquisition contract for real or personal property or services not subject to the FAR.

(d) Federal cooperative agreement means a cooperative agreement entered into by an agency.

(e) Federal grant means an award of financial assistance in the form of money, or property in lieu of money, by the Federal Government or a direct appropriation made by law to any person. The term does not include technical assistance which provides services instead of money, or other assistance in the form of revenue sharing, loans, loan guarantees, loan insurance, interest subsidies, insurance, or direct United States cash assistance to an individual.

(f) Federal loan means a loan made by an agency. The term does not include loan guarantee or loan insurance.

(g) Indian tribe and tribal organization have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

(h) Influencing or attempting to influence means making, with the intent to influence, any communication to or appearance before an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

(i) Loan guarantee and loan insurance means an agency's guarantee or insurance of a loan made by a person.

(j) Local government means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

(k) Officer or employee of an agency includes the following individuals who are employed by an agency:

(1) An individual who is appointed to a position in the Government under title 5, U.S. Code, including a position under a temporary appointment;

(2) A member of the uniformed services as defined in section 101(3), title 37, U.S. Code;

(3) A special Government employee as defined in section 202, title 18, U.S. Code; and,

(4) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, U.S. Code appendix 2.

(l) Person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

(m) Reasonable compensation means, with respect to a regularly employed officer or employee of any person, compensation that is consistent with the normal compensation for such officer or employee for work that is not furnished to, not funded by, or not furnished in cooperation with the Federal Government.

(n) Reasonable payment means, with respect to professional and other technical services, a payment in an amount that is consistent with the amount normally paid for such services in the private sector.

(o) Recipient includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any

other Indian organization with respect to expenditures specifically permitted by other Federal law.

(p) Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or a commitment providing for the United States to insure or guarantee a loan, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, cooperative agreement, loan insurance commitment, or loan guarantee commitment. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

(q) State means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

#### §34.110 Certification and disclosure.

(a) Each person shall file a certification, and a disclosure form, if required, with each submission that initiates agency consideration of such person for:

(1) Award of a Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) An award of a Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000.

(b) Each person shall file a certification, and a disclosure form, if required, upon receipt by such person of:

(1) A Federal contract, grant, or cooperative agreement exceeding \$100,000; or

(2) A Federal loan or a commitment providing for the United States to insure or guarantee a loan exceeding \$150,000,

Unless such person previously filed a certification, and a disclosure form, if required, under paragraph (a) of this section.

(c) Each person shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affects the accuracy of the information contained in any disclosure form previously filed by such person under

paragraphs (a) or (b) of this section. An event that materially affects the accuracy of the information reported includes:

(1) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered Federal action; or

(2) A change in the person(s) or individual(s) influencing or attempting to influence a covered Federal action; or,

(3) A change in the officer(s), employee(s), or Member(s) contacted to influence or attempt to influence a covered Federal action.

(d) Any person who requests or receives from a person referred to in paragraphs (a) or (b) of this section:

(1) A subcontract exceeding \$100,000 at any tier under a Federal contract;

(2) A subgrant, contract, or subcontract exceeding \$100,000 at any tier under a Federal grant;

(3) A contract or subcontract exceeding \$100,000 at any tier under a Federal loan exceeding \$150,000; or,

(4) A contract or subcontract exceeding \$100,000 at any tier under a Federal cooperative agreement,

Shall file a certification, and a disclosure form, if required, to the next tier above.

(e) All disclosure forms, but not certifications, shall be forwarded from tier to tier until received by the person referred to in paragraphs (a) or (b) of this section. That person shall forward all disclosure forms to the agency.

(f) Any certification or disclosure form filed under paragraph (e) of this section shall be treated as a material representation of fact upon which all receiving tiers shall rely. All liability arising from an erroneous representation shall be borne solely by the tier filing that representation and shall not be shared by any tier to which the erroneous representation is forwarded. Submitting an erroneous certification or disclosure constitutes a failure to file the required certification or disclosure, respectively. If a person fails to file a required certification or disclosure, the United States may pursue all available remedies, including those authorized by section 1352, title 31, U.S. Code.

(g) For awards and commitments in process prior to December 23, 1989, but not made before that date, certifications shall be required at award or commitment, covering activities occurring between December 23, 1989, and the date of award or commitment. However, for awards and commitments in process prior to the December 23, 1989 effective date of these provisions, but not made before December 23, 1989, disclosure

forms shall not be required at time of award or commitment but shall be filed within 30 days.

(h) No reporting is required for an activity paid for with appropriated funds if that activity is allowable under either subpart B or C.

#### Subpart B—Activities by Own Employees

#### §34.200 Agency and legislative liaison.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement if the payment is for agency and legislative liaison activities not directly related to a covered Federal action.

(b) For purposes of paragraph (a) of this section, providing any information specifically requested by an agency or Congress is allowable at any time.

(c) For purposes of paragraph (a) of this section, the following agency and legislative liaison activities are allowable at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) For purposes of paragraph (a) of this section, the following agencies and legislative liaison activities are allowable only where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and,

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95–507 and other subsequent amendments.

(e) Only those activities expressly authorized by this section are allowable under this section.

§34.205 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement or an extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) For purposes of paragraph (a) of this section, “professional and technical services” shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting of a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by this section are allowable under this section.

§34.210 Reporting.

No reporting is required with respect to payments of reasonable compensation made to regularly employed officers or employees of a person.

## Subpart C—Activities by Other Than Own Employees

### §34.300 Professional and technical services.

(a) The prohibition on the use of appropriated funds, in §34.100 (a), does not apply in the case of any reasonable payment to a person, other than an officer or employee of a person requesting or receiving a covered Federal action, if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal contract, grant, loan, or cooperative agreement or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal contract, grant, loan, or cooperative agreement.

(b) The reporting requirements in §34.110 (a) and (b) regarding filing a disclosure form by each person, if required, shall not apply with respect to professional or technical services rendered directly in the preparation, submission, or negotiation of any commitment providing for the United States to insure or guarantee a loan.

(c) For purposes of paragraph (a) of this section, “professional and technical services” shall be limited to advice and analysis directly applying any professional or technical discipline. For example, drafting or a legal document accompanying a bid or proposal by a lawyer is allowable. Similarly, technical advice provided by an engineer on the performance or operational capability of a piece of equipment rendered directly in the negotiation of a contract is allowable. However, communications with the intent to influence made by a professional (such as a licensed lawyer) or a technical person (such as a licensed accountant) are not allowable under this section unless they provide advice and analysis directly applying their professional or technical expertise and unless the advice or analysis is rendered directly and solely in the preparation, submission or negotiation of a covered Federal action. Thus, for example, communications with the intent to influence made by a lawyer that do not provide legal advice or analysis directly and solely related to the legal aspects of his or her client's proposal, but generally advocate one proposal over another are not allowable under this section because the lawyer is not providing professional legal services. Similarly, communications with the intent to influence made by an engineer providing an engineering analysis prior to the preparation or submission of a bid or proposal are not allowable under this section since the engineer is providing technical services but not directly in the preparation, submission or negotiation of a covered Federal action.

(d) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(e) Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(f) Only those services expressly authorized by this section are allowable under this section.

#### Subpart D—Penalties and Enforcement

##### §34.400 Penalties.

(a) Any person who makes an expenditure prohibited herein shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

(b) Any person who fails to file or amend the disclosure form (see appendix B) to be filed or amended if required herein, shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(c) A filing or amended filing on or after the date on which an administrative action for the imposition of a civil penalty is commenced does not prevent the imposition of such civil penalty for a failure occurring before that date. An administrative action is commenced with respect to a failure when an investigating official determines in writing to commence an investigation of an allegation of such failure.

(d) In determining whether to impose a civil penalty, and the amount of any such penalty, by reason of a violation by any person, the agency shall consider the nature, circumstances, extent, and gravity of the violation, the effect on the ability of such person to continue in business, any prior violations by such person, the degree of culpability of such person, the ability of the person to pay the penalty, and such other matters as may be appropriate.

(e) First offenders under paragraphs (a) or (b) of this section shall be subject to a civil penalty of \$10,000, absent aggravating circumstances. Second and subsequent offenses by persons shall be subject to an appropriate civil penalty between \$10,000 and \$100,000, as determined by the agency head or his or her designee.

(f) An imposition of a civil penalty under this section does not prevent the United States from seeking any other remedy that may apply to the same conduct that is the basis for the imposition of such civil penalty.

##### §34.405 Penalty procedures.

Agencies shall impose and collect civil penalties pursuant to the provisions of the Program Fraud and Civil Remedies Act, 31 U.S.C. 3803 (except subsection (c)), 3804, 3805, 3806, 3807, 3808, and 3812, insofar as these provisions are not inconsistent with the requirements herein.

#### §34.410 Enforcement.

The head of each agency shall take such actions as are necessary to ensure that the provisions herein are vigorously implemented and enforced in that agency.

#### Subpart E—Exemptions

#### §34.500 Secretary of Defense.

(a) The Secretary of Defense may exempt, on a case-by-case basis, a covered Federal action from the prohibition whenever the Secretary determines, in writing, that such an exemption is in the national interest. The Secretary shall transmit a copy of each such written exemption to Congress immediately after making such a determination.

(b) The Department of Defense may issue supplemental regulations to implement paragraph (a) of this section.

#### Subpart F—Agency Reports

#### §34.600 Semi-annual compilation.

(a) The head of each agency shall collect and compile the disclosure reports (see appendix B) and, on May 31 and November 30 of each year, submit to the Secretary of the Senate and the Clerk of the House of Representatives a report containing a compilation of the information contained in the disclosure reports received during the six-month period ending on March 31 or September 30, respectively, of that year.

(b) The report, including the compilation, shall be available for public inspection 30 days after receipt of the report by the Secretary and the Clerk.

(c) Information that involves intelligence matters shall be reported only to the Select Committee on Intelligence of the Senate, the Permanent Select Committee on Intelligence of the House of Representatives, and the Committees on Appropriations of the Senate and the House of Representatives in accordance with procedures agreed to by such committees. Such information shall not be available for public inspection.

(d) Information that is classified under Executive Order 12356 or any successor order shall be reported only to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives or the Committees on Armed Services of the Senate and the House of Representatives (whichever such committees have jurisdiction of matters involving such information) and to the Committees on Appropriations of the Senate and the House of Representatives in accordance with procedures agreed to by such committees. Such information shall not be available for public inspection.

(e) The first semi-annual compilation shall be submitted on May 31, 1990, and shall contain a compilation of the disclosure reports received from December 23, 1989 to March 31, 1990.

(f) Major agencies, designated by the Office of Management and Budget (OMB), are required to provide machine-readable compilations to the Secretary of the Senate and the Clerk of the House of Representatives no later than with the compilations due on May 31, 1991. OMB shall provide detailed specifications in a memorandum to these agencies.

(g) Non-major agencies are requested to provide machine-readable compilations to the Secretary of the Senate and the Clerk of the House of Representatives.

(h) Agencies shall keep the originals of all disclosure reports in the official files of the agency.

#### §34.605 Inspector General Report.

(a) The Inspector General, or other official as specified in paragraph (b) of this section, of each agency shall prepare and submit to Congress each year, commencing with submission of the President's Budget in 1991, an evaluation of the compliance of that agency with, and the effectiveness of, the requirements herein. The evaluation may include any recommended changes that may be necessary to strengthen or improve the requirements.

(b) In the case of an agency that does not have an Inspector General, the agency official comparable to an Inspector General shall prepare and submit the annual report, or, if there is no such comparable official, the head of the agency shall prepare and submit the annual report.

(c) The annual report shall be submitted at the same time the agency submits its annual budget justifications to Congress.

(d) The annual report shall include the following: All alleged violations relating to the agency's covered Federal actions during the year covered by the report, the actions taken by the head of the agency in the year covered by the report with respect to those alleged violations and alleged violations in previous years, and the amounts of civil penalties imposed by the agency in the year covered by the report.

## EXHIBIT F

### COMPLIANCE WITH CROSS-CUTTING FEDERAL AUTHORITIES

#### ARTICLE F-1. COMPLIANCE WITH FEDERAL AUTHORITIES

(a) By its signature to this Agreement to which this Exhibit “F” is attached, Supplier agrees to comply with all applicable state and federal laws and authorities, including but not limited to the federal authorities listed below; and to the fullest extent required by law, shall require compliance with said authorities by its contractors and subcontractors on the Project.

- Procurement Prohibitions under Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans
- Uniform Relocation and Real Property Acquisition Policies Act, Pub. L. 91-646, as amended
- Debarment and Suspension, Executive Order 12549
- Age Discrimination Act of 1975, Pub. L. 94-135
- Title VI of the Civil Rights Act of 1964, Pub. L. 88-352 (2)
- Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Pub. L. 92-500 (the Clean Water Act)
- Section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112 (including Executive Orders 11914 and 11250)
- Equal Employment Opportunity, Executive Order 11246
- Women's and Minority Business Enterprise, Executive Orders 11625, 12138 and 12432
- Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590

(b) In partial compliance with the above list of Cross-cutting Federal Authorities, Supplier agrees to take certain actions specifically set forth in the following Articles:

## ARTICLE F-2. EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENTS

Supplier agrees that it shall be deemed to be a contractor and shall comply with the following requirements in that role:

(a) During the performance of this Agreement, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, or age. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, or age. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided by the Federal Government setting forth the provisions of the Equal Opportunity Clause and the Rehabilitation Act of 1973. Such notices shall state the contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin, physical or mental handicap, or age, and the rights of applicants and employees.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, physical or mental handicap, or age.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding of notice, to be provided by the Federal Government advising the labor union or workers' representative of the contractor's commitments under the Equal Opportunities Clause, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of the Rehabilitation Act of 1973 and of the Federal Executive Order No. 11246, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Federal Executive Order No. 11246, as amended, and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency

and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the requirements of this Equal Opportunity Clause or with the nondiscrimination clauses of this Agreement or with any of such rules, regulations, or orders, this Agreement may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further federal contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended, and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the provisions of paragraphs (1) through (7) of this Article F-2 in every contract, subcontract or purchase order related to this Agreement unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246, as amended, or section 503 of the Rehabilitation Act of 1973, so that such provisions will be binding upon each contractor, subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor or the Director of Federal Compliance Programs or State may direct as a means of enforcing such provisions including sanctions for noncompliance, provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request in writing to State, which, in turn, may request the United States to enter into such litigation to protect the interests of the United States and State.

Each contractor shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of Federal Executive Order 11246, as amended, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(b) In addition, if the Project is to be constructed in a geographical area that has been designated by the Office of Federal Contract Compliance for special treatment, Supplier agrees that it will undertake, and will require its contractors and subcontractors to undertake affirmative action programs in accordance with regulations and other directives promulgated by that Office.

### ARTICLE F-3. PARTICIPATION OF DISADVANTAGED BUSINESS ENTERPRISES

(a) Supplier acknowledges that Executive Orders 11625, 12138, and 12432 are applicable to this Agreement, and that the United States Environmental Agency (EPA) adopted regulations to implement those requirements [40 Code of Federal Regulations Part 33 Participation by Disadvantaged Business Enterprises in United States Environmental Protection Agency Programs – {Federal DBE Regulations}]. In compliance with Federal DBE Regulations, State has negotiated “Fair Share Objectives” with EPA for participation of Minority Business Enterprises and Women’s Business Enterprises in procurement activity undertaken with funds made available to Supplier under this Agreement. The “Fair Share Objectives” are set forth in the CDPH DBE Utilization Guidance attached as **Attachment 9** to this Agreement and incorporated herein by this reference. Supplier agrees that it will cooperate with and assist State in realizing the “Fair Share Objectives” and will exercise good faith efforts to achieve such participation of disadvantaged business enterprises, and in particular agrees that in the selection of construction contractors, and for the procurement of equipment, supplies, construction, and services related to the project, it, at a minimum, has or will undertake the following affirmative steps:

- (1) Include disadvantage business enterprises on solicitation lists;
- (2) Assure that disadvantaged business enterprises are solicited whenever they are potential sources;
- (3) Divide total requirements, when economically feasible, into small tasks or quantities to permit maximum participation by disadvantaged business enterprises;
- (4) Establish delivery schedules, when the requirements of the work permit, which will encourage participation by disadvantaged business enterprises;
- (5) Use the services of the Small Business Administration and the Office of Minority Business Enterprise of the U.S. Department of Commerce, and the California Unified Certification at the California Department of Transportation, as appropriate; and
- (6) If any contractor awards subagreements, require the contractor to take the affirmative steps in paragraphs (1) through (5) of this paragraph.

(b) Supplier agrees that prior to the award of any contract for the procurement of equipment, supplies, construction, or services related to the Project, it has or will review the efforts of such contractor to include disadvantaged business enterprises and will assure State that such contractor has complied with the requirements of this Article F-3. A form for providing said assurance will be provided by State in a form substantially similar to that of **Attachment 10** to this Agreement.

(c) As required by Federal DBE Regulations, Supplier agrees to circulate bid solicitation(s) for this project for a minimum of 15 days.

(d) As required by Federal DBE Regulations, Supplier agrees to require prime contractor to pay subcontractors for satisfactory performance within 30 days from the prime contractor's receipt of payment from the Supplier.

(e) Supplier agrees to include in procurement solicitation provisions related to the utilization of Disadvantaged Business Enterprises in substantially the form of **Attachment 11.**

(f) Supplier agrees to submit the Good Faith Effort documentation received from the selected prime contractor bidder to State.

(g) As required by Federal DBE Regulations, Supplier agrees to create and maintain a bidders list of all firms that bid or quote on prime contracts or bid or quote subcontracts on the project. Supplier shall maintain bidders list until Supplier has certified project completion to State. (See **Attachment 12.**)

(h) Supplier agrees that it shall report to State on procurements and utilization of Disadvantaged Business Enterprises semiannually, within fifteen (15) days after April 1 and October 1, throughout the project, until after submission of the final claim, Supplier shall report, using **Attachment 13** to this Agreement.

#### ARTICLE F-4. PROCUREMENT PROHIBITIONS

By its signature on this Agreement, Supplier certifies that it will not procure goods, services, or materials from any entity, or otherwise utilize any facility for the construction of the Project, if such entity or facility is listed on the USEPA's List of Violating Facilities, and Supplier further certifies it will comply with the provisions of Executive Order No.11738, 3 C.F.R. 799 (1973), Section 306 of the Clean Air Act 42 U.S.C. 7606 (1994) and Section 508 of the Clean Water Act 33 U.S.C. 1368 (1982).

#### ARTICLE F-5. DEBARMENT AND SUSPENSION

Supplier agrees that for purposes of the following subparts (a) and (b), Supplier is the "prospective lower tier participant", and this Funding Agreement is the "proposal".

(a) Instructions for Certification

(1) By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

(2) The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later

determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

(3) The prospective lower tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

(4) The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

(5) The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

(6) The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction", without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions. The prospective lower tier participant shall submit to State all certification submitted pursuant to this paragraph.

(7) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

(8) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(9) Except for transactions authorized under paragraph (5) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

(b) Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

#### ARTICLE F-6. UNIFORM RELOCATION AND REAL PROPERTY ACQUISITION ACT

Supplier will comply, or has already complied with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91-646, 42 U.S.C. 4655), as amended, which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchase.

## AGREEMENT FOR THE ASSUMPTION OF OBLIGATIONS UNDER FUNDING AGREEMENT

THIS AGREEMENT FOR THE ASSUMPTION OF OBLIGATIONS (the "Assumption Agreement") dated June 1, 2014, is entered into between the Woodland-Davis Clean Water Agency (the "Agency"), the City of Woodland (the "City"), and the California State Department of Public Health (the "State").

### RECITALS

A. The Agency has entered into Funding Agreement No. SRF14CX107 (the "Agency SRF Agreement") and the City has entered into Funding Agreement No. SRF14CX106 (the "City SRF Agreement") with the State to finance a portion of the costs of constructing facilities to divert water from the Sacramento River, treat the water, and deliver the treated water to the City and the City of Davis (the "Project").

B. Under the Amended and Restated Woodland-Davis Clean Water Agency Joint Powers Agreement dated February 26, 2013 (the "JPA Agreement"), the City agreed that its water enterprise fund will be responsible for paying its share of all costs of the Agency.

C. The Agency and the City have agreed pursuant to the JPA Agreement that the City will be responsible for the Agency's costs under the Agency SRF Agreement.

D. The Agency, the Conaway Preservation Group, and Tri-City Water and Farm, LLC, entered into a Water Agreement dated December 29, 2010, as amended (the "Water Agreement"), for the purchase of water rights for the Project.

E. The City and the Agency entered in an Installment Purchase Agreement dated December 21, 2010, as amended (the "Installment Purchase Agreement"), pursuant to which the City agreed to pay to the Agency Installment Payments to acquire from the Agency the right to beneficial use of a portion of the water rights purchased by the Agency under the Water Agreement.

F. In the Installment Purchase Agreement, the City pledged the net revenues of its water enterprise to secure its obligation to pay Installment Payments to the Agency.

G. Section 307 of the Installment Purchase Agreement provides that the City may issue Senior Obligations, which are defined as including loans from the State's Safe Drinking Water State Revolving Fund (SRF), "upon such terms and conditions as [the City] shall deem advisable."

H. The State desires that the City's obligations with respect to the Agency SRF Agreement and the City SRF Agreement be secured by a senior pledge of the City's water enterprise revenues; and the City has deemed this condition advisable.

### AGREEMENT

1. City's Assumption of Agency's Obligations. Pursuant to Section 3.3 of the JPA Agreement, the City hereby assumes responsibility for all of the obligations of the Agency to the

State under the Agency SRF Agreement and promises to pay all amounts due thereunder directly to the State. The obligations under this Assumption Agreement are in addition to those of the Agency under the Agency SRF Agreement, and nothing in this Assumption Agreement shall or shall be deemed to amend the terms and covenants of the Agency SRF Agreement.

2. Covenants. The parties agree that all the terms and covenants in the Agency SRF Agreement relating to the operation and maintenance of the City's water system and the levy of rates and charges and the collection of revenues that are stated as obligations of the Agency may be read, at the option of State, as obligations of the City, enforceable directly by the State against the City.

3. Pledge of Gross Revenues. The City hereby pledges its Gross Revenues (as defined in the Installment Purchase Agreement) to the payment of the amounts due under the Agency SRF Agreement and the City SRF Agreement and declares that those pledges constitute liens on the Gross Revenue that are senior to the pledge of Net Revenues that secures the repayment of the Installment Payments under the Installment Purchase Agreement.

[Signatures on the following page]

IN WITNESS WHEREOF, the parties hereto have caused this Assumption Agreement to be executed by in their respective names by their respective duly authorized officers.

Approved as to Legal Form  
and Sufficiency:

**CALIFORNIA STATE  
DEPARTMENT OF PUBLIC HEALTH**

By \_\_\_\_\_  
Assistant Chief Counsel  
State Department of Public Health

By \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**WOODLAND-DAVIS  
CLEAN WATER AGENCY**

**CITY OF WOODLAND**

By \_\_\_\_\_  
General Manager

By \_\_\_\_\_  
City Manager

Attest:

Attest:

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
City Clerk

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
General Counsel

\_\_\_\_\_  
City Attorney

Date \_\_\_\_\_

Date \_\_\_\_\_